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**Implementation of Welfare  
Reform in Virginia: A  
Work in Progress**

*Final Report*

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## TABLE OF CONTENTS

Chapter	Page
EXECUTIVE SUMMARY .....	xi
I INTRODUCTION .....	1
A. EVALUATING WELFARE REFORM IN VIRGINIA .....	3
B. A PROFILE OF THE FIVE RESEARCH COMMUNITIES .....	5
1. Lynchburg .....	5
2. Prince William County .....	9
3. Petersburg .....	10
4. Portsmouth .....	11
5. Wise County .....	12
II CREATING A BLUEPRINT FOR REFORM .....	15
A. THE ROAD TO REFORM .....	15
B. THE POLICY FRAMEWORK FOR WELFARE REFORM: VIP AND VIEW .....	16
1. The VIP Eligibility Provisions .....	17
2. The VIEW Provisions .....	18
C. CREATING A STATEWIDE INFRASTRUCTURE TO SUPPORT REFORM .....	19
1. Full Funding for Welfare Reform .....	20
2. Involving Local Communities .....	21
3. Providing Technical and Administrative Support to the Local Offices .....	23
4. Empowering Local Administrators and Line Staff .....	26

CONTENTS (continued)

Chapter	Page
III	BUILDING A LOCAL INFRASTRUCTURE TO SUPPORT WELFARE REFORM . . . . . 29
	A. PLANNING FROM THE BOTTOM UP . . . . . 31
	B. RESTRUCTURING THE DSS SERVICE DELIVERY SYSTEM . . . . . 33
	1. Redefining Staff Roles, Responsibilities, and Relationships . . . . . 33
	2. Privatization of Services: Enhancement, Not Replacement of Agency-Provided Services . . . . . 43
	C. INTERGOVERNMENTAL AND COMMUNITY AND PRIVATE SECTOR INVOLVEMENT . . . . . 44
	1. Building New Intergovernmental Relationships . . . . . 44
	2. Involving Community Organizations in Welfare Reform . . . . . 47
	3. Involving Businesses in Welfare Reform . . . . . 48
	D. SUMMARY AND CONCLUSION . . . . . 49
IV	ENCOURAGING RESPONSIBLE PARENTING . . . . . 51
	A. EXPLAINING THE NEW RULES: A STANDARD ROUTINE . . . . . 52
	B. SCHOOL ATTENDANCE: REACHING THE NEXT GENERATION . . . . . 53
	C. PATERNITY ESTABLISHMENT: EXTENDING PERSONAL RESPONSIBILITY TO NON-CUSTODIAL PARENTS . . . . . 55
	D. MINOR PARENTS: PRE-EXISTING COMPLIANCE . . . . . 56
	E. IMMUNIZATION: A MUTUAL INTEREST . . . . . 57
	F. FAMILY CAP: AN IMPLEMENTATION CHALLENGE . . . . . 58
	G. SUMMARY AND CONCLUSION . . . . . 59

**CONTENTS** *(continued)*

<b>Chapter</b>		<b>Page</b>
V	MOVING RECIPIENTS INTO WORK .....	61
	A. EXPANDED PARTICIPATION IN MANDATED JIB SEARCH AND WORK PROGRAMS .....	63
	B. SENDING THE MESSAGE, ESTABLISHING EXPECTATIONS .....	67
	1. Initial Assessment: A Standard Routine .....	67
	2. Clarifying the Work-First and Personal Responsibility Message .....	69
	C. VIEW PROGRAM COMPONENTS: NEW POLICIES FOCUS ON INDEPENDENT JOB SEARCH AND CWEP .....	70
	1. Job Search .....	72
	2. CWEP: A Critical Program Component .....	76
	3. Education and Training .....	82
	D. VIEW PARTICIPANT CHARACTERISTICS AND EMPLOYMENT OUTCOMES .....	84
VI	SUPPORTING THE TRANSITION TO EMPLOYMENT .....	91
	A. ENHANCED DISREGARDS TO MAKE WORK PAY .....	91
	B. PROVIDING VIEW PARTICIPANTS WITH ASSISTANCE FOR WORK-RELATED EXPENSES .....	93
	1. Child Care .....	94
	2. Transportation Assistance .....	100
	C. REMOVING BARRIERS TO EMPLOYMENT AND PROVIDING ONGOING SUPPORT .....	102
	D. SUPPORTING EMPLOYMENT FOR VIEW AND NON-VIEW PARTICIPANTS .....	104
	E. SUMMARY AND CONCLUSION .....	104

