

**NORTH CAROLINA'S  
TEMPORARY ASSISTANCE  
FOR  
NEEDY FAMILIES  
  
STATE PLAN  
  
P.L. 104-193**

**THE WORK FIRST PROGRAM**

**NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF SOCIAL SERVICES**

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# WORK FIRST STATE PLAN

## Temporary Assistance for Needy Families (TANF)

### INTRODUCTION

The Work First Program in North Carolina promotes a strengths-based, family-centered practice approach. The Work First Program shares in the mission of the Division of Social Services “to provide family-centered services to children and families to achieve well being through ensuring self-sufficiency, support, safety, and permanence.”\_Work First provides parents with short-term training and other services to help them become employed and move toward self-sufficiency. Other families where grandparents and other relatives are caring for their relative children are able to receive services and support that also prevents children from entering the foster care system unnecessarily.

In accordance with federal law, TANF funds, as well as maintenance of efforts (MOE) funds must meet one of four purposes. The four purposes under TANF are:

1. Assist **needy** families so that children may be cared for in their own homes or in the homes of relatives
2. End dependence of **needy** parents by promoting job preparation, work, and/or marriage
3. Prevent or reduce the incidence of out-of-wedlock pregnancies
4. Encourage the formation and maintenance of two-parent families

In North Carolina Work First emphasizes three strategies:

1. Diversion: Keeping families off welfare by helping them cope with unexpected emergencies or setbacks.

*Under Work First, qualifying families can get a one-time payment equivalent to up to three months worth of Work First cash benefits and other supportive services. In order to receive Benefit Diversion, the Work First worker must document a specific family crisis or episode of need. Benefit Diversion is not appropriate for meeting recurrent or ongoing needs.*

2. Work: Shortening the length of time that families are on Work First by making work mandatory and by limiting how long a family can receive cash assistance.

*To receive Work First Family Assistance or Work First Benefits, parents must register with the Employment Security Commission and sign a Mutual Responsibility Agreement (MRA.) Once the parents move into the work components of the program, they can continue to receive benefits for up to 24 months. In most cases, families who have reached the 24-month limit cannot receive Work First Family Assistance or Work First Benefits for three years. Federal law sets a 60-month cumulative time limit for receiving these benefits.*

3. Retention: Helping families to stay off Work First by encouraging them to save and by helping to make sure they really are better off working than on Work First.

*Work First increased limits from the old Aid to Families with Dependent Children (AFDC) on savings and vehicles, and the state legislature raised income eligibility limits for subsidized childcare to ease the burden on low-income, working families. To help families stay employed, counties are also providing services, such as transportation, childcare, and other supportive services to families whose income is at or below 200 percent of poverty. Families leaving Work First Family Assistance or Work First Benefits for work are able to receive Job Bonus for up to six additional months.*

Ultimately, North Carolina’s goal is to help all families move to self-sufficiency. Most are able to successfully leave the Work First Program and never need to return. Others, because of

hardship or disability, will have a harder time becoming self-sufficient. With those families, the role of the Work First Program is to ensure that they receive all of the services for which they are entitled, such as SSI, Social Security Disability Insurance, etc.

North Carolina's success thus far at helping families move from cash assistance to work has led to a broadened focus for the Work First Program. No longer is the focus just on helping those families who receive cash assistance move off the rolls. While North Carolina remains committed to continuing assistance to those families, the state has added the flexibility and program structure for counties to provide former Work First families with job retention and child and family enrichment services designed to help ensure families experience long-term success. Further, since child support is critical to ensuring families' success, we have expanded the Work First Program to allow counties to provide work-related services to non-custodial parents of Work First children.

Further, ensuring the safety and well-being of children is of utmost concern. Toward that end, North Carolina has taken advantage of the opportunity offered by the TANF Block Grant to enhance our efforts in this area. For example, Work First can provide cash assistance to support children who are being raised by their relatives or children whose parents are disabled.

#### **STATE WELFARE REFORM LEGISLATION**

One provision of North Carolina's law provides for TANF program development by local county governments. The law refers to counties as Standard or Electing. Standard Counties operate the State's Work First Program while Electing Counties have additional flexibility in program design. See Appendix D for a summary of Electing Counties' eligibility policies.

All counties, Standard and Electing, have maximum flexibility in designing their employment programs to meet local needs. However, State law provides that Electing Counties, when combined, can contain no more than 15.5% of the State's Work First cases (at September 1 of each year). The State's and each Electing County's eligibility criteria are described later in this document. (Throughout this plan, all references to "Electing Counties" refer to those counties that have been approved as Electing, which allows them to design their county's Work First Program including eligibility criteria and benefit levels.)

The North Carolina law also requires partnerships between county departments of social services and local Employment Security Commission offices in providing services to assist Work First participants in searching for jobs.

#### **PROGRAM ADMINISTRATION**

The N. C. Department of Health and Human Services is responsible for establishing, supervising, and monitoring the Work First Program. At present, all services and benefits are delivered locally by county departments of social services in each of North Carolina's 100 counties, although Electing Counties may choose to designate an alternative service delivery agent.

Each county developed a county Work First block grant plan, including descriptions of strategies to achieve the measurable statewide outcome goals and performance measures described in this plan. Development of county plans must involve a broad range of public, private, and nonprofit groups. See Appendix A for further discussion on county plan development.

#### **WORK FIRST ELIGIBILITY CRITERIA (STANDARD COUNTIES UNLESS OTHERWISE NOTED)**

Receipt of Work First is based on both non-financial and financial criteria, which are described in Appendix C. Cabarrus County, which is a Standard County, operates a Work Over Welfare program under State law. Their program criteria are described in Appendix E. Electing Counties' criteria are described in Appendix D.

The responsibilities of the recipient and the county are spelled out in a Mutual Responsibility Agreement that describes steps the family will take to become self-sufficient and support services the county will provide. (See Appendix B)

#### **EMERGENCY ASSISTANCE (ALL COUNTIES)**

Counties must use their Work First block grant funds to provide emergency assistance to families in accordance with their local plan. Counties must define the eligibility criteria including who is eligible and the types of emergencies that will be covered. This assistance is designed to assist with families' sporadic emergency needs, such as a utility cut-off or an eviction notice. Emergency assistance is not designed specifically to help families move to self-sufficiency, although, use of this assistance could help a family's progress.

Counties will comply with federal requirements. Emergency assistance does not trigger the 24 or 60-month time limit, nor will families receiving emergency assistance be required to participate in the work program. In addition, families who have exhausted their 24 or 60-month time limit are eligible for Emergency Assistance, provided all other eligibility criteria are met. These families are not included in calculating the State's participation rates.

Counties are allowed to define and describe in their plans local eligibility criteria that include, at a minimum, the following guidelines:

- The family must have a child who lives with a parent or relative as defined in Work First policy and who meets the age requirements for Work First.
- Total income must be at or below 200% of poverty.
- Family members must meet the same citizenship requirements as for Work First.
- Countable income is the same as for Work First.

#### **APPEALS PROCESS**

For Standard Counties, the N. C. Department of Health and Human Services has set uniform standards for determining eligibility, providing benefits, and ensuring fair and equitable treatment. Applicants or recipients who wish to contest a decision adversely affecting their receipt of Work First Family Assistance or Work First Benefits, or workers contending a breach of the non-displacement in work activity provision of federal law, may appeal in accordance with N.C.G.S. 108A-79. Families are informed of their right to appeal and are provided with copies of Work First policy upon request. Electing Counties, as required by State law, have established a local appeals process that substantially complies with the appeals process outlined in N.C.G.S. 108A-79. For Electing Counties, all appeals for Work First are heard locally, not by the State Division of Social Services. Applicants and recipients with disabilities and language needs are provided with reasonable accommodations to assist them in participating in the appeals process if requested.

#### **WORK FIRST SERVICES**

It is important that families receive the services needed to assist them in moving toward self-sufficiency. All counties have maximum flexibility in deciding how they utilize their block grants to provide services to enable families to become and remain self-sufficient. The flexibility available to county departments of social services makes it impossible to outline all of

the services that may be provided. Services that are not specifically prohibited by federal law or regulation may be provided. To the extent that Work First services are available, they may be provided to recipients of Work First Family Assistance or of Work First Benefits at any time to support the activities in the Mutual Responsibility Agreement. In addition, support and family enrichment services may be provided for families whose income does not exceed 200% of the federal poverty level, and work-related services may be provided to non-custodial parents of Work First recipient children. Each county's Work First Plan describes how services will be provided.

### ***Serving Non-Custodial Parents (Optional in All Counties)***

Child support should be a primary income source for most Work First families and a way for former Work First families to remain off Work First. To enhance non-custodial parents' ability to pay child support, North Carolina allows counties to provide work-related services for non-custodial parents of minor children who are Work First recipients. The non-custodial parent's family income must be at or below 200% of the federal poverty guideline. The non-custodial parent is not considered a member of the custodial parent's or caretaker's family. In addition to the ability to provide work-related services, Work First staff are encouraged to work with their local Child Support Enforcement Office and judicial system to have support orders modified to require the non-custodial parent's participation in employment activities.

### ***Serving Low Income Families***

All counties are to provide in their county plan for provision of a variety of services for families with income at or below 200% of the poverty level that have a child who meets the same requirements as for Work First Family Assistance or Work First Benefits.

Counties describe in their county plans how they will provide such services and what types of services they will provide. Services may be varied, including but not limited to, transportation, childcare, job retention bonuses, case management, follow-up services, mentoring programs, after-school learning programs, parenting programs, literacy programs, and post-employment skills training. Families who have exhausted their 24 or 60-month time limit are eligible for these services, provided all other eligibility criteria are met.

### ***Childcare Services***

Counties may provide childcare services subsidized by their Work First Block Grant funds. To qualify, families must be eligible for Work First Family Assistance, for Work First Benefits, or for Work First Services as described in this plan. The childcare services provided must comply with subsidized childcare policies administered by Division of Child Development (DCD). All parents receiving childcare subsidies have a choice of using legally operating providers and information to help them evaluate their childcare arrangement.

All parents who have countable income are required to help pay for the cost of childcare in accordance with the fee schedules administered by DCD.

### ***Transportation Services***

The North Carolina Department of Transportation (NCDOT) and the North Carolina Department of Health and Human Services (NCDHHS) share a mutual interest in exploring new and innovative resources for employment transportation. The common goal is to move Work First recipients not only to work, but also to self-sufficiency. Since April 1998, NCDOT has provided an annual allocation of \$1 million across the state to support the employment transportation needs of former Work First recipients that are working and no longer eligible to receive cash

assistance. The formula-based allocation entitled “Work First Transitional/Employment Transportation Assistance” is made available to each county based on population and public assistance caseload size. Funds may be used for fuel, bus passes, vanpooling and carpooling efforts, volunteer reimbursement, driver wages/fringe benefits, taxi services, insurance, repairs, and maintenance. Although these funds are targeted towards former Work First recipients, they may also be used for other low-income individuals in the community with employment-related transportation needs who are not affiliated with Work First or other human service programs.

Counties are encouraged to develop local partnerships with other human services agencies, transit systems, businesses, workforce development agencies, faith community, civic organizations, etc., to develop and expand alternative transportation resources to meet the community’s transportation needs. Issues such as communication, coordination, mutual trust and respect, policies, marketing, funding resources and cost sharing are all part of the discussion process.

Many counties have developed car ownership programs through partnerships with other organizations. Vehicles donated from private citizens, businesses, and/or local governments are given to select Work First families. There are many different versions of car ownership programs in operation in North Carolina. Most programs require that the Work First recipient pay at least a portion of the costs associated with liability insurance, repairs, taxes, and license and/or title fees. Some counties use Work First Block Grant Funds to purchase vehicles, make down payments, and assist with regular car payments or repairs for Work First families.

#### **SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES**

North Carolina law requires all adult applicants and recipients of Work First Family Assistance or Work First Benefits to be screened for substance abuse. Further assessment is required if indicated by the screening process. A Qualified Professional in Substance Abuse (QPSA) or other qualified staff from the N. C. Division of Mental Health, Developmental Disabilities, and Substance Abuse Services completes a thorough assessment of the individual's situation, including a voluntary mental health screening. If appropriate, a substance abuse treatment plan is developed and a referral is made through the Local Management Entity to identify a provider for treatment. The QPSA serves as the care coordinator to track the adult's progress through treatment. The QPSA and the Work First caseworker jointly develop a plan for the family to ensure success. If an adult refuses to be screened initially for substance abuse, the entire family is ineligible for Work First but is evaluated for Medicaid.

If, after it is determined that substance abuse treatment is required, the adult fails to comply with the treatment plan without good cause, the adult is ineligible for cash assistance. The substance abuse treatment provider will assist the Work First worker in determining good cause. The adult continues to be eligible for Medicaid, is included in the family, and continues to be considered a Work First recipient for purposes of the work requirement and time limits. The family’s payment is recalculated with the adult excluded from the needs, and the payment is made to a protective payee. The children in families where substance abuse has been identified are monitored for referral to substance abuse prevention and other behavioral health services. Participants in treatment programs are expected to combine treatment with other appropriate work activities.

#### **FRAUD AND ABUSE**



The Department of Health and Human Services enforces standards and procedures to detect and prevent fraud and abuse by recipients and employees of the program. An administrative hearing process enables county departments of social services to identify cases of intentional program violations. Individuals found to have committed an intentional program violation are disqualified from Work First Family Assistance or Work First Benefits for 12 months for the first offense, 24 months for the second offense, and permanently for the third. The cash benefit is reduced by the needs of the offender but the offender continues to be subject to time limits and work requirements. The overpayment is also recovered by repayment or payment reduction.

### **OUT-OF-WEDLOCK BIRTHS**

Because out-of-wedlock births are so closely linked to poverty, reducing these births should improve the health of women and children and help reduce dependency on public assistance.

Circumstances contributing to out-of-wedlock births are complex. Strategies to reduce them must address a range of issues from access to family planning services to promoting abstinence and responsible behavior.

County health and social services departments continue to work together to ensure that all recipients receive needed family planning services. Each county health and social services department has formulated a plan to reduce barriers and promote family planning service utilization. An indicator to determine the percent of out-of-wedlock births has been added to the Maternal and Child Health Accountability System to monitor health departments as they strive to meet this goal. This indicator is tracked on a county-by-county basis and is used in the evaluation of each health department's effectiveness, resulting in health departments adopting strategies to improve their county performance measures.

The Department gives high priority to its adolescent parenting and adolescent pregnancy prevention programs and continues to monitor prevention efforts, particularly those aimed at reducing teen pregnancy.

Teen Pregnancy Prevention Initiatives (TPPI), housed in the Division of Public Health, provides funding for local health departments, social services departments, school systems, and other community-based agencies to work with adolescents to prevent pregnancy among target populations. These agencies use "best practice models" in group settings. Techniques may include abstinence and life-skills education, youth development, parent workshops, counseling and referral, community awareness efforts, and male involvement. Topics include decision-making, entrepreneurial leadership, information about specific areas of concern such as sexual coercion, statutory rape laws, and/or service learning.

### **INDIAN TRIBES**

The Eastern Band of Cherokee Indians, the only Indian tribe in North Carolina recognized by the U.S. Bureau of Indian Affairs, has elected to remain under the state Work First Program. County departments of social services provide for the intake, eligibility determination, and Work First Family Assistance, Work First Benefits, and case management for tribal families. However, the county departments of social services do not provide employment services to the tribal members. The Eastern Band of Cherokee Indians continues to operate a pre-existing Native Employment Worker (NEW) program. Therefore, North Carolina does not include these individuals in the state's federal work participation rate.

### **INDIVIDUAL DEVELOPMENT ACCOUNTS (IDA)**

Counties may establish IDA projects locally as described in their block grant plan. Counties' IDA projects must comply with federal regulations and with Section 404 (h) of the Social Security Act.

### **CONFIDENTIALITY**

North Carolina, in accordance with G.S. 108A-80 and applicable federal law, restricts the use and disclosure of information about people receiving assistance under Work First to safeguard the confidentiality of all applicants and recipients.

### **FAMILY VIOLENCE OPTION**

North Carolina has adopted the Family Violence Option. The State has developed standards and procedures to notify all Work First applicants and recipients about domestic violence and the Option, and to identify applicants and recipients with a history of being a victim of domestic violence. These individuals are referred to counseling and supportive services (while maintaining their confidentiality) and may receive a temporary waiver from one or more Work First requirements, if domestic violence is preventing them from meeting these requirements.

The Department may waive Work First requirements such as time limits, participation in work activities, child support cooperation, and family cap provisions in cases where there is good cause that compliance would make it more difficult for the recipient to escape domestic violence. These waivers also apply to situations that would unfairly penalize someone who is, or has been, a victim of domestic violence. The length of waivers is determined on a case-by-case basis but may not exceed six months at a time

### **LOCAL DEMONSTRATIONS OR PILOT PROGRAMS**

Counties may apply to design and operate demonstrations or pilot programs to investigate various ways of meeting the Work First Program purposes and goals. These demonstrations will likely be in areas in which the county lacks the authority to make specific program changes. Funding, in addition to the county's local block grant, may or may not be provided. There may be instances in which the State asks for proposals to address a specific topic. In other situations, counties may apply to the State to operate a pilot without an official request from the State.

### **TANF ELIGIBLE FAMILIES**

In order to achieve the goals of Work First, North Carolina opts to take advantage of the flexibility allowed in the federal law and regulations. Toward that end, the Department defines several categories of eligible families. Eligible families include the following:

- Work First Family Assistance, Work First Benefits, and Benefit Diversion will be provided as follows:
  - Standard Counties - families that meet the income and resource requirements outlined in Appendix C.
  - Electing Counties - families who meet the income and resource requirements outlined in each county's local plan. See Appendix D for summaries.
- Services to prevent or delay pregnancies to unwed parents, teenage parents or other high-risk populations are provided without regard to family income.
- Pregnant women whose income is at or below 200% of poverty may receive support services.
- Non-custodial parents of Work First children where the non-custodial parent's family income does not exceed 200% of the federal poverty guideline may receive work-related services.

- All other services, including, but not limited to: Job retention and advancement services, employment services, support services, and preventive family services (including child protective services and related child welfare activities), but not assistance, may be provided to families with incomes that do not exceed 200% of the federal poverty guideline.
- Limited follow-up and referral services can be provided to any former Work First recipient without regard to family income.
- In addition to serving the families described above, North Carolina provides services covered in North Carolina's approved State Plan as authorized by Parts A and F of Title IV of the Social Security Act in September 1995. For a description of these services, see Appendix F.
- Child Protective Services and related Child Welfare Services may be provided without regard to family income.

## **USE OF FUNDS**

Federal funds will be used in accordance with federal law and regulations.

These TANF funds will be used to meet the four purposes specified in the P.L. 104-193.

Federal, State, and county TANF funds will be invested in activities to support achievement of specified outcome measures. These activities include, but are not limited to enhanced training for State and local staff, automation, employer incentives, family planning services, substance abuse treatment, childcare, transportation, and other activities promoting self-sufficiency for families. In addition, federal TANF funds will be used for the services previously included in the AFDC-EA plan as specified in Appendix F.

Federal TANF funds may be spent as follows and in accordance with federal law and regulations:

- Work First Family Assistance and Work First Benefits (cash assistance.)
- Childcare.
- Supportive services, including, but not limited to work-related expenses and transportation.
- Educational activities intended to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures that involve the provision of services or assistance to a member of an eligible family that is not generally available to other people.
- Administrative costs (which may not exceed 15% of the total funds spent for purposes under Title I of the federal block grant).

[Administration is defined as costs associated with office directors, policy, fiscal, budget, personnel, purchasing, legal, clerical support, and direct, indirect, and allocated costs in support of these positions. The costs of staff that provide case management, program supervisors, program clerical staff, and support costs of program staff are services costs rather than administrative costs. The staff time spent solely on determining financial eligibility, including evaluating assets, is counted as administration.]

- Case management services, including outreach and follow-up activities.

- Expansion of child support efforts, including fatherhood initiatives, training for eligible non-custodial parents. TANF funds or MOE will be used to fund a concentrated plan to increase the level of collections for eligible families.
- Federal funds may also be used to help meet cost-sharing requirements under the Job Access program under Section 3037 of the Transportation Equity Act for the 21<sup>st</sup> Century (P.L. 105-178).
- Automating the provisions of the law.
- Other uses that reasonably can be expected to enable families to care for children in their homes; that promote job preparation, work, and marriage; that prevent or reduce the incidence of out of wedlock pregnancies; and that encourage parents to marry and remain married.
- Any purpose for which the State was authorized to use funds received under Parts A and F of Title IV of the Social Security Act as they were in effect on September 30, 1995. This means that North Carolina will continue, as it has since 1995, to provide services (including child welfare services) to at-risk children as was approved in the Title IV-A State Plan as of September 30, 1995. A description of these services is located in Appendix F.

If federal TANF funds are insufficient to cover cash assistance costs in the event of economic downturns, other Federal, State, and county funds may be used to meet the costs of assisting needy families.

Counties are able to retain partially collections made on overpayments to recipients not due to agency error, including childcare overpayments.

#### **MAINTENANCE OF EFFORT**

Under State law, both the counties and the State provide Maintenance of Effort funds. County spending is generally through the County Work First Block Grant. This Block Grant contains an allocation of Federal funds to be used for those services that meet the requirements for TANF funds. It also contains state and county funds that are used to meet the Maintenance of Effort requirements. Additional State funds for Maintenance of Effort are spent on such items as childcare, State administrative costs and automation.

Maintenance of Effort funds may be used for the activities listed below.

- Work First Family Assistance and Work First Benefits.
- Childcare.
- Supportive and preventive services, including, but not limited to child and family enrichment services, work-related expenses, and transportation.
- Educational activities intended to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures that involve the provision of services or assistance to a member of an eligible family that is not generally available to other people.
- Administrative costs (which may not exceed 15% of the total funds spent for purposes under Title I of the federal block grant).

[Administration is defined as costs associated with office directors, policy, fiscal, budget, personnel, purchasing, legal, clerical support, and direct, indirect, and allocated costs in support of these positions. The costs of staff that provide case management, program

supervisors, program clerical staff, and support costs of program staff are services costs rather than administrative costs. The staff time spent solely on determining financial eligibility, including evaluating assets, is counted as administration.]

- Case management services, including outreach and follow-up activities.
- Services such as housing assistance or health care assistance that can help families meet their goals for self-sufficiency.
- Automating the provisions of the law.
- Other uses that reasonably can be expected to enable families to care for children in their homes; that promote job preparation, work, and marriage; that prevent or reduce the incidence of out of wedlock pregnancies; and that encourage parents to marry and remain married.
- Refundable State Earned Income Tax Credits for families with minor children who qualify for the Federal EITC.
- Programs for at-risk youth that provide after school programming, mentorship, remediation, alternative education, dropout prevention, and other supportive services.
- Early Education and other school readiness programs intended to ensure youth are prepared to enter school.

## **IMPLEMENTATION**

North Carolina will phase in implementation of this State Plan, based on resources, training needed, and automation necessary. A number of provisions will be implemented as soon as policy can be issued since these changes do not require automation or require only minimal training. Any changes requiring modifications to the existing Eligibility Information System (EIS), Food Stamp Information System (FSIS) Employment Programs Information System (EPIS), or Client Services Data Warehouse (CSDW) that support the Work First and Medicaid Programs will be delayed until the modifications can be implemented in the systems. Existing policies remain in effect until the required automation changes can be made effective or changes not requiring automation can be put into place.

## **AMERICANS FOR DISABILITIES ACT REQUIREMENTS (ALL COUNTIES)**

In accordance with Federal law and U.S. Department of Health and Human Services (HHS) policy, county departments of social services are prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. Each county, whether Standard or Electing is required to describe in their Work First County Plans its policies and practices on compliance with American with Disabilities Act (ADA), as well as the provision of interpreter services for its citizens that require such accommodations. Counties are asked to provide a detailed discussion on how the county complies with ADA, as well as requests for interpreter services.

The Personal Responsibility and Work Opportunity Reconciliation Act requires that Title II of the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 (Section 504) apply to TANF programs. The ADA (42 USC Section 12101 *et seq.*; 28 CFR Part 35) applies to counties and other local governments administering all or part of the TANF program, and Section 504 (29 USC Section 794; 45 CFR Part 84) applies to entities which receive federal funding, either directly or indirectly, through a grant, contract, or subcontract. The two significant elements of Section 504 and Title II of the ADA are:

- Individualized treatment and;
- Effective and meaningful opportunity.

Individualized treatment means that individuals with disabilities should be treated on a case-by-case basis and not on stereotypes and generalizations. Further, individuals with disabilities must be afforded the opportunity to benefit from Work First in the same manner as those individuals who do not have disabilities. Exempting individuals with disabilities from work requirements denies these individuals access to services and may result in discrimination.

Section 504 and ADA requires that agencies:

- ensure equal access to employment programs for qualified individuals with disabilities through the provision of appropriate services;
- adopt methods of administration which do not discriminate against and ensures equal access and opportunity to qualified individuals with disabilities; and
- modify policies, practices, and procedures to provide equal access that allows qualified individuals with disabilities to participate in and benefit from employment programs unless doing so would fundamentally change the program or cause an undue hardship.

A disability is defined as a physical or mental impairment that substantially limits major life activities. Major physical or mental impairments include but are not limited to: visual, speech, and hearing impairments, mental retardation, emotional illness, specific learning disabilities, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, orthopedic conditions, cancer, heart disease, diabetes, tuberculosis, and HIV.

Qualified individuals with disabilities must be provided reasonable accommodations so they have an opportunity to participate in and benefit from services and programs that are as effective and meaningful as those available to individuals without disabilities are. A reasonable accommodation is any reasonable change in the way the Work First program administers the program or the way it requires the participant to do something. Exempting the Work First participant for “good cause” when they are unable to meet work requirements because they have a disability or are caring for a family member with a disability is not an alternative to evaluating the need for accommodations.

Any applicant or recipient that meets the ADA definition of disabled and those individuals caring for family members who are disabled should be provided reasonable accommodations, if needed. Reasonable accommodations may include but are not limited to:

1. Part-time work activities
2. Exemption from work activities

The MRA may reflect medical appointments, vocational evaluations, functional assessments etc. These appointments are necessary to establish evidentiary support for limited or no work activities; this should be carefully monitored to ensure the participant is fully benefiting from the Work First program.

3. Job restructuring, which includes part-time or modified work schedules, modification of equipment and examinations, provision of qualified readers, interpreters, or job coaches.

4. Additional supervision in work activities
5. Assistance with application for benefits, notification process for those with learning disabilities
6. Specialized childcare for a child with a disability

Accommodations must be considered even when scheduling appointments and requesting that the individual obtain and provide documents for verification purposes.

An individual, who has requested an accommodation and believes that he/she has not been adequately accommodated, is informed to notify the Work First case manager verbally or in writing. Within 7 workdays of the receipt of notification, the county should have a meeting to include the individual and/or his/her representative and appropriate staff. The county has 14 workdays from the date of the meeting to respond to the request. The county must notify the individual of the decision in writing within the 14 workdays from date of the meeting.

The county department of social services is required to inform the applicant or recipient that disclosure of a disability is voluntary. This includes screening for a disability, including learning disabilities and mental health disorders. Nonetheless, counties must inquire about an individual's health related limitations to determine the appropriate work assignments. The participant does not have to provide the information.

There are times when identification and treatment of a disability are necessary for program administration. Under these circumstances, a participant may be required to participate in efforts to evaluate a suspected disability and participate in necessary treatment. Those circumstances may include:

1. If a participant claims to be unable to work or to have limited work capacity, the individual may be required to substantiate his/her claim by participating in screening and evaluations as agreed on the MRA. Failure to comply may result in a sanction of benefits.
2. If a participant has demonstrated an inability to successfully participate in work activities or employment and the worker has reason to believe this is due to a disability or work limitation, the county may require the participant to be screened or evaluated to establish the necessary services to support the participant in achieving success in the Work First program. If the screening or evaluation determines that the participant requires treatment, the participant may be required to participate in the necessary treatment as a condition of the MRA.

Individuals with confirmed disabilities must be provided with reasonable accommodations and services to support their participation in employment and work related activities.

#### **TITLE VI REQUIREMENTS (ALL COUNTIES)**

In accordance with Federal law and U.S. Department of Health and Human Services (HHS) policy, county departments of social services are prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. Each county, whether Standard or Electing, is required to describe in their Work First County Plans its policies and practices on compliance with Title VI of the Social Security Act, as well as the provision of interpreter services for its citizens that require such accommodations. Counties are asked to provide a detailed discussion on how the county complies with Title VI, as well as requests for interpreter services.

All members included in the Work First application must be US citizens or qualified or otherwise eligible immigrants.

If an applicant or recipient requires an interpreter, the county department of social services must provide such services for the applicant or recipient. Generally, this service is provided during the initial contact with the applicant as well as during ongoing contacts.

All rules of confidentiality must be applied in regard citizenship/immigrant status. It is a breach of confidentiality to discuss an individual's citizenship/immigrant status with employers, landlords, etc.



## **CERTIFICATIONS REQUIRED OF THE GOVERNOR**

As Governor of the State of North Carolina, I hereby certify that during each fiscal year to which this state plan is applicable:

This program will be known as the Work First Program.

The provisions described in this State plan will be carried out in accordance with federal and State law.

The State will operate a Child Support Program in accordance with the State plan approved under Title IV-D of the Social Security Act.

The State will operate a foster care and adoption assistance program in accordance with the State plan approved under Title IV-E of the Social Security Act.

The state will take any actions that are necessary to ensure that children receiving assistance under Title IV-E of the Social Security Act are eligible for medical assistance under Title XIX of the Social Security Act.

The North Carolina Department of Health and Human Services is the agency responsible for supervising the program and administering program funds.

Local governments and private organizations have been consulted regarding the plan and design of welfare services in the state, and they have been given 45 days to submit comments on the plan and design of those services.

The State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan, with equitable access to assistance under the State program funded under Title IV-A of the Social Security Act.

The State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

The State has established, and is enforcing, standards and procedures to screen and identify individuals receiving assistance who have a history of domestic violence. While maintaining the confidentiality, such individuals are referred to counseling and supportive services, and, pursuant to a determination of good cause, program requirements (such as time limits for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions), are waived in cases where compliance with such requirements would make it more difficult for them to escape domestic violence or would unfairly penalize them.

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Beverly Eaves Purdue, Governor  
State of North Carolina

## APPENDIX A

### ELECTING COUNTY BLOCK GRANT PLANS

Biennially, each Electing County must submit to the Department of Health and Human Services a local block grant plan that describes its proposal for the following:

- Work First Employment Services Program,
- Eligibility Criteria for Work First Family Assistance, Work First Benefits, and other Work First Services,
- Emergency Assistance Program,
- Benefit Diversion Program,
- Provision of Work First Services to low-income families,
- Provision of Work First Services to former Work First recipients (Optional), and
- Provision of Work First Services to non-custodial parents of Work First children (Optional).