**CONTENTS** *(continued)*

<b>Chapter</b>		<b>Page</b>
VII	CREATING BOUNDARIES TO SUPPORT: IMPLEMENTING SANCTIONS AND TIME LIMITS .....	107
	A. SANCTIONS .....	109
	B. TIME LIMITS .....	113
	C. SUMMARY AND CONCLUSION .....	115
VIII	CHALLENGES AHEAD .....	117
	A. JOB RETENTION .....	117
	B. JOB ADVANCEMENT .....	120
	C. REACHING THE HARDER-TO-SERVE .....	121
	D. TRANSPORTATION .....	123
	E. CONCLUSION .....	123
	REFERENCES .....	125



## TABLES

<b>Table</b>		<b>Page</b>
I.1a	SELECTED CHARACTERISTICS OF THE VIP/VIEW RESEARCH SITES .....	7
I.1b	SELECTED CHARACTERISTICS OF THE AFDC/TANF CASELOAD IN THE RESEARCH SITES .....	8
II.1	BUDGET ALLOCATIONS: JOBS/VIEW SERVICES AND JOBS/VIEW-RELATED DAY CARE .....	22
III.1	VIEW TIMELINESS MEASURES .....	39
IV.1	CHARACTERISTICS OF JOBS AND VIEW PARTICIPANTS .....	66
V.2	PLACEMENT IN VIEW ACTIVITIES .....	71
V.3	VIEW PARTICIPANT CHARACTERISTICS EMPLOYMENT OUTCOMES BY PLACEMENT IN VARIOUS NEW COMPONENTS .....	85
VI.1	USE OF SUBSIDIZED DAY CARE: CASES REFERRED TO VIEW .....	97
VII.1	VIP/VIEW REQUIREMENTS WITH PENALTIES FOR NON-COMPLIANCE .....	108
VII.2	NUMBER OF SANCTIONS .....	110
VII.3	SANCTION RATES AMONG CASES REFERRED TO VIEW .....	112
VIII.1	PATTERNS OF EMPLOYMENT .....	118

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## EXECUTIVE SUMMARY

The Virginia Independence Program (VIP) and the Virginia Initiative for Employment Not Welfare (VIEW) were signed into law by Governor George Allen on March 20, 1995, after they passed the state General Assembly with widespread, but hard-won, bipartisan support. Implementation began only a few months later, on July 1, 1995. VIP/VIEW modified the Aid to Families with Dependent Children (AFDC) and Job Opportunities and Basic Skills (JOBS) training programs to foster personal responsibility and increase employment. The initiative's long-term goal is to improve the lives of poor families and children. Having already shifted the focus of its AFDC program to a temporary assistance program with employment as its central focus, Virginia had to make only minor changes to fully implement the Temporary Assistance for Needy Families (TANF) program as authorized by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. TANF replaced the AFDC program in Virginia on February 1, 1997, 19 months after implementation of VIP/VIEW began.

Virginia enacted and implemented comprehensive welfare reform sooner than many other states. Then and now, Virginia's emphasis on work (as opposed to work-preparation activities such as job search, education, or training) sets it apart from other state approaches to welfare reform. For instance, although states are more commonly requiring TANF applicants or recipients to look for work as soon as they begin receiving benefits, only 10 states require TANF recipients to work in exchange for benefits after a specified period of time. Only two other states, Wisconsin and Massachusetts, require TANF recipients to work as soon or sooner than Virginia. In Wisconsin, the work mandate applies to all recipients, but in Massachusetts, it applies only to families with a child over the age of six.

Virginia's emphasis on work was purposive and deliberate. The Commission on Citizen's Empowerment, the chief architects of Virginia's approach to reform, believed in the intrinsic value of work and that recipients would learn from the discipline of going to work. The Commission therefore resisted efforts to redefine work to include activities such as training or extended job search. The Commission did, however, support efforts to combine training with work. In addition to work, welfare in Virginia also has focused on encouraging responsible parenting.

The VIP eligibility requirements, designed to encourage responsible behavior include:

- C Cooperation with child support enforcement
- C A family cap on benefits for children born more than nine months after assistance is authorized
- C Age-appropriate immunizations for children
- C Compliance with compulsory school attendance laws

- C Determination of benefits for two-parent families using the same standards as for single-parent families

The VIEW component of VIP, which applies to able-bodied parents with children 19 months or older, includes the following provisions:

- C Signing of the Agreement of Personal Responsibility
- C Job search for 90 days, followed by mandatory work either through regular employment or participation in the Community Work Experience Program (CWEP)
- C Full family sanction (complete loss of benefits) for non-compliance
- C A 24-month time limit on benefits
- C Generous earned income disregards, which allow families to continue to receive their full cash assistance grant as long as their earned income remains below the poverty line
- C Supportive services, including subsidized child care, transportation assistance, and Medicaid, while a person is working and on assistance and lasting for at least one year after leaving assistance

To provide a better understanding of what it takes to put a complex set of reforms into practice, this report details how welfare reform has been implemented in five communities in Virginia, highlighting the choices they made, the challenges they had to overcome, and those that still lie ahead. The five localities profiled in this report--Lynchburg, Prince William County, Petersburg, Portsmouth, and Wise County--were selected as research sites when welfare reform was first implemented. The VIP eligibility policies were implemented in each of the sites on July 1, 1995, and the VIEW policies were phased in between October 1995 and October 1997. For evaluation purposes, the research sites operated dual programs until October 1997, when VIEW was fully phased in. A control group continued to receive assistance according to AFDC and JOBS policies, and an experimental group received services according to VIP and VIEW policies.

VIP and VIEW policies were decided at the state level. Local offices, with support from the state, were responsible for creating an infrastructure to implement the reforms. The state and local departments of social services emphasized the importance of educating and involving a broad range of stakeholders in the implementation process, including nonprofit service providers, faith-based organizations, and local businesses. However, the major task faced by localities was identifying strategies for restructuring their current service delivery system to support the goals of reform. While the research sites believe they have implemented welfare reform effectively, they acknowledge that the task is far from complete. Although the welfare system in Virginia today is very different from the pre-reform system, it is not yet the system everyone would like it to be. This summary documents the changes that have been made under welfare reform; the infrastructure,

staffing, and programmatic issues raised by welfare reform; and the next steps in welfare reform.