For Electing Counties, the public must have an opportunity to review and comment on local block grant plans before they are submitted to the Department. The county board of commissioners must appoint a committee of individuals to identify the needs of the population to be served and to review and assist in developing the county block grant plan in response to the needs. Membership of the committee must include, but is not limited to, representatives of the county board of social services, the board of the Local Management Entity for Mental Health, Developmental Disabilities and Substance Abuse Services, the local public health board, the local school systems, the business community, the board of county commissioners and community-based organizations that are representative of the population to be served. In addition, religious organizations, service recipients, and other non-profits with experience in serving the population should be included. The Department provides to all counties a model for use in developing an electing county plan.

The electing county block grant plan should include public and private resources that will help families move to self-sufficiency and should describe how services, such as childcare, transportation, housing, and skills training will be used. The plan must include the county's priorities for serving families who need childcare, based on the needs of the community and the availability of services and funding.

Following review by the county social services board and other parties, the county commissioners must approve the county block grant plan before it is submitted to the Department.

The Department has the responsibility to ensure that counties' programs comply with Federal and State requirements and are consistent with the goals of the Work First Program. County plans for FFY's 2010 and 2011 have been submitted and reviewed by a team representing of a wide variety of agencies and organizations. All plans were reviewed for compliance with State and Federal law and the goals of the Work First Program. Counties received comments and/or feedback on innovative strategies, problem areas, and requests for additional information or clarifications.

See Appendix D for additional information on the Electing County planning process.

## Statewide Work First Goals

The Department, in consultation with the county departments of social services and county boards of commissioners, has established acceptable levels of county performance in meeting Work First expectations. The county block grant plans describe the goals and performance measures and outline the county's plan for meeting the goals and monitoring the identified measures.

The goals and performance measures established below will reinforce North Carolina's successful caseload reduction efforts. With the Deficit Reduction Act of 2005 and the subsequent Federal Final Rule, there is an increased emphasis on meeting the federal requirements for Work Participation Rates. One factor that has helped North Carolina meet the Work Participation Rates in the past has been the Caseload Reduction Credit. By comparing the current caseload to the caseload in 1995, North Carolina could show a significant reduction in the caseload. With that reduction applied by the federal government to the actual participation rates, North Carolina has met its Work Participation Rates each year since the beginning of TANF and Work First. However, with the new law and rule, the base year for the Caseload Reduction Credit changed from 1995 to 2005. The change in the base year makes the Caseload Reduction Credit significantly smaller than in previous years and thus, makes meeting the Work Participation Rates harder to accomplish. Failure to meet the Work Participation Rates can lead to financial penalties.

Therefore, there are two goals for North Carolina's Work First Program, and two goals by which county departments of social services will be measured.

1. **Meeting Federal Work Participation Rates for All Families.** Active participation in employment services and activities will lead to full time employment. Counties must ensure that at least 50% of all Work Eligible Individuals, as defined by Federal Rule, complete the required number of hours of federally countable work activities.
2. **Meeting Federal Work Participation Rates for Two-Parent Families.** Active participation in employment services and activities will lead to full time employment. Counties must ensure that at least 90% of all two-parent families with Work Eligible Individuals, as defined by Federal Rule, complete the required number of hours of federally countable work activities.

By promoting employment, job retention, diversion, and intensive work activities, these outcomes not only assure a continuing downward trend in the caseload, they also will contribute to the state's ability to meet the federal Work Participation Rates.

Tracking county performance measures will assist the Department and counties in focusing on the factors that contribute to caseload reduction, meeting Work Participation Rates, and moving families toward employment and self-sufficiency.

The following have been identified as the Work First Performance Measures:

### 1. **Benefit Diversion Approvals**

This measure represents the number of Benefit Diversion approvals for the county during the report month. Clients who receive Benefit Diversion are not included in the calculations for any of the other measures. They also do not count in the Work Participation Rate.

### 2. **Clients with Hours Scheduled in EPIS**

This measure represents the number of adults in the Work First caseload who are actively receiving employment services as indicated by having hours scheduled for them in the report month.

**3. Clients Who Completed 75% of Scheduled Hours**

This measure indicates whether clients are completing the hours that are scheduled for them (calculated in the prior measure). Specifically it measures the number of clients who completed at least 75% of the hours that were scheduled. Significant differences between the number of clients with scheduled hours and those with completed hours may help counties identify when more research is needed to determine why clients are not completing hours and what can be done to help them do so.

**4. Adults Entering Employment**

This measure calculates the number of adults who entered employment during the report month using the Employment and Training code in the EIS system. Individuals are only counted once in the year-to-date total.

**5. Remaining off Work First for Employment for 12 Months**

The methodology for this measure has been updated from previous years to reflect more accurately whether clients return to Work First within a year of leaving the program for employment. In previous years, this measure used a point in time that only checked whether the person was back on Work First in the 12<sup>th</sup> month after they had left for employment. The calculation for this measure is now checking each month to see if the person returned to Work First in any of the 12 subsequent months. If the individual has not returned to Work First in any of the 12 subsequent months (after leaving Work First for employment), the individual will be counted in this total.

## APPENDIX B

### PERSONAL RESPONSIBILITIES AND WORK REQUIREMENTS

Work First is based on the premise that all parents have a responsibility to support themselves and their children. Under Work First, the Mutual Responsibility Agreement spells out in detail the obligations of parents, relative caretakers, or legal guardians in return for family assistance. All counties require families to enter into Agreements. Electing Counties may develop their own agreements to meet local needs (See Appendix D). All Standard Counties use the same Mutual Responsibility Agreement. However, counties may tailor the agreement to meet local- and family-specific needs.

For the purpose of this section, there is a distinction between the requirements for families that include a “Work Eligible Individual” and those families that do not. Adults receiving Work First Family Assistance or Work First Benefits (TANF) are subject to the federal work requirements. These individuals are considered “Work Eligible Individuals.” Drug felons, fleeing felons, and applicants for SSI or SSDI are not excluded from the definition of work eligible individuals. The following individuals are exempt from the work requirement:

1. Adults receiving cash assistance for a child only. (The adult is not included in the case.)
  - a. A non-recipient relative, other than a parent, living with a child receiving assistance.
  - b. An alien who is ineligible for Work First Family Assistance or Work First Benefits due to immigration status. (Immigration status requires third party verification.)
  - c. A recipient of Social Security Income (SSI.)
  - d. A recipient of Social Security Disability Income (SSDI.)
2. Single custodial parents with a child under 12 months of age. (This exemption is limited to 12 months lifetime and may be limited further by a county’s Work First Plan.)
3. Individuals with “child” family status (youth up to age 18 and not an emancipated minor payee). Emancipation occurs when a dependent child marries, becomes a member of the U. S. Armed Forces, or is declared emancipated by a court. An emancipated minor parent is treated as an adult applicant to qualify for and receive Work First cash assistance for themselves and their child,
4. A parent providing care for a disabled family member living in the home. Medical documentation to support the need for the parent to remain in the home is required from the Health Care Professional responsible for the medical care of the disabled family member.

#### ***Mutual Responsibility Agreements (Standard Counties)***

The first part of the Mutual Responsibility Agreement, the Core Requirements, applies to all families and describes the parent’s or caretaker’s responsibilities. All Agreements must include the first four items and other items, as appropriate, to ensure that parents or caretakers:

- Look for work/register with the local Employment Security Commission, unless exempt. (See above definition of Work Eligible Individuals.)
- Accept and keep any suitable job offered to them, unless good cause exists. (Applies to Work Eligible Individuals.)
- Conduct themselves appropriately on the job in order not to be fired from a job for

- misconduct. (Applies to Work Eligible Individuals.)
- Make sure that children in their care attend school regularly. (All applies to all families.)
- Get the children in their care immunized appropriately and attend regular medical check-ups, (Applies to all families.)
- Cooperate with child support enforcement. (Applies to all families with one or more absent parents.)
- Participate in financial management and life skills classes as needed.
- Participate in substance abuse screening. If the screening indicates, participate in a substance abuse assessment and participate in treatment, if recommended, from the assessment.
- Participate in mental health treatment if mental health issues are identified.
- Attend family planning counseling if needs are identified
- Attend family violence counseling if family violence issues are identified
- Participate in work activities and provide verification of hours in work activities as requested. (Applies to Work Eligible Individuals.)
- Participate in rehabilitation services if needs are identified.
- Live with a parent or other approved adult (required for parents under age 18).

A family is not eligible for Work First Family Assistance or Work First Benefits unless the parent(s) or caretaker(s) signs the Mutual Responsibility Agreement.

The second part of the Mutual Responsibility Agreement, The Plan of Action, is the Work Eligible parent's plan to meet the work requirements. This part:

1. Establishes employment goals for the parent(s);
2. Describes a plan for participating in work or work-related activities and the hours required in each activity; and
3. Describes the case management and supportive services that will be provided to help the family successfully meet the requirements of the MRA and move towards self-sufficiency. Supportive services may include reasonable accommodations for individuals with disabilities and language assistance for LEP populations.

A family whose parent refuses to sign this second part of the Agreement (if required) loses its benefits for at least one month. Benefits will not be restored until the parent signs this part.

### ***Employment Assistance for Work Eligible Individuals***

The Employment Security Commission (ESC) is the presumptive primary deliverer of job placement services for the Work First Program and a critical partner with the Department of Health and Human Services.

Registration for work with ESC will be a prerequisite to participation in the Job Search component of Work First. All work eligible participants who are assessed as ready to engage in job search will be required to register for work with ESC. This requirement will be included on their MRA Plan of Action.

Failure to register for work with ESC as part of the Job Search component will result in a sanction, which entails the loss of the WFFA payment for one month or until compliance, whichever is longer for child only cases. If the parent is an ongoing Work First case, receiving "Work First Benefits," the family will not receive their Work First Benefits for the month that

they failed to comply with Job Search requirements outlined on their Mutual Responsibility Agreement. The county will reevaluate the family for Medicaid.

Counties also may contract with the Employment Security Commission for additional services such as job search, job placement, and referrals to community services. Modifications and/or accommodations may be necessary to assist individuals with registration and with access to employment services.

### ***Work Responsibilities***

Work Eligible individuals are assessed for employability at application for Work First and always within three months of receiving assistance. Single parents of children less than 12 months of age are excluded from the participation rate calculation, if they do not complete enough countable hours to be deemed engaged in work. This exclusion is for a cumulative total period of 12 months.

In all counties, single parents with children under age six who demonstrate that necessary childcare is not available are not sanctioned. (See Child Care Section for required definitions.)

In order to meet the federal Work Participation Rate, Work Eligible Individuals who are single parents with a child under age six must complete an average of 20 hours per week of federally countable work activities. All other Work Eligible Individuals, whose youngest child is age six or older, must complete an average of 30 hours per week of federally countable work activities in order to count toward the all-family participation rate. Two-parent families must complete an average of 35 hours per week of federally countable work activities (55 hours if receiving federally funded childcare) in order to count toward the federal participation rate.

MRA Plans of Action are individualized based on an employability assessment. Often, a Plan of Action will reflect fewer hours per week of activities than those required to meet the Work Participation Rate. This may be due to a shortage of appropriate activities, a shortage of necessary support services, or other personal limitations of the participant. County Work First staff are responsible for balancing these limitations against the expectation of full time participation and the requirement to meet the participation rates. All work eligible individuals are expected to strive and make progress toward full time participation.

The Administration for Families and Children was instructed by the Deficit Reduction Act of 2005 to provide states with specific definitions of federally countable work activities. In February 2008, the Final Rules were issued with the following definitions:

- 1. Unsubsidized employment** means full- or part-time employment in the public or private sector that is not subsidized by TANF or any other public program. This includes self-employment.
- 2. Subsidized employment** means employment for which the employer receives a subsidy from TANF, MOE, or other public funds to offset some or all of the wages and costs of employing a recipient. If the county department of social services pays the subsidy, it is considered wage supplementation. Employers eligible for this subsidy include those in the public, private, and non-profit sectors.

Wage Supplementation - North Carolina counties *may* include wage supplementation as a work component in their local plan. This may include cashing-out food stamp benefits

and the Work First payment. It should be used primarily for families in which the adult may be less job-ready and difficult to place without the subsidy.

For Standard Counties that choose to include wage supplementation as an option in their plan:

- a) A wage supplementation program will consist of a contract between county departments of social services (DSS) and employers. The contract will provide for DSS to make payments to employers using public assistance funds in order to subsidize wages the employer pays to employees who are eligible for public assistance. Contracts may not exceed 12 months.
- b) The amount paid to the employer will be based on the amount of benefits for which the employee's household would be eligible in the absence of the employment. The county DSS may or may not include the dollar amount of the food stamp allotment.
- c) The amount of the supplement will be frozen for the length of the contract.
- d) These job positions must comply with the Fair Labor Standards Act. Additionally, recipients must receive the same benefits (sick and personal leave, health coverage, workmen's compensation, etc.) as similarly situated co-workers who are not participating in wage supplementation.
- e) The DSS expects that the employer will agree to offer the participant a regular unsubsidized position at the end of the subsidy program, if the participant meets all expectations and presents no reason for dismissal.
- f) The employer must maintain records to account for wage supplementation funds that are received and disbursed.
- g) Wage supplementation positions are limited to unfilled positions and cannot displace current employees from jobs.
- h) The WORK FIRST supplementation amount will be the payment amount for which the family would have been eligible in the first month of the subsidized employment (disregarding the income from the subsidized employment). This amount will be the same for the duration of the contract.
- i) If food stamp benefits are included in the subsidy amount, the amount will be frozen for the duration of the contract. The food stamp benefit amount will be increased to compensate for state and/or local food taxes. This cost will be borne by the county.
- j) The portion of wages received by the participant that was subsidized by the county will not be counted as income for determining eligibility for any public assistance.

Another option for subsidized employment is the use of a third-party vendor, like a temporary staffing agency. The third party contractor serves as the employer of record and is paid a fee by the County DSS with TANF or MOE funds, to cover salary, expenses, and success in placing employees.

Funds *may* be used to contract with, or provide job placement vouchers to, public and private employment agencies. Funds *may not* be used to subsidize a job when a person has been laid off from the same (or substantially equivalent) job, or if an employer fired or laid-off a regular employee to fill the job with a subsidized Work First participant.



Individuals are not referred for, or placed on, a job where any regular employee has been laid off from the same job or an equivalent job; or an employer has terminated or otherwise displaced an employee or employees in order to hire a Work First participant. Employees who believe that they have been displaced solely so the employer may hire a Work First participant may file a grievance as described in the Work First Manual.

Work First participants have the same rights under federal, State, or local laws that are applicable to non-Work First employees in the same or similar situations.

3. **Job Search and Job Readiness** means the act of seeking or obtaining employment, preparation to seek or obtain employment, including life skills training, and substance abuse treatment, mental health treatment, or rehabilitation activities. The Job Search/Job Readiness activity is limited as a federally countable activity to no more than four consecutive weeks and no more than 12 weeks in a year. However, Job Search and Job Readiness activities may be a state countable activity when the federal limits are exceeded.
4. **On-the-Job Training** means training in the public or private sector that is given to a paid employee while he or she is engaged in productive work and that provides knowledge and skills essential to the full and adequate performance of the job. While it is possible for a county department of social services to pay the wage subsidy (and engage in all aspects of OJT delivery), counties are encouraged to first explore the availability of existing resources. Often, local community agencies (Department of Labor, Workforce Investment Act offices, some local Employment Security Commission offices, etc.) receive funds to support OJT activities. The funds they receive are intended to cover the subsidies paid to employers and staff time to develop, monitor, and evaluate OJT contracts.
5. **Work Experience**, if sufficient private sector employment is not available, means a work activity, performed in return for welfare that provides an individual with an opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain employment. The purpose of work experience is to improve the employability of those who cannot find unsubsidized employment. Placements in Work Experience are designed to prepare participants to obtain unsubsidized employment by helping them develop a current work history, establish employment references, and develop and improve marketable skills.