## **THE FOCUS OF THE WELFARE OFFICE: WORK AND RESPONSIBLE PARENTING**

- C** *VIP, and VIEW, the work component of VIP, have been fully implemented. Applicants for or recipients of TANF face more requirements to receive assistance now than prior to the implementation of welfare reform.* VIP and VIEW are primarily a set of mandates designed to change recipient behavior. These mandates have been fully implemented in each of the research sites. Workers have changed their interactions with recipients and applicants to promote the new program requirements and to empower applicants and recipients to improve their life circumstances.
- C** *The primary focus of the welfare office for TANF recipients has shifted from providing ongoing cash assistance to encouraging and supporting recipients' efforts to find employment.* Eligibility and employment services workers reported that the way they approach their jobs has changed as a result of welfare reform. Eligibility workers no longer focus just on verifying eligibility. They discuss recipients' plans for finding employment and remind them whenever they can that welfare is time limited. Employment services workers apprise recipients of their work obligation, impose penalties for non-compliance, and ensure that recipients have all of the supportive services they need to make the transition to employment.
- C** *Personal responsibility and work are often described as the twin pillars of welfare reform. Work clearly has been a key component to welfare reform implementation. The personal responsibility provisions have provided workers with new, but still relatively limited, opportunities to encourage responsible parenting.* The VIP provisions to encourage responsible behavior were implemented as intended--as conditions of eligibility. For the most part, they have been implemented as rule changes and have not resulted in a major restructuring of how eligibility workers approach their jobs. Since face-to-face contact between eligibility workers and recipients is infrequent, the workers have very few opportunities to reinforce the emphasis on responsible parenting. The exception is the compulsory school attendance requirement. Two of the sites, Lynchburg and Petersburg, have used the compulsory school attendance requirement to forge a strong alliance with the public schools and to work with families to develop concrete plans for improving school attendance.

## **BUILDING AN INFRASTRUCTURE TO SUPPORT REFORM: EXPANSION OF SERVICE BUT LIMITED STRUCTURAL REFORMS**

- C** *Full funding has been critical to the successful implementation of welfare reform.* The state provided the localities with substantial additional funding to fully implement welfare reform. Currently, there is no waiting list to participate in VIEW. Funding is also available for child care and transportation assistance for all VIEW participants who need it. All of the localities feel they would never have been able to implement welfare

reform successfully without the additional financial resources provided to them. Between state fiscal years 1995 and 1998, budget allocations for JOBS/VIEW and JOBS/VIEW day care in the research sites increased from \$4.2 million to almost \$10 million, an increase of 227.5 percent.

- C ***Major restructuring of the welfare office was uncommon.*** Only one site, Prince William, used welfare reform as an opportunity to completely restructure its service delivery system. The other four sites focused primarily on developing strategies to help workers do their jobs differently. The changes included helping workers assume new responsibilities when necessary, sending a different message to clients, and facilitating ongoing communication between all workers involved in providing services to recipients.
  
- C ***Due to concerted efforts to involve local organizations in welfare reform, the research sites feel they have implemented welfare reform with broad community support.*** Most of the sites' initial efforts to involve the local community in welfare reform focused on educating the community and on recruiting agencies to participate in the CWEP program. Due to a limited need for CWEP sites, many agencies that agreed to participate have never been called upon to do so. Over time, the sites' efforts to involve the local community in welfare reform have shifted from organizing large public forums focused on educating the public about welfare reform and developing broad community support to cultivating ongoing working relationships with a smaller group of local organizations to improve service delivery for current and former welfare recipients.
  
- C ***Businesses have been receptive to hiring welfare recipients, but have not been extensively involved in the ongoing planning and implementation of welfare reform in the research sites. At the state level, several large companies have been actively involved in ongoing planning for welfare reform.*** All of the research sites initially conducted extensive outreach campaigns to involve businesses in welfare reform and one research site has a staff person dedicated to recruiting businesses to hire welfare recipients. While businesses were willing to hire welfare recipients when they had positions available, efforts in the research sites to recruit businesses to take a more active role in welfare reform planning were met with limited success. However, at the state level, more than a dozen large companies have been involved in welfare reform planning.

## CHANGING THE CULTURE OF THE WELFARE OFFICE: AN ONGOING PROCESS

- C ***Efforts to change the culture of the welfare office primarily focused on redefining staff roles and responsibilities to effectively implement welfare reform. The welfare offices used several types of staffing arrangements. However, none of the sites feel that their model effectively balanced the needs of clients with the responsibilities of workers.*** Eligibility and employment services staff have been extremely supportive of welfare reform and have welcomed the opportunity to help clients improve their life chances. However, at times, implementation of welfare reform also has been very demanding and required substantial changes in work practice. Workers had to learn

new policies, interact with clients differently, and meet new standards for timeliness and accuracy.

- C ***The responsibilities of eligibility workers have remained separate from those of employment services staff.*** None of the research sites chose to merge the responsibilities of eligibility and employment services staff into a single staff position. In four of the five sites, eligibility and employment services remained in separate operating units. Prince William, the only site to deviate from this model, created a new employment services unit in which eligibility and employment services staff carry a common caseload and work as a team. However, the two positions have remained separate and distinct.
  
- C ***Changes in caseloads and in expectations for workers and clients have made it difficult for the localities to predict their future staffing needs with any certainty.*** All of the research sites have experienced substantial declines in their AFDC/TANF caseloads but report having to spend more time on the cases that remain. At the same time, most of the localities have experienced substantial increases in their child care caseload and in the employment services workload. These changes, along with workers' and local administrators' perceptions that the long-term future of welfare reform may be uncertain, have made it difficult for the localities to develop a long-term staffing and service delivery structure that deviates from their usual practices. In addition, staffing decisions are affected not only by the demands of welfare reform but also by the demands of other (often larger) programs such as food stamps and Medicaid for which workers also are responsible.

## WELFARE REFORM IN PRACTICE: AN EMPHASIS ON MANDATES AND INCENTIVES

- C ***The majority of recipients subject to the work requirement in the research sites that implemented VIEW early (Lynchburg, Prince William, and Petersburg) reported finding employment. Employment rates in Portsmouth and Wise where VIEW was phased in more recently were substantially lower.*** Rates of employment for recipients placed in a VIEW activity in the sites that implemented VIEW early range from 60 to 78 percent. Employment rates in the sites implementing later are between 35 and 43 percent. Some of the variation in employment rates reflects differences in the timing of VIEW implementation. For example, employment data is available for 30 months in Lynchburg but only for six months in Wise and Portsmouth. Differences in employment rates may also reflect differences in local labor market conditions and differences in program implementation. Average hourly wages range from a low of \$4.86 to a high of \$6.15.
  
- C ***In an effort to empower families and discourage them from becoming dependent on government for support, the localities initially encouraged recipients who are required to work to look for employment on their own.*** The localities have placed the primary responsibility for finding employment on recipients. Almost all recipients subject to the work requirement initially participate in an independent job search with only minimal

assistance from the welfare office. About one-fourth of the recipients who ever enter the VIEW program receive more formal job search assistance through job readiness programs. Those who participate in job readiness appear to have greater barriers to employment, as evidenced by their lower levels of education. There is not a consensus among staff as to whether more structured job search should be provided to all recipients. Some staff believe that the current structure works well, while others believe that recipients are being asked to find employment without the skills to do so.

- C ***Eligibility and employment services workers believe that work incentives, including the more generous earned income disregard, child care, and transportation assistance, have been critical to the success of welfare reform.*** Each of the sites made it easy for recipients to obtain child care and transportation to support their work efforts. Child care utilization rates ranged from a low of 16 percent to a high of 47 percent. The lower utilization rates were concentrated in the sites that implemented VIEW later. In the sites that implemented VIEW early, child care utilization rates among families who found employment ranged from 41 to 57 percent. Staff were generally supportive of the enhanced earned income disregards, although in one site, Petersburg, staff encouraged recipients to save their limited months on assistance for potential future crises.
  