The maximum number of hours the participant may be assigned to Work Experience per month is determined by dividing the amount of the Work First Family Assistance (prior to a sanction) or Work First Benefit payment, plus their Food and Nutrition Services allotment by the state or federal minimum wage (not to exceed 40 hours per week), whichever is greater. The participant cannot volunteer additional hours beyond the hours calculated.

The Fair Labor Standards Act does not permit the participant to complete more hours than allowed by the formula even if the participant agrees to the additional hours. However, if the participant completes the maximum number of hours allowed by the FLSA formula, the total number of participation hours is deemed up to 20 hours for counting in the Work Participation Rate.

6. **Community Service** programs mean structured programs and embedded activities in which TANF recipients perform work for the direct benefit of the community under the

auspices of public or nonprofit organizations. Community service programs must be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and childcare. Community service programs are designed to improve the employability of recipients. In consultation with the North Carolina Department of Labor, it is established that most community services positions are considered employer/employee relationships and are subject to the Fair Labor Standards Act (FLSA). The same limits on the maximum number of hours and the ability to deem hours for the Work Participation Rate apply with Community Services, as with Work Experience.

7. **Vocational Educational Training** (not to exceed 12 months with respect to any individual for federally countable hours) means organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations requiring career and technical education. Vocational Educational Training allows for participation in a bachelor's degree or an advanced degree program, as well as two-year degree programs and vocational certificate programs.
8. **GED/HS Completion for Teen Heads of Households** Married Teens and Teen Heads of Households are by Federal definition Work-Eligible Individuals, and therefore are counted in the denominator of the Work Participation Rate. Married Teens and Teen heads of households, through age 19 (through the month in which they turn 20), who maintain satisfactory secondary school attendance, including GED studies, count toward the federal work participation rate.

**Hours of participation in activities in 1 through 8 above are considered “core” activities by federal definition. For the all-families rate, the core requirement is 20 hours per week. For two parent families, the core requirement is 30 hours per week. Once a Work First participant completes the required hours of participation in the core activities, the participant may participate in activities below, and these hours will count in the federal Work Participation Rate.**

9. **Job Skills Training** directly related to employment means training or education for job skills required by an employer to provide an individual with the ability to obtain employment or to advance or adapt to the changing demands of the workplace. This activity can include customized training to meet the needs of a specific employer, or it can be general training that prepares an individual for employment. This can include literacy instruction or language instruction when such instruction is explicitly focused on skills needed for employment or combined in a unified whole with job training.
10. **Education Directly Related to Employment**, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency, means education related to a specific occupation, job, or job offer. This includes courses designed to provide the knowledge and skills for specific occupations, job, or job offer.

The federal government required states to submit a “Work Verification Plan” that described how the state would ensure that the above definitions and requirements for supervision and documentation were met. North Carolina’s Work Verification Plan was approved by the federal government in September 2008.

**Optional items and information specific to North Carolina are discussed below.**

1. State Work Activities - Additional work activities that do not meet the federal definitions are also supported. A worker and the family will use the results of the employability assessment to create the most likely and timely path to self-sufficiency.
2. Post Secondary Education - Up to 20% of Work First recipients may be enrolled, at least part-time, in a post-secondary education program. In Standard Counties, recipients who are enrolled at least part time and who maintain a 2.5 grade point average (or its equivalent) shall have their two-year time limit suspended for up to three years.

### ***Work Verification Requirements***

In compliance with the Deficit Reduction Act of 2005 and the subsequent Final Rule, the State submitted and ACF approved a “[Work Verification Plan](#)” that includes the following:

1. Describes the services or programs the State includes under each work activity. (Services and programs must conform to the Federal definition of these activities.)
2. Describes how the State determines the number of countable hours of participation for each activity.
3. Describes how the State verifies the actual hours of participation for each activity, including the procedures for obtaining and maintaining documentation of hours of participation.
4. Describes the methods of daily supervision for each unpaid work activity.

All county Departments of Social Services, whether Standard or Electing, must adhere to the requirements as outlined in the State’s Work Verification Plan.

### ***Child Care Definitions***

County departments of social services use the following guidelines to evaluate whether adequate childcare is available for single parents with a child under age 6. At each occurrence of non-compliance with the work requirement for a single parent caring for a child under age 6, the county department will document in the case record the reason for the parent’s non-compliance. If the parent claims that he/she is unable to participate because needed childcare is not available, the county department will evaluate each of the following criteria and document their findings in the case record. If the county finds that the parent’s claim is valid, the sanction or loss of Work First Benefits for non-compliance is not applied.

#### **Appropriate Child Care:**

- Care in a regulated child care center or family child care home that has a license, or
- Care in a non-licensed childcare arrangement that meets the requirements of North Carolina’s Subsidized Child Care Program.
- Childcare options must have hours of operation that mesh with the work schedules of parents and meet any special needs of the individual children.

#### **Reasonable Distance:**

- In evaluating ‘reasonable distance,’ counties consider the total time it takes for parents to travel one-way from home to the child care provider then to work or work-related activity. Because of the differences in North Carolina’s geography and highway/road systems, county departments have maximum discretion to decide what is “reasonable” for individual families based on their resources (i.e., whether they have a vehicle in

working order or families' resources available for transporting the family) and local transportation considerations.

- As a guideline, counties should consider that it might not be reasonable to require families receiving Work First to travel more than 80 minutes one-way to work and childcare. Eighty minutes is four times the average one-way commute time in North Carolina (not including stops at child care arrangements), as reported by the U. S. Census Bureau based on the 2000 decennial census. This does not preclude an exemption from the sanction or a loss of Work First Benefits based on a shorter commute if the county considers the commute an obstacle to children's healthy development or the family's self-sufficiency goals.

#### **Unsuitability of Unlicensed Child Care:**

The unsuitability of a non-licensed childcare arrangement is determined on a case-by-case basis. A non-licensed childcare provider may be considered "unsuitable" for a particular family if one of the following exists:

- The non-licensed childcare arrangement does not meet the requirements of North Carolina's Subsidized Child Care Program to receive subsidy payment.
- A parent does not want his/her child (ren) cared for by the non-licensed childcare provider.

#### **Affordable Child Care Arrangement:**

When a childcare subsidy is available to the family, the childcare is considered affordable. However, the subsidy payment is not sufficient to cover the provider's charges in some instances. If the childcare provider charges parents the difference in the subsidy payment rate and the private paying rate and the parent cannot afford to pay the difference, that care does not meet the definition of affordable.

STANDARD COUNTIES

***Non-Financial Eligibility Rules***

In addition to signing the Mutual Responsibility Agreement and work requirements, families must meet certain eligibility rules in order to receive Work First Family Assistance or Work First Benefits. The basic eligibility rules are described below.

1. Children must be age 17 or younger. Children may receive through the month that they turn 18. Children age 18, if in high school and expected to graduate by the month of their 19<sup>th</sup> birthday, can receive through the month they graduate from high school. Emancipated minor parents are considered adults and treated as such for Work First.
2. Children and adults who receive SSI are not included as recipients in the Work First Family Assistance or Work First Benefits case. If a parent is applying for Work First Family Assistance or Work First Benefits, they only have one child, and that child receives SSI or adoption assistance, the parent may receive assistance with a payment for one person.
3. Parents, including biological, adoptive, or stepparents, must be included with their child(ren) in Work First Family Assistance and Work First Benefits cases. All siblings, stepsiblings and half siblings living together must also be included in the case. If both biological parents and adoptive parents are living in the same residence with a child, the adoptive parents must apply and be included, but the biological parents may not.
4. If the child's parent and an individual who has legal custody or guardianship reside in the home with the child, only the individual who has day-to-day care of the child may apply for and receive Work First Family Assistance for that child. The child's parent is included in the case, and child support must be pursued. The biological parent's income must be counted in this case. The biological parent must sign an MRA and is expected to complete the work participation requirements, unless the parent meets one of the exemptions from the definition of Work Eligible Individuals.
5. Children for whom Foster Care and/or Adoption Assistance payments are being made are not included as recipients.
6. Certain relatives, or a person with legal custody or legal guardianship, may apply for assistance for a child but may not be included in the payment. These cases are child-only cases.

The following relatives qualify to apply for a child: a blood or half blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, and spouses of anyone listed above even after the marriage has been terminated by death or divorce. The spousal kinship rule does not include the spouses of step relatives. In addition, a stepbrother or stepsister may also apply for a child but may not be included in the payment.

7. An adult or child cannot receive TANF Assistance in more than one case in North Carolina or any other state for the same month.
8. An individual can be the payee for one Work First Family Assistance or Work First Benefits case at a time.

9. Undocumented immigrants are not eligible to receive Work First. North Carolina elects to provide assistance to cover all optional non-citizen populations allowable under federal law.
10. A family cap on assistance is in effect. This means that a family's Work First Family Assistance cash payment or Work First Benefits will not increase when a child is born ten (10) months after a month in which a family received cash assistance. There are some exceptions to the family cap rule, as follows:
  - The firstborn child, including all children of a multiple birth of a minor who is a dependent child in the family,
  - A child who is conceived as a result of verifiable rape, sexual assault, or incest.
  - A child for whom parental custody has been legally transferred to someone other than the parent.
  - A child no longer able to live with his parent due to the parent's death, the parent's incapacity or disability, or the parent's incarceration or institutionalization if expected to last at least three months.
11. Minor parents (under age 18), unless emancipated, must meet special requirements.
  - They must stay in school to complete their high school education, or its equivalent. When a minor parent has completed high school or has received a GED, or is suspended or expelled from school, the minor parent must participate in an appropriate educational, training, or other work activity.
  - They must live with a parent or in another adult-supervised setting approved by the county director or his designee. Payments will be made to an adult as a substitute payee, and not to the minor parent.
12. There is a five-year, lifetime limit on receipt of federal TANF assistance. This means that, unless a hardship exemption is granted, a family is not eligible for Work First Family Assistance or Work First Benefits if it contains an adult who has received Work First Family Assistance and/or Work First Benefits in North Carolina and/or TANF assistance from another state for 60 cumulative months. The five-year lifetime time limit began in North Carolina on January 1, 1997.

A family may request a hardship exemption from the 60-month time limit.

The County Board of Social Services, or their designee, will consider and decide whether an exemption will be granted based on guidelines established by the Department. The Board or designee must determine that:

- Both the family and the agency have made good faith efforts to resolve the problems causing the hardship during the 60 months of receipt of Work First Family Assistance or Work First Benefits.
- Whether the participant is experiencing hardship as defined in the Work First Manual. Such hardships include, but are not limited to, situations where a family member has been battered or subjected to extreme cruelty, where the family is dealing with a severe illness of children or parents, or where there is a combination of factors that together constitute a hardship.
- Whether the hardship condition is severe enough to prevent the parent from working on a regular basis.

Adults included in cases that have been granted hardship exemptions are expected to have an MRA Plan of Action in place that addresses each identified hardship criterion, and they are expected to work toward resolution of the problems as appropriate. Counties are expected to continue to provide necessary services to enable the family to work towards resolution of these issues. Exemptions can be granted for one to six months. At the end of the exemption period, the family may request another exemption.

Good cause considerations include, but are not limited to:

- Disability of the caretaker;
- Disability of a child or other family member requiring the caretaker to remain at home and provide care;
- Family crisis or change including, but not limited to, death of a spouse, parent, or child;
- Lack of necessary child care and;
- Other unique circumstances that prevented the participant from getting or keeping a job as determined by the Board or its designee.

13. In addition to the five-year federal lifetime limit, families who are active in North Carolina's Work First Employment Services are limited to 24 cumulative months of cash assistance unless an extension as described below is granted. Families may re-apply for Work First after being off assistance for 36 months. All counties are required to review all Work First cases no later than three months prior to the end of the 24-month time limit. The review is to

- ensure that time limits have been tracked correctly;
- ensure the family is informed about other services;
- provide an extension if the family qualifies; and
- review the family status and assist them in identifying resources and supports they need to maintain employment and family stability.

Up to 20% of Work First recipients may be enrolled, at least part-time, in a post secondary education program. In Standard Counties, recipients who are enrolled at least part time and who maintain a 2.5 grade point average (or its equivalent) shall have their two-year time limit suspended for up to three years.

Families may request an extension of the 24-month time limit at the end of the 24-month period or anytime following termination, including any time within the 36-month period of ineligibility. An extension may be requested verbally or in writing.

The County Board of Social Services, or their designee, will consider and decide on whether an extension will be granted. The Boards or designees must determine:

- That the Work First participant substantially complied with the Mutual Responsibility Agreement, including considerations for any good cause exceptions;
- That the Work First participant, through no fault of his own, is unable to obtain or maintain employment that provides a basic level of subsistence. To determine this, the Board or designee will compare the family's net monthly income to the maximum Work First payment for the family size. If net monthly income is equal to the maximum Work First payment or greater, the family cannot receive an extension.

- Whether the participant is experiencing extenuating circumstances.

If an extension is granted, the Board or designee must determine the length of the extension. Each extension must be a minimum of 1 month to a maximum of 6 months with no limit on the number of extensions (within the 60-month lifetime limit).

Good cause considerations include, but are not limited to:

- Disability of the caretaker;
  - Disability of a child or other family member requiring the caretaker to remain at home and provide care;
  - Family crisis or change including, but not limited to, death of a spouse, parent, or child;
  - Lack of necessary child care; and
  - Other unique circumstances determined by the Board or its designee that prevented the participant from getting or keeping a job.
14. All Work First applicants (i.e., every member of a case) must have a social security number, or apply for a social security number if they do not have one. Unless an individual has a social security number or applies for one, that individual is not eligible for Work First.
  15. Individuals who are temporarily absent from the home for fewer than 90 consecutive days may continue to be eligible for Work First. Individuals who are absent from the home for more than 90 consecutive days but fewer than 12 months may continue to be eligible for Work First, if they have good cause for the absence. Good cause includes absences for medical treatment, substance abuse treatment, and health care. For children, good cause also includes absences for educational requirements.
  16. An adult must report to the caseworker when a child is expected to be absent from the home for 90 consecutive days or longer. The adult must report the child's absence within five days of knowing the absence would exceed 90 consecutive days. Failure to report the absence within five days makes the adult ineligible for three months beginning the month after failing to make the report.
  17. An individual who is convicted of misrepresenting his residence in order to receive Work First, Medicaid, SSI, or Food Stamp benefits in more than one state or more than one location in North Carolina is ineligible for Work First cash assistance for ten years beginning on the date of conviction.
  18. Incarcerated or institutionalized individuals are not eligible for Work First Family Assistance or Work First Benefits.
  19. A family must apply for Work First Family Assistance or Work First Benefits in the county of their residence. Work First cases will not be transferred from county to county (although the Medicaid portion of the case will be evaluated for transfer). The family must reapply for assistance in the new county.
  20. Work First cash payment received solely because the timely notice (10-day notice) requirement prevents appropriate action to reduce or stop benefits is not considered an overpayment and does not have to be repaid.
  21. Individuals who have been convicted of a Class H or I controlled substance felony in North Carolina may receive Work First Family Assistance, Work First Benefits, or other services under the following conditions:



- The individual may be eligible six months after release from custody, or
  - Six months after the date of conviction if the individual was never committed to custody,
  - And if there is no additional controlled substance felony offense during that time,
  - And the individual completes or continues appropriate substance abuse treatment as determined by the Local Management Entity. Individuals receiving Work First under these conditions are required to undergo substance abuse treatment as a condition of eligibility.
22. Families must legally reside in the State to receive assistance. Families that have moved to North Carolina after receiving cash assistance in another state will not be treated differently from current residents.
  23. Cash assistance overpayments are recovered from the family, as allowed under State law or rule. This includes fraud, intentional program violations, and inadvertent errors by the family.
  24. For Work First Family Assistance and Work First Benefits cases, all changes are required to be reported by the family to the county within 10 calendar days of the date the change becomes known. This includes changes in income. All changes must be processed by the county within 30 calendar days of the report.
  25. The certification period for Work First Services for families with income at or below 200 percent of poverty may be for a period of up to twelve months. Once certified, these families' eligibility does not need to be reviewed until the certification period ends.
  26. All applicants and recipients for Work First must provide verification of citizenship and identity.
  27. Any family that includes an adult who has quit a job without good cause, or has been fired from a job with cause, is ineligible for Work First payments the month of the job quit or firing and the two months immediately following. The family will be evaluated for Medicaid.