- C ***All of the research sites have developed an administrative structure for operating a CWEP program. However, the sites have needed far fewer CWEP placements than they originally anticipated primarily because recipients have found private-sector jobs or have otherwise left the welfare rolls.*** The sites have relied on a variety of administrative arrangements to operate their CWEP programs, including hiring a private contractor or dedicated staff to operate the program and integrating CWEP tasks with workers' other responsibilities. Although most of the CWEP programs are relatively small, staff feel they could find additional sites if demand for the program increased. Because staff believe that CWEP can be an important developmental activity for recipients who have been unable to find paid employment, they have designed their programs to help recipients gain a foothold in the work world. Long-term welfare recipients account for a substantial percentage of the recipients who participate in CWEP. In some of the sites, employment and hourly wage rates are just as high for CWEP participants who eventually find private-sector employment as for recipients participating in other program activities.
  
- C ***Eligibility and employment services workers in all of the sites believe that sanctions have been critical to the success of welfare reform.*** Most of Virginia's behavioral mandates are reinforced by financial penalties for non-compliance. Eligibility and employment services workers believe sanctions encourage recipients to comply with program expectations. Although staff in the research sites described their approach to VIEW sanctions differently, VIEW sanction rates across the sites that implemented VIEW early are comparable; about one-third of all recipients referred to VIEW in those sites received a VIEW sanction at some point in time. Sanction rates were lower in the sites that were still in the early stages of implementing VIEW.
  
- C ***Eligibility and employment services workers believe that time limits have helped them to create an environment that encourages and supports personal responsibility.***



Workers believe that time limits have been important in changing the culture of the welfare office. They also recognize the possibility that some families may be unable to make it on their own in two years.

## **NEXT STEPS: JOB RETENTION AND ADVANCEMENT, HARDER-TO-SERVE POPULATIONS, AND TRANSPORTATION**

- C *There is widespread agreement that welfare reform has focused primarily on getting recipients into any job. Job retention and job advancement are important goals that the state and the localities are just beginning to tackle.* Virginia's work mandate is very strong, and it appears to have encouraged recipients to seek and find paid employment. However, job retention rates show that some recipients have less than continuous employment.
- C *Recipients still on the welfare rolls face a number of personal and family challenges. Now that caseloads are declining, the state and the localities are trying to identify potential strategies for addressing these issues.* Staff feel that they are seeing more and more recipients who face significant barriers to employment, including substance abuse, mental health problems, domestic violence, and very low skill levels. Employment services staff would like to do a better job addressing these issues. With time limits looming, the development of such strategies is an important next step in welfare reform.
- C *Transportation presents a barrier to employment in nearly all of the research sites.* Recipients can receive transportation assistance if they find employment. However, payments to cover transportation expenses do not address the larger structural problems that recipients face. For instance, several of the sites have very poor public transportation systems, making it difficult for recipients to find and maintain employment. Several of the sites also have implemented innovative strategies to help recipients obtain transportation. For example, Lynchburg has implemented a family loan program to help recipients buy cars and Wise County coordinates with the Office on Aging to share vans for transporting recipients to CWEP positions. These efforts, however, leave major structural transportation issues unresolved.
- C *The implementation of welfare reform has been aided by a strong economy. VIEW's emphasis on building job skills through attachment to the labor force may serve as a buffer if the economy begins to falter.* When welfare reform was first implemented, the localities expected to place large numbers of recipients into CWEP positions. However, a strong economy made it possible for most recipients in most areas of the state to find regular employment. Even in Wise County where the unemployment rate was nearly 20 percent, staff were surprised by the number of recipients who found employment. As Wise and other counties with high rates of unemployment reach full implementation of VIEW, their experience will offer important lessons on implementing a work-based assistance system when private sector employment options are more limited.

Now that VIEW has been implemented statewide, state staff feel they finally can chart the progress to date and begin to plan for what is ahead. Because the research sites implemented VIEW at different times, they are at different stages in planning for the future. Lynchburg, Prince William, and Petersburg have had time to fully phase in VIEW, while Portsmouth and Wise are still in the early stages of implementation. While much has been accomplished, there appears to be widespread agreement among staff at all levels that implementation of welfare reform remains a work in progress.