### ***Financial Rules***

1. Resources that can be readily converted to cash will be counted toward a \$3,000 limit. "Readily converted" means the asset can be converted to cash within 5 working days.
2. All vehicles are excluded.
3. To calculate the payment, *all* income of Work First recipients is counted, except the earnings of children, SSI, SSDI and the income of SSI or SSDI recipients, Foster Care Assistance, Adoption Assistance, and the Earned Income Tax Credit, unless other law or regulation excludes an income type. **Note: This applies to both Standard and Electing Counties.**
4. Countable income of all family members included in the case is counted. Income of parents who live in the household and are excluded from the case is counted as if they are included. The exception is that no income of SSI or SSDI recipients is counted. **Note: This applies to both Standard and Electing Counties.**
5. For unearned income, the actual amount received is the amount counted in calculation of the payment.

6. For earned income, percentages are subtracted from the total monthly gross income as follows:
  - 27.5% of gross earned income is excluded.
  - A job bonus is awarded to parents with new earnings. For up to six months that each adult recipient has new earnings (as described in the Work First Policy Manual), the income is disregarded in full as a job bonus. The 100% job bonus applies *only* to new earned income that begins after application for Work First. The 100% job bonus is applied for employment that is expected to be at least 20 hours per week and expected to be permanent; 27.5% of gross earnings from other employment is excluded.
  - If an applicant is working less than 20 hours per week at the time of application, 27.5% of his gross monthly earnings are excluded. When he subsequently increases his hours to over 20 per week in a job that is expected to be permanent, the 100% job bonus is applied for up to six months of his increased income as described in the Work First Policy Manual.
  - If an applicant is working 20 or more hours at the time of application, only 27.5% of his gross monthly earnings are excluded.
  - After up to six months of the 100% job bonus (as described in the Work First Policy Manual), 27.5% of gross monthly earnings is excluded from consideration, for as long as the individual is a Work First cash recipient.
  - An individual may receive a job bonus no more than once within a three-year period.
7. The Work First monthly payment is 50% of the difference between the total countable income and the need standard.

8. The need standard is based on the number of eligible family members:

Number on Work First	1	2	3	4	5	6	7	8
Need Standard	\$362	\$472	\$544	\$594	\$648	\$698	\$746	\$772
Number on Work First	9	10	11	12	13	14	Each additional	
Need Standard	\$812	\$860	\$896	\$946	\$992	\$1,042	Add \$50	

- A family remains eligible as long as the result of the payment calculation is twenty-five dollars (\$25.00) or more. Payments, including prorated payments for the month of application or termination, will not be made for less than twenty-five dollars.
  - For adults who would otherwise be required to be included in the payment but who are ineligible, income is counted as if they were included in the payment (except SSI and SSDI). **Note: This applies to both Standard and Electing Counties.**
- For the month of application, Work First payments are prorated from the date of application with the date of application being day one. Otherwise, payments are made for the full month.
9. Proceeds from non-recurring lump sum payments are counted as a resource beginning the month after the month of receipt for ongoing cases. For pending applications, the non-recurring lump sum payment is counted as income in the month of receipt and as a resource beginning the month after the month or receipt.

10. When an adult Work First recipient or applicant is potentially eligible for other government benefits, such as Unemployment Insurance Benefits, the adult is required to apply for those benefits. If the adult fails to apply by the deadline established by the county or the adult refuses to apply, the family is not eligible for Work First.
11. Certain families, as defined in the Work First Manual, may be required to report income, participation hours, and other information to their county department. Failure to submit a timely report results in termination of Work First assistance. The reporting process will be defined in the Work First Manual.

### ***Application Process***

County departments of social services are responsible for developing a benefit package as quickly as possible to help families move toward self-sufficiency. As appropriate, counties should offer families other services to enable them to remain off cash assistance. Such services include Diversion Assistance, child support services, childcare, and job placement services. Diversion Assistance (Benefit Diversion or Emergency Assistance) must be based on a family's specific crisis or episode of need and may not be used for ongoing or recurrent needs.

The time limit for processing applications for Work First Family Assistance or Work First Benefits is 45 days. It is expected that most applications will be processed well within this time limit. In general, it is the applicant's responsibility to provide all the information, including verifications, needed to determine eligibility. Applicants may request assistance in obtaining information. The agency's obligation to assist the applicant is described in the Work First Policy Manual.

Applications may be denied within the 45-day processing period for any of the following reasons:

- The applicant refuses or fails to apply for unemployment benefits, when monetarily eligible, or refuses or fails to apply for other benefits, such as Social Security or veterans benefits, for which he/she may be eligible;
- The applicant fails to provide information needed to determine eligibility;
- The agency is unable to locate the applicant;
- The applicant refuses or fails to apply for a required family member;
- The applicant refuses or fails to sign a Mutual Responsibility Agreement (either Core Requirements or Plan of Action, if required);
- The applicant fails, without good cause, to keep an appointment and has not contacted the agency concerning his application;
- Ineligibility has been verified including situations in which the applicant's statement results in ineligibility;

For any action or verification of information required of applicants, county departments will not deny an application without giving the applicant a written request for the action or verification, specifying a deadline that allows at least 12 calendar days in which to meet the requirement. The county must provide appropriate accommodations to assist applicants with limited language proficiency or disability in obtaining needed documentation.

Counties will not deny applications for the above reasons if good cause exists. Good cause is defined as:

- A significant family crisis or change including, but not limited to, the death of a spouse, parent, or child;
- Illness of the caretaker or child, including participation in substance abuse treatment or attendance at a medical appointment;
- Civil leave, including jury duty, or a required court appearance;
- Lack of child care for parent and/or a minor parent in school, training, or other work activity; or
- Any other reason determined by the county director or his or her designee.

An application for Work First Family Assistance or Work First Benefits is also an application for Medicaid. Any time such an application is denied, the county department will evaluate whether the Medicaid portion of the application will need to remain open for processing according to Medicaid application guidelines.

An application for Work First is valid for a 45-day period. If the application is denied before the 45<sup>th</sup> day, eligibility for Work First assistance can be established at any time within the 45-day period without requiring a new interview and Assessment/Workbook. This is dependent on the county worker having all information and documentation required to make the eligibility determination with the 45-day period.

### ***Eligibility Reviews***

Frequent contact with Work First families is critical in ensuring their success at moving to employment. Counties are strongly encouraged to review a family's progress on the terms of the Mutual Responsibility Agreement at least every three months. Families that do not participate in or allow the county to complete the periodic review will lose their Work First payment for at least one month. The family may reapply for Work First but eligibility can begin no earlier than the first of the month following the month of ineligibility. A face-to-face interview must be conducted and eligibility redetermined at a minimum every 12 months.

The Work First worker must provide or arrange for appropriate accommodations for families with limited English proficiency or with disabilities in order to ensure that reviews are conducted as scheduled.

### ***Child-Only Cases***

County departments are encouraged to evaluate how they work with child-only cases. Children in child-only cases are more likely to be "known" to the child welfare system. Often the child is with a relative, rather than in the foster care system. In terms of eligibility, child-only cases must be reviewed within six (6) months after application and at least every 12 months thereafter. All of these reviews must be through face-to-face contact. Counties should evaluate whether contact that is more frequent is desirable for individual families. In child-only cases where the caretaker fails to comply with the Mutual Responsibility Agreement, the county will carefully evaluate the provision with which the caretaker is out of compliance i.e., failure to have children appropriately immunized or failure to ensure children stay in school. If the caretaker is failing to provide appropriate care for the child, an evaluation of the appropriateness of the living arrangement is in order. The purpose of the evaluation is to help determine if there are additional services needed by the caretaker to ensure compliance in the future. The goal is to keep the child in a safe and stable environment.

## ***Benefit Diversion***

Under certain circumstances, a one-time, short-term benefit package is more appropriate in meeting the needs of Work First applicants than becoming a Work First recipient. Benefit Diversion may be provided when families are in need of short-term assistance to enable them to get or keep a job or access other financial assistance that will help meet their needs. Benefit Diversion may only be used when there is documentation of a family's specific crisis or episode of need. Benefit Diversion cannot be used to meet ongoing or recurrent needs.

- Families that receive Benefit Diversion do not have to repay the benefit amount received.
- Benefit Diversion can be received only once in a 12-month period and does not trigger the two-year Work First time limit or the five-year federal lifetime limit on benefits.
- Recipients of Benefit Diversion are not required to participate in the Work First employment program.
- These families are not considered Work First participants, and are not considered in calculating the State's participation rate.
- Families who have exhausted their 24 or 60-month time limit are eligible for Benefit Diversion, provided all other eligibility criteria are met.

In these circumstances, Benefit Diversion may provide:

1. A one-time, lump sum payment not to exceed three times the maximum Work First monthly payment for the family size. (The payment is not income-based, but is need-based.);
2. Medicaid, if eligible, for the months in the Benefit Diversion period;
3. Referrals to child support and other potential resources.

In order to be eligible for Benefit Diversion, families must meet the following eligibility requirements that apply to Work First:

1. Who may apply and be included in the family unit;
2. Income guidelines;
3. Resource limit;
4. Minor parent rules;
5. State/county residence;
6. Age rule for children;
7. Rule to have or apply for a Social Security Number;
8. Citizenship/immigrant status and Identity requirements;
9. Kinship/living with rule.

No other Work First eligibility requirements apply to Benefit Diversion cases.

## ***Medicaid***

Work First eligibility criteria affect eligibility for Medicaid. Therefore, if any of the eligibility criteria described in this plan result in a practical de-link from Medicaid, the Department reserves the right to revisit the criteria and adjust if needed.

### ***“Work First Benefits”***

This State Plan provides for moving all families with a parent included in the assistance payment to the “Work First Benefits” payment process, rather than the traditional Work First Family Assistance payment process. Child-only cases will continue in the traditional Work First Family Assistance payment process.

Families in Work First Benefits status will receive their assistance payments after the end of the benefit month. To qualify for the payment, the parent must provide documentation showing that he/she has complied with the requirements of his/her Mutual Responsibility Agreement (MRA) including both the Core Requirements and Plan of Action Requirements or show good cause for not complying.

When parents do not comply with their MRA during a month, their cash benefits will not be released for that month and they will not count in the Work Participation Rate. In addition, the month with no Work First Benefits will not count against the participant’s 24-or 60- month time limits. If the parent has good cause for failing to meet their required hours of work activities or for not complying with other MRA requirements, their cash benefits will be released. Good Cause is defined as:

- A significant family crisis or change;
- Illness of the caretaker or child, including participation in substance abuse treatment or medical appointment;
- Civil leave, including jury duty, or a required court appearance; and
- Any other reason deemed sufficient by the county director or designee.

If a participant fails to meet their required hours of work activities or other MRA requirements without Good Cause, the MRA informs them that their Work First case will be terminated and their case will be evaluated for Medicaid. The child support payment for the following month (if they have one) will be sent directly to the recipient. The family will have to reapply for Work First following termination for failure to meet their required hours of work activities or other MRA requirements.

If the family does not receive Work First Benefits in a particular month, they continue to receive Medicaid, if eligible.

## ***Sanctions***

Families who receive traditional Work First Family Assistance are subject to sanctions when they fail, without good cause, to comply with program requirements. Families in sanctioned status continue to be eligible for Work First services, and services are offered to help the family comply with requirements and regain eligibility for a payment. County Work First Block Grant plans describe collaborative arrangements that are in place in county departments of social services to insure that the welfare of children in Work First families is protected.

There are four types of sanction that are imposed when participants fail to comply with program requirements:

1. Non-cooperation with Child Support Enforcement

When a parent or other adult caretaker fails, without good cause, to cooperate with Child Support Enforcement, the entire family will be ineligible for a Work First Family Assistance payment for one month or until compliance, whichever is later. The children remain eligible for Medicaid. The adult is no longer eligible for Medicaid through Work First. The adult must be evaluated for Medicaid under other aid programs/categories. The family remains eligible for Work First Services.

2. Substance Abuse Treatment

If a substance abuse assessment indicates a need for substance abuse treatment and the adult fails, without good cause, to comply with the treatment plan, the adult is ineligible for cash assistance until he/she complies with treatment. The adult continues to be included in the family and continues to be considered a Work First recipient for purposes of the work requirement and time limits. The family's payment is recalculated with the adult excluded from the needs, and the payment is made to a protective payee.

3. Mutual Responsibility Agreement (MRA) Non-compliance

Except for child support and substance abuse requirements, failure to comply, without good cause, with the terms and conditions of the Mutual Responsibility Agreement will result in the entire family being ineligible for a Work First Family Assistance payment for one month or until compliance, whichever is longer. The family remains eligible for Work First Services.

4. Intentional Program Violation (IPV)

Individuals found to have committed an intentional program violation are disqualified from Work First Family Assistance for 12 months for the first offense, 24 months for the second offense, and permanently for the third. The individual continues to be included in the family and continues to be considered a Work First recipient for purposes of the work requirement and time limits. The family's payment is recalculated with the individual excluded from the needs.

Families in sanction status will be apprised of available community resources, including assistance through the county department of social services. All agency staff are trained in indicators of child abuse and neglect and are expected to make reports as appropriate.

A family may avoid a sanction if good cause for non-compliance exists. Good cause is defined as:

- A significant family crisis or change;
- Illness of the caretaker or child, including participation in substance abuse treatment or medical appointment;
- Civil leave, including jury duty, or a required court appearance; and
- Any other reason deemed sufficient by the county director or designee.