## I. INTRODUCTION

The Virginia Independence Program (VIP) and the Virginia Initiative for Employment Not Welfare (VIEW) were signed into law by Governor George Allen on March 20, 1995, after passing the state General Assembly with widespread, bipartisan support. Implementation began only a few months later, on July 1, 1995. VIP and VIEW modified the Aid to Families with Dependent Children (AFDC) and Job Opportunities and Basic Skills (JOBS) training programs to foster personal responsibility and increase employment, with the long-term goal of improving the lives of poor families and children. Having already shifted the focus of its AFDC program to a temporary assistance program with employment as its central focus, Virginia had to make only minor changes to fully implement the Temporary Assistance for Needy Families (TANF) program as authorized by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. TANF replaced the AFDC program in Virginia on February 1, 1997, 19 months after implementation of VIP/VIEW began.

It will be some time before the impacts of welfare reform in Virginia are fully understood. In the short-term, examination of the implementation of welfare reform in the state can provide important insights into the administrative and operational challenges involved in shifting to an assistance system that mandates and supports work. Four features of Virginia's approach to reform make its experience particularly relevant to other states and localities, especially as federal work participation rates increase and time limits near. First and most important, Virginia requires all mandatory recipients (able-bodied recipients with a child over the age of 18 months) to work in exchange for their benefits after just 90 days of benefit receipt, making it one of the most stringent work requirements implemented to date. Second, Virginia is one of only a few states to combine generous earned income disregards *and* stringent penalties for non-compliance with a

work mandate, creating an unambiguous financial incentive for recipients to accept paid employment when it is available. Third, Virginia has implemented its work mandate in areas facing a broad range of economic conditions, including some rural areas with unemployment rates near 20 percent. Finally, Virginia has emphasized involvement of the local community in the planning and implementation of welfare reform.

The Governor's Commission on Citizen Empowerment, the chief architects of Virginia's approach to welfare reform, believed that the AFDC program had fostered dependency and discouraged initiative, resulting in the dissolution of families and the growth of numerous social pathologies.<sup>1</sup> In creating a new system of support for poor families, the Commission's goal was to discard the current system of welfare in favor of policies and programs that "compel personal responsibility and discourage destructive behavior" (Commission on Citizen Empowerment 1994). The welfare reform program the Commission created links the receipt of cash assistance to behaviors it believed to promote both good parenting and encourage self-sufficiency.

Long before welfare reform passed at the national level, Virginia had reached a consensus on the need to reform the AFDC program. However, little was and still is known about the challenges involved in implementing such sweeping reform. Federal and state legislation have provided a framework for creating a new assistance system. However, in Virginia and in a growing number of states across the country, the primary responsibility for deciding how to put these policies into practice has been delegated to local departments of social services (DSS). To provide a better understanding of what it takes to implement a complex set of reforms, this report details the experience of five communities in the Commonwealth with

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<sup>1</sup>The Governor's Commission on Citizen Empowerment developed the specific blueprint for VIP and VIEW. However, discussions about how to reform Virginia's welfare system started several years earlier through the work of the Poverty Commission, led by former Lt. Governor Donald Beyer.

welfare reform, highlighting the choices they made, the challenges they faced and those that lie ahead. This introductory chapter summarizes the evaluation of welfare reform in Virginia and briefly describes the five research sites.

Chapters II through VII detail the implementation experiences of these five communities. The communities were selected to represent the demographics of the state and reflect a diverse set of economic and social conditions under which to examine the implementation of a complex set of policy and programmatic reforms. Chapter II summarizes the key VIP/VIEW policies and reviews the evolution of welfare reform, covering state activities to prepare the local offices to implement welfare reform. Chapter III examines the organizational and staffing decisions made by each of the sites and the role community groups and businesses have played in the implementation of welfare reform. Chapter IV describes how the communities have implemented the welfare reform provisions designed to promote responsible parenting. Chapters V, VI, and VII detail the strategies used to help welfare recipients make the transition to employment. The report concludes with a preview of the challenges that lie ahead.