## APPENDIX D

### ELECTING COUNTIES

In general, Electing Counties and Standard Counties have the same level of flexibility in designing their employment services programs to meet the federal participation rates and statewide Work First goals while addressing local circumstances. However, Electing Counties also have the opportunity to establish their own eligibility criteria and benefit levels. **Note: Based on guidance from the Work First attorneys with the Attorney General's Office, electing counties will no longer be allowed to count SSI or SSDI as income. See Standard County Policy regarding Financial Rules**

In September 2008, 9 counties notified the Department of their desire to be designated as Electing Counties. These counties are Beaufort, Caldwell, Catawba, Cumberland, Iredell, Lenoir, Lincoln, Macon, and Wilson. In April 2009, Cumberland County withdrew their request to be an Electing County and will remain a Standard County for the next biennium. Iredell County's Board of County Commissioners met on 4-07-09 and voted to continue to count SSI income and let the current electing county designation lapse. **Therefore, the Department of Health and Human Services, Division of Social Services, recommends that the following counties be designated as Electing Counties for the next biennium: Beaufort, Caldwell, Catawba, Lenoir, Lincoln, Macon, and Wilson.**

The Department has the responsibility to ensure that the Work First Program in all counties complies with federal and State law and the Work First goals. Under State Law, Electing Counties' caseloads combined cannot exceed 15.5% of the Work First caseload on September 1 of each year.

Representatives from the following agencies of state government reviewed all of the Electing County plans: Division of Child Development, Division of Medical Assistance, Division of Social Services, Division of Mental Health/Developmental Disability/Substance Abuse Services, DHHS Controller's Office, and the Attorney General's Office. Reviewers returned written comments to the Family Support and Child Welfare Services Section of the Division of Social Services. Feedback from these reviewers was shared with the Electing Counties and revisions were requested as needed.

Because the caseloads of the counties requesting Electing status, in aggregate, are well below the 15.5% minimum (5.5%), it was not necessary to rank the plans for choosing the best plans to recommend. With the requested revisions, the plans for Beaufort, Caldwell, Catawba, Lenoir, Lincoln, Macon, and Wilson should comply with applicable laws, rules, and regulations and will be suitable to be recommended to the General Assembly as Electing Counties.

State law (NCGS 108A-27 e) requires that a county that desires to be re-designated shall submit a request in writing to the Department at least six months prior to the effective date of the next State Plan. The six-month deadline for the current proposed State Plan is April 1, 2009.

Funding for all counties is specified in the State law. For Electing Counties, block grants are based on the percentage of each county's total AFDC and JOBS expenditures to statewide actual expenditures in 1995-96. For cash assistance, the resulting percentage is applied to the total budgeted funds for cash assistance for each year.

Electing Counties' eligibility criteria and processes, where available, are described on the following pages. Many Electing Counties chose to follow some of the Standard County rules. When and if Electing County rules change to be the same as those of Standard Counties, no State



Plan amendment will be submitted. If changes other than to conform to Standard County rules are made, an amended State Plan will be submitted.

Electing Counties will follow Standard Work First Policy, except as indicated on the following pages. Each Electing County's electing policies are listed below by county.

### **BEAUFORT COUNTY**

1. Applicants must register with the Employment Security Commission not more than 10 days prior to applying for WFFA. Applicants, excluding intact families, must cooperate with Child Support Enforcement not more than 10 days prior to applying for WFFA.
2. If a client receives Benefit Diversion and subsequently applies for and begins to receive WFFA during the next twelve months, the client will be responsible for paying back any diversion assistance that has been received.
3. An applicant for 200% of Poverty Services must be employed at least 30 hours per week. The certification period will be for three months with the possibility of an extension not to exceed six months in a 12-month period.
4. A case will be ineligible for one month following termination for the following reasons:
  - Failure to return a completed quarterly report
  - Failure to attend appointment to update MRA
  - Failure to complete review
  - Failure to cooperate with Child Support
  - Failure to attend job interview without good cause
  - Failure to attend work experience without good cause
  - Failure to attend and complete parenting course
5. There is no exception to family cap policy for a child born to a minor mother.
6. A child or parent may be temporarily absent from the home only for documented medical treatment, or for up to 30 days to visit another relative.
7. All mandatory participants are required to complete a parenting course. Failure to attend and complete will result in termination of WFFA
8. Family is ineligible for three months for quitting a job, voluntarily reducing hours or pay, or engaging in behavior that will result in firing without good cause.
9. All cases with a parent included will become Pay After Performance after receiving Benefit Diversion or Work First three months in a row or in non-consecutive months within a 12-month period. Pay-After-Performance requires that able-bodied parents participate in work related activities before receiving a Work First Family Assistance check. The caseworker will work closely with the family in developing a MRA outlining required work activities, number of hours of participation and reporting requirement. Within 5 working days of determining that the required hours have been completed, the caseworker must release the check from Pay-After-Performance database for the month in which the hours were completed. Failure to complete scheduled hours without good cause will result in check no being released for the month of non-compliance. Three consecutive months of non-compliance without good cause will result in termination of Work First, and the case will be transferred to MAF for remainder of certification period. In compliance with the Americans with Disabilities Act (ADA), incapacitated adults will have a MRA in place that will reflect functional capacity per physician's statement. Individualized assessments will guide the development of the plan of action. MRA will reflect accommodations made to support the individual. **Note: Beaufort County will follow Standard Work First policy for Work First Benefits when Work First**

**Benefits policy is implemented statewide.**

10. Eliminate all re-opens. Family must reapply if terminated for any reason
11. The county will collect all overpayments, including agency errors. Agency responsible overpayments will be collected following the same policy for collection of recipient responsible overpayments. County responsible overpayments will be entered in EPICS as two separate claims. The first claim will be AE, Type C, which will allow the State Controller's office to charge the county and repay the Federal Government. The second claim will be entered as IHE so that the county can pursue the recipient for the overpayment balance.

**CALDWELL COUNTY**

1. All Work First able-bodied families will be approved as Pay-After Performance unless Benefit Diversion is given. Good cause may include death of spouse, parent, or child; required court appearance; or any other reason determined by the county director or his or her designee. **Caldwell County will switch to Standard Work First Policy for "Work First Benefits" (Pay for Performance) when Work First Benefits is implemented statewide.**
2. Pay-After-Performance does not apply to child-only cases.
3. Applicant is responsible for all verifications needed to complete the application. Caldwell County will assist applicants with disabilities or limited English proficiency upon request.
4. Benefit Diversion must be repaid if the recipient applies and is approved for Work First within 12 months following the certification period. No more than 5% of the Work First check will be deducted until the entire Benefit Diversion amount is repaid.
5. Benefit Diversion may be offered only once every two years.
6. Cap children are not included in the payment calculation for Benefit Diversion
7. Applicants will be denied if the applicant does not comply with a signed MRA
8. Two no-shows for transportation within 3 months results in a sanction of WFFA benefits.
9. Applicants must meet and cooperate with child support within 12 calendar days of applying for WFFA. Failure to do so will result in an application denial and termination of ongoing cases.
10. All applicants must attend Economic Literacy training within 12 calendar days of applying for WFFA, unless they have successfully completed the training within 30 calendar days from the application date. Failure to do so will result in denial of the application.
11. If both quarterly reporting deadlines are missed without good cause, there will be one month of ineligibility.
12. Adult recipients must be enrolled in and satisfactorily attending appropriate education enhancement classes if they do not have a high school diploma or GED, unless there is good cause. Non-compliance results in a sanction.
13. Families are ineligible for 3 months for refusing a job, quitting a job or work experience placement, voluntarily reducing hours or pay, or engaging in behavior that will result in firing without good cause. Quitting a job or reducing hours in order to attend college, training, or other post secondary education is not considered good cause as this is an employment program.
14. When referred, all adult recipients must go to family planning education through the local health department. Failure to do so will result in the case being terminated, and future eligibility is contingent upon completing the class, unless good cause exists.

15. Minor parent, age 16 and 17, may receive in their own name and living independently, upon recommendation of a social worker.
16. Client's statement of kinship will be acceptable at review unless questionable.
17. There will be no re-opens unless it is an agency error. The applicant/recipient may reapply for Work First Cash Assistance.
18. A sanction will make the entire family ineligible for Work First Family Assistance for one month or until compliance, whichever is later. When a family in a sanction fails to comply and does not receive a payment for three consecutive months, the county must terminate the Work First case and evaluate for Medicaid.
19. Each adult budget unit member can receive the Job Bonus if the following are met:
  - A. The employment is new or there is an increase in hours;
  - B. The employment is expected to be permanent; and
  - C. The employment is expected to be a minimum of 25 hours per week.
20. All Work First Family Assistance cases will be reviewed every 12 months.
21. School attendance - The caretaker must provide proof of school attendance for all school age children at application and review by providing a current report card or attendance summary printout from the school. Failure to comply with the North Carolina/Caldwell County School attendance policy will result in the Work First check being sanctioned, unless there is good cause. Work First Social Workers verify school attendance with the School Social Workers on a monthly basis. Therefore, it is not necessary for them to call the schools when a Quarterly Report is received.
22. Single parents may claim their "s" exemption for the first 3 months of a child's life. Once the 12-month lifetime exemption has been exhausted, the parent will be required to participate in the employment program as soon as authorization is given from her doctor. Also, if a parent volunteers to participate in the employment program, he/she may not reclaim the exemption for the same child.
23. Standard policy will be followed for payment levels with the exception that a Work First check cannot be issued less than \$50. (If the amount is \$.01 to \$49.99, the family is ineligible for a Work First check.

### **CATAWBA COUNTY**

1. When siblings (half brothers/half sisters) have been placed with one of the siblings' relative by *child welfare/social, services* (must have been placed by Social Services) and the relative meets the state's definition of 'kinship' for one of the children. Then the adult can apply for the entire sibling group.
2. Applicant must cooperate with Child Support and the applicant must register with First Stop if not already employed or job being held for the applicant and if monetarily eligible for Unemployment Benefits (UIB) must apply for the UIB prior to approval of the Benefit Diversion application.
3. Catawba County will utilize the full family sanction, which is parents or caretakers who, without good cause, do not comply/cooperate will make the entire family ineligible for a Work First Family payment for one month or until compliance, whichever is later. When a family in a sanction fails to comply/cooperate and does not receive a payment for three consecutive months, the Work First Family Assistance case will be terminated and evaluated for Medicaid for all four categories of non-compliance. The four categories of non-compliance are:
  - Failure to cooperate with Child Support Enforcement (in addition the adult will lose their Medicaid eligibility unless pregnant with the full family sanction)

- Non-compliance with the provisions of the MRA
- Failure to participate in required substance abuse treatment
- Intentional Program Violation

When a family moves to Catawba County and is in a sanction in the county they are leaving – the Sanction will be a full family sanction in our county for the appropriate time frame unless the family can “fix” the reason the family was sanctioned – i.e. not obtaining children’s well check up and prior to moving to Catawba County they obtained the well check up.

4. Applicant must cooperate with child support within 12-calendar days of applying for WFFA. If the applicant fails or refuses to do so without good cause, deny the application for WFFA and evaluate for Medicaid.
5. Applicant must be assessed for Economic Literacy within 12-calendar days of applying for WFFA by Work First staff. The Economic Literacy assessment is an integral part of the application process. If the applicant fails or refuses to be assessed, deny the application for WFFA and evaluate for Medicaid.
6. All Work First applicants and recipients referred to Vocational Rehabilitation must complete the application and comply with all recommendations. Failure or refusal to comply without good cause will result in the case being denied or terminated. Future eligibility is contingent upon completing application and cooperating with Vocational Rehabilitation.
7. The functional capacity evaluation (FCE) assesses a person’s ability to perform work from a physical, medical, behavioral, or mental perspective. One result from the FCE is a finding that the participant has no capacity for work, and this finding assists the participant in Social Security Disability benefits process. An alternative finding is that the participant has full or limited work capacity. In that case, the Work First case manager and the participant will update the MRA to incorporate work activities based on the FCE results. As long as the state pays for Functional Assessments, Catawba County will utilize this service through a contract.
8. Failure to attend the Success for Families Team meeting, if required, without good cause will result in termination of WFFA and at least one month of ineligibility. Future eligibility is contingent upon attendance at the Success for Families Team meeting.
9. Caretakers in the child only cases will be required to comply with the policy outlined in Section 104B of the Work First manual – Substance Abuse/Mental Health Initiative as a condition of eligibility. This is in effort to ensure child well-being.
10. All reviews will be completed every 6 months.
11. Job quit sanction (same as non-compliance) will be applied to those individuals who voluntarily quit a job, refuse to accept a bona fide job offer, request a reduction in hours, all without good cause or are terminated with cause. Good cause is defined as:
  - Discrimination by an employer based on race, color, national origin, gender, religion, age, disability, or political beliefs.
  - Work demands or conditions that render continued employment unreasonable, such as not being paid on schedule or being required to work overtime and not being paid for it.

- Acceptance of another offer of employment as long as the new job meets the minimum requirement of the provision (30 or more hours per week or earnings equivalent to federal minimum wage time 30 hours.)
- Resignation by the participant under the age of 60, which is recognized by the employer as retirement.
- Circumstances beyond the participant's control. This includes, but is not limited to, illness of the participant or another family member requirement the participant's presence, household emergency, or unavailability of transportation.

**Note: Catawba County will follow Standard Work First policy for Work First Benefits when Work First Benefits policy is implemented statewide.**

### **LENOIR COUNTY**

1. Applicants must register with the First Stop Program at the Kinston Employment Security office not more than 10 workdays before applying for WFFA.
2. Applicants, excluding intact families, must cooperate with the Child Support Program before applying for WFFA.
3. The benefit limits for short-term services and benefits may be adjusted at the director's discretion based on the availability of funding.
4. Adopt state policy for Benefit Diversion with the exception that Benefit Diversion will be offered to any applicant who is unemployed but who has a good work history or who feels there is a high likelihood of finding a new job or other income within 3 months. Benefit Diversion is to be used to meet a specific family crisis or episode of need and not for ongoing or recurrent needs. (**Note:** Follow county policy for Emergency Assistance. See Attachment # 6 of the Lenoir County Plan for a detailed description of the Lenoir County Emergency Assistance criteria.)
5. Provide Family Employment Services to families that meet 200% of Poverty guidelines according to Attachment # 8. Should additional funding become available, services will be expanded at that time.
6. Adopt state policy with the addition that all caretaker relatives will be encouraged to seek legal custody of the children in their care.
7. Lenoir County will continue with Option B of the state policy. Adult applicants or adults who request inclusion must register with the First Stop Program at the Kinston Employment Security office not more than 10 work days before applying for WFFA. Adults 65 years old or older and new mothers who receive a work exemption (S Code) following the birth of a baby (3-month maximum exemption) are exempted from the First Stop Program. Immediately following the 3-month exemption, new mothers must register with the First Stop Program.
8. Adopt state policy with the exception that newborns of a minor mother are included in the Family Cap Rule.
9. Adopt state policy with these additions:
  - A child or parent may be temporarily absent from the home up to 12 months for medical treatment.
  - A child or parent may be temporarily absent from the home no more than 30 days for all reasons other than to receive medical treatment.
10. Adopt state policy with the following additions:

- All applicants, except intact families, are required to cooperate with the Child Support Program before applying for WFFA.
  - The family is not eligible for WFFA benefits if the parent or caretaker fails to cooperate with the Child Support Program.
  - Families who fail to cooperate with the Child Support Program are referred to the Family Medicaid Unit for evaluation of Medicaid eligibility on the same day.
11. Single parents of a child less than 3 months old may request an exemption from WFE work activities; however, the new parent will be required to complete some activities during this period including:
- Well-baby check-up
  - Post-partum check-up for mother
  - Register for WIC services
  - Make plans for primary and back-up child care at the end of the 3-month exemption period
  - Contact Child Support to establish paternity and support for the new baby.
  - Schedule visit to select program activities and identify need for supportive services at the end of the 3-month exemption period.
- The family is limited to no more than 12 months exemption in a lifetime
12. All mandatory (able-bodied) participants will be scheduled to complete at least 35 hours of work or work-related activities per week and to submit weekly time sheets.
13. Job Search reports must be submitted weekly.
14. Transportation expenses for WFE participants, Family Employment Services participants, and Non-custodial parents of WFFA children are limited to \$300 per month but may be increased to \$600 per month at supervisor's discretion for unusual situation
15. Direct reimbursement of transportation expenses for use of a personal vehicle is limited to \$5 per day for participants working inside of Lenoir County and \$8 per day for participants working outside of Lenoir County.
16. All WFE participants are encouraged to complete high school or a GED within the 24-month time limit.
17. All unemployed WFE participants must complete STRIVE or other classes at Lenoir Community College if appropriate.
18. Adults who claim an exemption from WFE activities due to incapacity must provide a physician's statement indicating participant's functional capacity. The county reserves the right to request a functional evaluation from a qualified evaluator of the agency's choice.
19. Participants who have 3 "No shows" in one month for agency-arranged transportation are ineligible for transportation services for a period of one month. A second occurrence of 3 "no shows" in one month will result in 3 months of ineligibility for transportation services
20. All participants who claim an incapacity exemption from WFE activities for more than two months will be referred to Vocational Rehabilitation for assessment and to develop training opportunities with sheltered workshops as appropriate.
21. All unemployed or under-employed adult applicants/participants must register for work at the Lenoir Community College JobLink Center.
22. Participants will be referred to the WIA Program at Lenoir Community College. If accepted into that program, the participant is required to comply with the terms of the WIA program as a condition of the MRA.
23. All Work First families with an adult under age 65 years are subject to Pay-After-Performance beginning the first months of receiving a Work First payment (excluding

- Benefit Diversion). This includes single-parent families in which the only child receives SSI.
24. Family is ineligible for one month for failure to submit a quarterly report.
  25. Under the Section for two-parent families, the Plan states that “each parent must complete at least 35 hours of WFE activities per week. Families receiving childcare subsidy services must complete 55 hours per week of WFE activities per family. Two-parent Families who do not receive childcare subsidy will be required to participate 35 hours per week (either parent may choose to do the hours.)
  26. Job-Quit Sanction: -- The family is not eligible for a period of three months if the parent quits a job or WFE work-experience placement, abandons a job or WFE work-experience placement, or voluntarily reduces work hours or rate of pay without a good cause reason. Quitting a job or reducing work hours in order to attend college, training, or other post-secondary education does not meet the definition of “good cause.” Job abandonment is defined as failing to go to work and failure to notify the employer. For applicants, the 3 months of ineligibility begin the month the parent stops work or the work experience or reduces work hours or rate of pay. For recipients, the 3 months of ineligibility begin the month following expiration of an advance notice. The participant may cure this sanction by returning to work at an equivalent rate of pay and number of work hours compared to the last job.
  27. Transportation “no show” Sanction: 1<sup>st</sup> Sanction - 1 month of Ineligibility for Transportation Assistance, 2<sup>nd</sup> Sanction – 3 months of Ineligibility for Transportation Assistance. Participants who have 3 "No shows" in one month for agency-arranged transportation are ineligible for transportation services for a period of one month. A second occurrence of 3 "no shows" in one month will result in 3 months of ineligibility for transportation services.
  28. Sanction for Non-cooperation with Child Support: The entire family is ineligible for Work First benefits until the parent or caretaker has fully complied with the Child Support Program.
  29. MRA sanctions: (Same as state policy with these additions:)
    - All participants who claim an incapacity exemption from WFE activities for more than two months will be referred to Vocational Rehabilitation for assessment and to develop training opportunities with sheltered workshops as appropriate. Refusal of a Vocational Rehabilitation (VR) referral or failure to comply with the VR Program without a good cause reason will result in a MRA sanction.
    - All unemployed or under-employed adult applicants and participants who are determined to be "job-ready" must register for work at the Kinston Employment Security office, Lenoir Community College JobLink Center, and with all area temporary employment agencies. Failure to register for work with the JobLink Center, ESC, or local temporary employment agencies will result in a MRA sanction.
    - Participants will be referred to the WIA Program at Lenoir Community College. If accepted into that program, the participant is required to comply with the terms of the WIA program as a condition of the MRA. Refusal of a referral to WIA or failure to comply with the WIA program without a good cause reason will result in a MRA sanction.
  30. Elimination of automatic reopening of a WFFA case. The family must reapply if the assistance is terminated for any reason other than agency error or receipt of a Pay-After-Performance check due to compliance after two months of non-compliance.
  31. All WFFA approvals for single parent or two parent families will be approved in Pay-After-Performance (payment type 2) status.

32. All WFFA approvals for “child only” cases will continue to be payment Type 1 status.
33. Department of Correction checks are mandatory at application and review for all applicants/recipients 16 years old or older.
34. Elimination of automatic reopening of a WFFA case. The family must reapply if the assistance is terminated for any reason other than agency error or receipt of a Pay-After-Performance check due to compliance after two months of non-compliance.

**Note: Lenoir County will follow Standard Work First Policy for Work First Benefits when Work First Benefits policy is implemented statewide.**

### LINCOLN COUNTY

1. All able-bodied two-parent and single parent households will be assessed for Benefit Diversion if they are eligible for WFFA. A thorough assessment of their present situation and their readiness for employment will be completed before considering Benefit Diversion. The assessment will include budgeting, banking education, medical needs, and housing assistance. Diversion of 1-3 months, depending on the circumstances and starting date of employment may be approved. Following guidelines in DSS Administrative Letter 1-2008, Benefit Diversion will only be approved to meet a specified family crisis or episode of need and not for ongoing or recurrent needs.
2. Clients will be ineligible to receive Work First unless they have met with Child Support to discuss how to begin the process of receiving child support prior to initiating a Work First application. The child support order does not have to be in place prior to making a Work First Application. All other eligibility criteria will be the same as the State.

**Note: Lincoln County will follow Standard Work First Policy for Work First Benefits when Work First Benefits policy is implemented statewide.**

### MACON COUNTY

1. Limit the following relationships as meeting the kinship rule:
  - a. Parent, including a natural mother or father, a legal father, or adoptive parent, after the issuance of the final order
  - b. Brother, sister, including half brothers and sisters
  - c. Grandparent
  - d. Uncle or Aunt
  - e. Stepparent
  - f. Step-Brother or Sister
  - g. Great Grandparents
  - h. Great Uncle or Aunt

This relative must be providing care for the child on a day-to-day basis and be responsible for ongoing decisions regarding the child's well being. A relative who meets the above relationships must be included in the case with the child, unless they are an SSI recipient or receiving SS disability income and is not a required member of the assistant unit.
2. Count income of everyone living in the household in the budget unit EXCEPT: SSI recipients are not eligible for WFFA and their income will not count toward the assistance unit. Do not count Social Security disability income received by budget unit members OTHER than those required to be included in the assistance unit; i.e., a mother and child reside in household with a grandfather who receives Social Security disability. The grandfather's income does not count toward mother and child. If mother and child reside in the home with child's father who receives Social Security disability and is a required assistance unit member, the father's income counts toward the assistance unit.



1. Child only cases will be certified for one year after the initial application of six months certification period is completed. *Section 201 – “Reviews for Family Assistance” – adheres to State Plan.*
2. Macon County will follow NC Standard Plan, "Initial Screening and Assessment", WFFA Manual Section 101, as written EXCEPT, if applicant fails to provide information requested on DSS-8146A within 45 days, the Intake-Human Resource Placement Specialist may deny the application on the 45th day, unless applicants have not provided verification of citizenship and is showing good faith to provide items, then the application can pend up to 6 months.
3. **Macon County will implement “Work First Benefits” (Pay for Performance) based on Standard policy when it is implemented statewide.**

### **WILSON COUNTY**

Wilson County will follow criteria established and implemented by the State for the following:

- Age limits for children
- Definition of relationships
- Payment levels
- Who can apply/be included in the payment
- Benefit Calculation –
- Sanctions
- Resource requirements (limit and countable items)
- Time limits and extensions
- Benefit Diversion requirements
- Citizenship/Identity requirements

**WILSON COUNTY PROPOSES THE FOLLOWING INITIATIVES AND CHANGES TO CURRENT POLICY. UNLESS OTHERWISE NOTED, THESE CHANGES WILL BE IMPLEMENTED ONCE THE STATE AND WILSON COUNTY’S PLAN HAVE BEEN APPROVED.**

1. We will continue implementation of our “*Working For Benefits*” *Pay after Performance Program*. All “Work Eligible” Work First Family Assistance participants will be required to participate in countable work and work related activities and complete satisfactorily to receive a Work First cash benefit check at the end of each month. Families who fail to complete their required hours as mutually agreed upon in their MRA must establish “Good Cause” reason for non-compliance. Wilson County will determine “Good Cause” as outlined in the NC Work First Policy. Work First Social Work staff will assist participants who are non-compliant by requesting a meeting or Family Resource Conference. This will be done immediately to assist the family/participant with program compliance. Failure to attend the Family Resource Conference or complete hours of participation without good cause will result in sanction (no WFFA check received). Families must complete their required hours each month to be eligible for a cash assistance check
2. **Design and Implement “Transitional Pay after Performance Incentive Program.”**  
As part of the Working for Benefits Pay after Performance program, Wilson County will implement a “*transitional incentive payment*” to all new applicants. The transitional incentive payment will provide an additional cash incentive payment for completing their

required hours during the first 3 months from the time their MRA plans are approved. The incentive payment would be reduced for the 4<sup>th</sup> and 5<sup>th</sup> months and by the 6<sup>th</sup> month, the participants will only receive their regular Work First payment for completing their hours. The transitional incentive payment is meant to encourage families to progress quickly towards transitioning off public assistance into full time employment. With the rising costs of inflation, gas prices, utility rates and the fact that the Work First payment has not increased since 1987, families who end up on Work First become worse off and in many incidences are evicted from their homes, end up homeless or move in with friends/relatives/shelters and become even more depressed than they were prior to applying for assistance. The transitional incentive is a way to reward families for completing the 35-40 hours per week requirement while having partial resources to maintain their most basic shelter (housing). The Transitional Incentive Payment would only be a onetime assistance incentive. Individuals who fail to meet their required number of hours during any part of the first 5 month period will be disqualified and not be eligible to continue receiving the incentive program payment. Families who are found to “have good cause” for not completing their hours for that month may still qualify for the transitional incentive once they complete their required number of hours during any time during the 5-month period. Individuals who obtain employment after the initial 3-month period following approval of their application and who have successfully completed their required number of hours will be eligible to receive the Transitional Payment incentive in addition to regular Job Bonus. The intent is to help families during the transition period. Note: Work First participants/applicants enrolled in the VIP Demonstration Grant Program at Diversified Opportunities will not be eligible for the transitional incentive payment as they will be eligible to receive a special incentive through the grant funding.

3. All WFFA participants whose employment results in termination of their WFFA benefits or who are receiving Job Bonus will be referred to our Financial Social Work Services at Career Plus to develop a Financial Education and Savings Plan. Families that follow through with their Financial and Savings Goals and achieve outcomes/goals will be eligible for a financial education incentive bonus. Bonuses will be authorized once the family meets any of their identified goals. A family may receive up to (3) financial incentive bonuses per year based on achieving 3 behavioral changing goals. (Ex. Open a savings account and depositing a regular amount in each month for a minimum of 4 consecutive months; or Paying all their bills on time to avoid late fees for a minimum period of 3 months; or increasing their credit score by minimum of 15 points; or who achieve increase in earnings through either a 2<sup>nd</sup> job or better paying job. This incentive will also be offered to families on our childcare subsidy assistance program. The goal is to reward families for changing behaviors that will lead to positive financial and economic stability.
4. Any child born to a Work First Family Assistance recipient is considered a “Cap” child and not included in the WFFA grant amount if the mother was receiving assistance in any state the 10<sup>th</sup> month prior to the baby’s birth, even if the mother was under a sanction.
5. If a WFFA participant fails to return a Quarterly Review and requests reopening due to termination from that non-compliance, the participant/family’s WFFA case will be re-opened with a one-month penalty for failure to comply.

6. All WFFA cases will adhere to an eligibility review at least once every 12 months. Families are still expected to report changes, or when information is received by other sources, the eligibility worker may request a review more often if needed.
7. All WFFA work eligible individuals are required to be actively participating in work and work related activities for a total of 35 - 40 hours per week. Participation will be a combination of activities, which include but not limited to employment, subsidized employment, vocational training, skills training, education, work experience, substance abuse counseling, mental health, vocational rehabilitation, job readiness/job search, etc. Participants will be required to establish the first 20 hours of their participation in “federally countable activities” as stated in the NC Work First Policy. Education *will be* supported in combination with other federal countable work activities.
8. All WFFA applicants will have a 1-month penalty imposed for quitting a job unless “good cause” is established. This does not affect their Medicaid eligibility. At application, the Medicaid will continue to be authorized starting with the month of application if all other eligibility requirements are met.  
Child support payments being received by applicants should not be ended until the month the WFFA payment begins.
9. All Child Only Kinship Care cases that have a prior involvement with CPS, Prevention, Juvenile Justice, or Foster Care within the last 6 months will be required to comply with the Kinship Care Family Assessment. For families/children determined “at risk” of abuse, neglect, dependency or disruption of placement will be recommended for services. Services include on-going case management, strengths and needs assessment, referral services, advocacy, counseling, monitoring, etc.
10. All Child Only Work First Family Assistance cases with children age 6-17 who are not attending school regularly OR whose grades are not on grade level will be required to comply with the Kinship Care Family Assessment. The goal is to help identify possible educational interventions to avoid children falling below grade levels and ultimately dropping out of school. Resources and services will be provided based on outcomes of the assessment and participation of both the child and caretaker. Caretakers who do not comply with the school requirements, and participate in the Kinship Care Family Assessment and who are determined to not have good cause will be sanctioned and may not be eligible to receive WFFA payment (Work First Manual Sect 103).
11. All Work First families who fail to comply with the treatment, compliance and verification of substance abuse progress will be subject to termination of benefits.
12. Plan, develop, and implement a County Disability Assistance Program where parents applying for Work First Family Assistance who have indicated the inability to perform activities due to physical or mental challenges will be given the option to apply and receive regular WFFA or the new County Disability Assistance Program. Funding for CDAP will be funded from our county reserve funding and an additional amount of \$50.00 above the Work First benefit level will be provided monthly for a period of 1 year. During the 1-year period, intense testing, assessment, medical documentation will be gathered to expedite the SSI approval through Social Security Administration. Once the parent receives SSI, they will be

evaluated for WFFA. After one year of receiving CDAP, a WF application will be initiated for on-going regular WF payments.

## APPENDIX E

### WORK OVER WELFARE IN CABARRUS COUNTY

In legislation ratified June 12, 2003, the North Carolina General Assembly provided for the continuation of the Work Over Welfare (WOW) Program in Cabarrus County as a demonstration welfare reform program for certain Work First and Food Stamp recipients.

Except as described below, Work First in Cabarrus County operates under the standard policies described in the State TANF Plan.

The Cabarrus County WOW Program provides job opportunities to all able-bodied Work First and Food Stamp recipients who are required to participate in Work First Employment Services.

WOW is primarily a wage-supplementation program that diverts the Work First benefits and the cash value of Food Stamp benefits that would be paid to recipients to match employer funds and subsidize the recipients' wages.

Wages paid to WOW participants, which contain grant-diverted funds, are exempt from income for purpose of determining eligibility for assistance.

Participants are subject to termination of Work First benefits for the household the month following any month in which they fail to comply with participation requirements. Benefits are restored after the client agrees to comply with requirements and files a new application.

To ensure that children are not harmed, sanctioned households are monitored by social workers, and benefits may be paid directly to vendors for basic needs. All individuals will be evaluated for ongoing Medicaid any time Work First terminates.

A recipient who voluntarily terminates employment without good cause will be ineligible for Work First until the individual returns to work, provided work opportunities are available.

Failure or refusal to pursue child support without good cause is grounds for denial of benefits.

Benefit Diversion payments will be made in amounts up to one thousand two hundred dollars (\$1,200). Applicants receiving the diversion payment will not be eligible for ongoing Work First benefits for a period of three months from the date of receipt of the diversion payment. Individuals receiving a diversion payment must attend budgetary counseling and may be required to have a protective payee for the diversion payment.

Federal funds may be transferred from the TANF Block Grant to the Social Services Block Grant to be used to pay for home studies, attorney fees, ongoing cash payments for the adoptive family, and other adoption expenses for Work First children who are living with relatives other than their biological parents.

## **APPENDIX F**

### **SERVICES FUNDED UNDER AFDC-EA**

North Carolina will continue to provide services to families as approved under Parts A and F of Title IV of the Social Security Act as in effect on September 30, 1995. North Carolina defined a comprehensive services program under the AFDC-EA service component and intends to continue to fund these services. Only federal TANF funds will be used under this provision.

Specifically, the services listed in the plan will be provided to families or children who are experiencing an emergency as defined in the plan and who do not have sufficient resources to alleviate the emergency. Services specifically include all child welfare services (e.g., child protection, preventive family services, family preservation, foster care and adoption services including foster care payments. Residential and emergency placement services can also be funded through this provision.

The approved plan that was in effect on September 30, 1995, is included on the following three pages for reference.

SECTION 3 EMERGENCY ASSISTANCE TO NEEDY FAMILIES WITH CHILDREN

Citations:

233.120

A. Emergency assistance to needy families with children under the age of 21 is provided in accordance with 45 CFR 233.120.

No (Paragraphs B. - D of this Section do not apply.)

Yes, as specified below:

Emergency Assistance shall be provided to or on behalf of a needy child under the age of 21, the specified relative of the needy child, and any other member of the household in which he is living. The needy child under the age of 21 who is within the specified degree of relationship must be living with the specified relative or have lived with the specified relative within six months prior to the month in which Emergency Assistance is requested.

B. Families of migrant workers are covered.

No.

Yes, on Statewide basis.

Yes, but only in the following areas of the State:

C. Other eligibility requirements are in effect.

No.

Yes, as specified below.

1. To be eligible for AFDC-Emergency Assistance, the applicant family must be without resources available to pay for what is needed to alleviate the emergency.

2. An individual who is an illegal alien is not eligible for AFDC-Emergency Assistance.

D. The kinds of emergency situations which are covered by this program and the kinds of assistance and services provided to meet the emergency situations are detailed in Attachment 3-A.

## A. Kinds of emergencies covered.

1. a crisis situation resulting from a catastrophic illness
2. substantial loss of shelter, food, clothing, or household furnishings due to fire, flood, or similar natural or man-made disaster, or a crime of violence
3. emergency situation over which there was no control and which left the family homeless or in immediate danger of eviction or foreclosure
4. a situation in which Emergency Assistance is necessary to avoid destitution of the needy child or to provide shelter for the child
5. emergency situation which could lead to destitution and the destitution or need for a living arrangement did not arise because the child or a specified relative refused, without good cause, to accept employment or training for employment
6. mass emergencies
7. loss of a relative who has been responsible for support and/or care of one of his family members
8. abuse, neglect, or dependency of children
9. situation in which a child is at risk of removal from the home
10. situation in which return to the home of a child who is currently separated from his family may create an emergency.

## B. A heating or cooling-related emergency shall not be covered.

## C. Kinds of assistance provided to meet emergency situations.

1. Cash assistance up to a maximum of \$300 to alleviate the emergency by meeting basic needs for families whose total net income is at or below 110% of the current poverty level and total countable reserve is at or below \$2,200. (Liquid assets must be at or below \$300.) Basic needs include:
  - (a) temporary shelter, food, and clothing;
  - (b) transportation;
  - (c) home repairs such as repair of frozen pipes and plastic covering for windows;
  - (d) replacement or repair, when appropriate, of necessary appliances, household items, or furniture;
  - (e) outpatient medical services such as prescriptions, eyeglasses, and doctor visits if the expense is not covered by the Medicaid Program, or the individual needing the care is either not receiving or is ineligible for Medicaid;
  - (f) In-kind goods such as clothing, blankets, food:



2. In-Home Services including Assessment; Case Management/Service Planning and Coordination; Counseling and Treatment Services; Family Support/Family Preservation; Day Support Services; and Psycho-Educational Services.
3. Out-of-Home Services, including Residential Placement; Care and Treatment in a Family Setting; and Care and Treatment in a Group Setting.
4. Other Services, including Consultation and Education; Other Child Welfare Services; and, Transportation.

**NOTE:** The above assistance must be authorized within a single 30-day period no less than 12 months after the beginning of the family's last EA authorization period and are limited to a maximum duration of 364 days.

## SUMMARY OF COMMENTS RECEIVED

In compliance with federal and state statutes, the North Carolina Temporary Assistance for Needy Families State Plan for FFY 2010-FFY 2011 was developed in consultation with local governments and private sector organizations regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations. The draft of the Plan was posted for public comment on March 12, 2009, and was posted for the required 45-day period. Following are the summaries of comments received.

### **Mecklenburg County Department of Social Services (Responses to comments below are in italics.)**

#### **Temporary Assistance for Needy Families (TANF)**

##### **State Plan 2010-2011**

##### **Comments**

The Mecklenburg County Department of Social Services submits its comments to the North Carolina Department of Health and Human Services regarding the TANF State Plan for the 2010-2011 biennium:

##### **Comment # 1**

**Provision:** TANF State Plan Draft 2010-2011, Appendix B, Personal Responsibilities and Work Requirements: Work Verification Requirement, p. 23.

**Issue:** The state plan draft does not allow online verification of employment activity.

**Background:** Currently, Mecklenburg County Work First Social Workers have an average of forty-two (42) cases. Employment activity of each customer must be tracked and documented by the social worker. The employment verification process is very time consuming. We estimate that social workers devote ¼ of their time tracking and documenting work activity of customers.

**Recommendation:** It is the department's recommendation to modify the State verification process in order to allow online verification of employment activity. An online verification process would simplify reporting, reduce the amount of time a social worker spends verifying work activities for each customer and increase the time a social worker could use to help the clients eliminate barriers to self-sufficiency.

*Work First Change Notice 08-2008, which was effective 10/1/2008 clarifies that it is allowable to accept online and electronic verification of hours completed in work activities.*

##### **Comment #2**

**Provision:** TANF State Plan Draft 2010-2011, Substance Abuse and Mental Health Services, p. 5

**Issue:** Remove Qualified Professional in Substance Abuse (QPSA) process from Intake responsibilities.

**Background:** North Carolina law requires all adult applicants and recipients of Work First Family Assistance to be screened for substance abuse. In Mecklenburg County, the total number of applications has increased 36 percent for food stamps and we are seeing a significant increase in our Work First and Medicaid, it is not realistic that intake staff

have the capacity to complete this function. Furthermore, social workers are completing this screening once they receive the case and include this as a part of the clients MRA. With the move to pay for performance where checks will not be released until the worker has verified the client's activity, the QPSA process can be moved out of the intake function.

**Recommendation:** It is the department's recommendation that the QPSA process be removed from the intake process and require social workers to complete this screening as a part of the initial assessment and that any findings be addressed as part of the clients Mutual Responsibility Agreement (MRA).

*It is a county decision on how to organize their staff assignments. The QPSA process is not required to be done by an intake worker.*

### **Comment # 3**

**Provision:** TANF State Plan Draft 2010-2011, Appendix C, Standard Counties: Non-Financial Eligibility Rules, p. 29.

**Issue:** Work First policy pertaining to social security numbers is inconsistent with how the rest of Work First policy has been written.

**Background:** Currently, and in the new plan, when a customer fails to provide a social security number for a required family unit member (or proof they have applied for one), that member is ineligible for Work First. However, under other Work First provisions, a customer must apply for all required family unit members. If they do not, the entire application is denied or the case is terminated. In addition, if they fail to prove citizenship for even one required household member, the entire household becomes ineligible.

**Recommendation:** It is the department's recommendation that failure to provide social security number and failure to prove citizenship be treated in the same manner. Either disqualify individual household members for failure to provide in any instance or disqualify the entire household for failure to provide in any instance.

*These policies are being driven by Office of Civil Rights requirements. The State Plan is being written to be in compliance with OCR guidance. The Division is in process of finalizing policy to be consistent with the new State Plan. This new policy will be effective June 1, 2009.*

### **Comment # 4**

**Provision:** TANF State Plan Draft 2010-2011, Introduction: Retention, p. 1

**Issue:** The job bonus

**Background:** Social Workers can utilize the six-month extension to help their families save and budget for the future. In addition, the new plan states that job bonus can be given one time every three years. Mecklenburg County would like clarification on how the job bonus extension should be implemented. It is unclear whether or not the counties will have the ability to decide how long the bonus should be. The plan states that it can be given for up to six months. Does this mean the counties may decide how long it will be?

**Recommendation:** It is the department's recommendation that the State clarify the policy related to the job bonus extension. As always, we support flexibility for county administration and suggest that counties be given the option of how long the job bonus will be.

*The State Plan allows for Job Bonus up to six months. However, the Division cannot implement this policy until it becomes possible to issue a Work First Family Assistance check without Medicaid. This project is underway but may not occur until later this year. At that time, policy will be issued with the details of implementing the new Job Bonus policy. County Departments of Social Services are represented on a state-county workgroup that will assist in the development of this policy.*

#### **Comment # 5**

**Provision:** TANF State Plan Draft 2010-2011, Appendix B, Personal Responsibilities and Work Requirements: Work Responsibilities, p. 23.

**Issue:** Make acquiring a GED the same regardless of age.

**Background:** Currently, Mecklenburg County has 557 out of 1153 adults in an active Work First Employment Service case who have education less than a high school diploma or GED. Individuals over the age of 19 can participate in vocational training; however, without a GED, individuals cannot pursue a certificate program, skills training, Bachelor's degree, or other advanced degree programs.

**Recommendation:** It is the department's recommendation to make acquiring a GED a countable component for all individuals, regardless of age, who are pursuing their GED.

*The restrictions on countable work activities are mandated by the Federal Final Rule resulting from the Deficit Reduction Act of 2005. The state does not have the latitude to change these restrictions.*

#### **Comment #6**

**Provision:** TANF State Plan Draft 2010-2011, Appendix B, Personal Responsibilities and Work Requirements: Work Responsibilities, p. 23.

**Issue:** Vocational Training limits and 20 hour core activity requirement for customers who are engaged in Post Secondary Education.

**Background:** Currently Vocational Educational Training is not to exceed 12 months with respect to any individual for federally countable hours. In addition, customers who are pursuing Post Secondary Education are required to have 20 hours of core activity.

**Recommendation:** It is Mecklenburg County's recommendation to have the state expand the number of months a client can receive credit for Vocational Training. Additionally it is Mecklenburg County's recommendation that the state waive the 20-core hour requirement for persons pursuing post secondary education.

*The restrictions on countable work activities are mandated by the Federal Final Rule resulting from the Deficit Reduction Act of 2005. The state does not have the latitude to change these restrictions.*

#### **Comment #7**

**Provision:** TANF State Plan Draft 2010-2011, Appendix B, Personal Responsibilities and Work Requirements: Work Responsibilities, p. 20

**Issue:** Revise countable work activities

**Background:** For our clients that are in need of vocational rehabilitation and mental health services, they are unable to fulfill the current specific requirements of federal countable work activities due to lack of rehabilitation and mental health instability.

**Recommendation:** It is the department's recommendation to include Vocational Rehabilitation and Mental Health Treatment as standalone countable work activities.

*The restrictions on countable work activities are mandated by the Federal Final Rule resulting from the Deficit Reduction Act of 2005. The state does not have the latitude to change these restrictions.*

**Comment #8**

**Provision:** TANF State Plan Draft 2010-2011, Introduction: Retention, p. 1

**Issue:** Elimination of the 24-month time clock

**Background:** Clients receiving Work First typically have very complicated barriers that prevent them from realizing self-sufficiency. Examples of barriers are substance abuse, mental health, and limited education. In many instances, those barriers cannot be eliminated in 24 months.

**Recommendation:** It is the department's recommendation to eliminate the 24-month time clock. Clients will be connected with an Employment Social Workers during the entire 60 month time period. Clients will receive ongoing support and resources at anytime during their 60 month time period.

*Eliminating the 24-month time clock would require a change in North Carolina General Statutes. However, when barriers exist, participants can request an extension of the 24-month time clock. There is no limit on the number of extension requests a family may make. However, months granted for an extension are counted in the family's 60-month lifetime limit and must not exceed this federal limit. Each extension may be a minimum of one month to a maximum of six months.*

*Also, if a participant is in post secondary school under Vocational Training (limited to 12 months) or under Other Training the county can waive the 24-month time clock for up to 36 months, as long as the participant maintains a 2.5 grade point average. See Section 105A of the Work First Policy Manual.*

**Wilson County**

At the request of the Wilson County Board of County Commissioners, I am sending you the attached resolution. The Board of Commissioners respectfully requests it be made a part of the public comment section of the State Work First Plan. The resolution is a request to the General Assembly to direct the Department of Health and Human Services to request a waiver from the Federal Government allowing Electing Counties the option to continue counting all household income including SSDI when determining eligibility for Work First Family Cash Assistance. (See the attached document.)

**RESOLUTION OF THE  
Wilson County Board of Commissioners  
State Work First Plan Changes**

**WHEREAS, *Work First*** is the blueprint for "changing welfare as we know it" in North Carolina. The State Plan is an aggregate of the standard Work First Program and the various Electing County Plans that have been approved by the General Assembly; and

**WHEREAS,** Wilson County's Work First Plan initiatives have proven to be best practices, innovative and creative in helping Work First applicants and recipients move from welfare to employment and self sufficiency; and

**WHEREAS,** Wilson County's Work First program implemented eligibility criteria that included counting all household income when determining eligibility for families applying for Work First Cash Assistance and was previously approved by the State; and

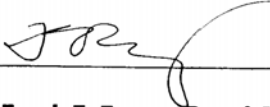
**WHEREAS,** Counting SSDI as a resource is consistent with other federal public assistance programs, including the Supplemental Nutritional Assistance Program (Food Stamps); and

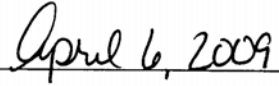
**WHEREAS,** The State DHHS has advised that SSDI can no longer be counted as income in determining eligibility for benefits and will therefore not approve this policy for the upcoming 2009-2011 Wilson County Work First Electing Plan;

**NOW, THEREFORE,** The Wilson County Board of Commissioners hereby recommends that the North Carolina General Assembly request the State DHHS to seek a federal waiver for interested Electing Counties to continue to count all household income including SSDI under federally approved guidelines.

**CERTIFICATION**

The foregoing resolution was adopted by the Wilson County Board of Commissioners at its meeting held on April 6, 2009.

  
\_\_\_\_\_  
**Frank E. Emory, Board Chairman**

  
\_\_\_\_\_  
**Date**