## **A. EVALUATING WELFARE REFORM IN VIRGINIA**

The five communities profiled in this report--Lynchburg, Prince William County, Petersburg, Portsmouth, and Wise County--were selected as research sites when welfare reform was first implemented. Until October 1997, when welfare reform was fully implemented in Virginia, these communities ran dual programs to allow for estimates of the impact of welfare reform. That is, except for a few policies that were implemented statewide for all families, members of a control group continued to receive benefits according to pre-reform AFDC and JOBS policies until October 1997 while members of an experimental group received benefits according to the new VIP and VIEW policies. VIP eligibility policies were implemented

in each of the sites on July 1, 1995, and VIEW policies were phased in between October 1995 and October 1997. The experiences of these five research sites will form the basis for a comprehensive evaluation of welfare reform in Virginia.

In late 1997, Virginia contracted with Virginia Polytechnic Institute and State University (Virginia Tech) and its subcontractor, Mathematica Policy Research Inc. (MPR), to conduct a series of studies to examine the outcomes and impacts associated with the implementation of welfare reform in the state. Currently, five studies are planned: (1) an early impact and outcome analysis; (2) an implementation study, the subject of this report; (3) a descriptive study of cases reaching the two-year time limit; (4) an impact and implementation study of VIEW-PLUS, a job retention demonstration project; and (5) a study of VIEW-exempt cases, which focuses on “child only” cases.

The implementation study of VIP and VIEW policies, which will also support the impact evaluation, involves the following research questions:

- C What is the political, organizational, social and economic context in which welfare reform was designed and is now being implemented?
- C What organizational and staffing changes were made at the local level to support the implementation of welfare reform?
- C What role have other government agencies, community-based organizations and local businesses played in the implementation of welfare reform?
- C How have the local offices implemented policies to encourage responsible behavior?
- C What strategies have local offices employed to shift to a work-based transitional assistance system? What factors have affected their choices? What are the patterns of participation in work and work-related activities?
- C What are the major challenges ahead?

This study relies primarily on interviews with administrators and staff from the five local welfare offices. Where appropriate, information was also gathered from community service providers. Site visits were conducted to each of the five local offices during February and March of 1998. Telephone interviews also were conducted with current or former state staff who played a key role in the development or implementation of welfare reform. Information from these interviews was supplemented with a review of program documents and administrative data.

## **B. A PROFILE OF THE FIVE RESEARCH COMMUNITIES**

Virginia, the 12th most populous state in the United States, is home to a diverse and growing population. The research communities were selected to represent the five regions of the state. The Piedmont Region, represented by Lynchburg, is a combination of smaller cities and towns and includes a substantial portion of the state's farm land. The Northern Region, represented by Prince William County, is a suburban area with higher-than-average income and is home to a growing number of Hispanic and Asian immigrants. The Central Region, represented by Petersburg, is dominated by Richmond, the state capital and the third largest city in the state. The Eastern Region, represented by Portsmouth, includes several of the state's most populous cities. The Western Region, represented by Wise County, extends into the Appalachian mountains and is the most rural part of the state. The data presented in Table I.1 and the descriptions of the research communities presented below illustrate the diverse economic and social environments in which welfare reform in Virginia is being implemented.

### **1. Lynchburg**

Lynchburg, a small city of 66,491 people, was historically a manufacturing center. However, beginning with the 1981-82 recession and continuing through the mid-1980s, Lynchburg lost much of its

manufacturing base as industries closed or left the region. The city is home to four major educational institutions--Liberty University, Lynchburg College, Central Virginia Community College and Randolph-Macon Women's College--and over time, educational services and associated retail and banking support have replaced manufacturing jobs as the mainstay of Lynchburg's economy. Now, just one-third of the region's employees work in manufacturing.

Lynchburg is involved in Virginia's Region 2000, a joint private and public economic development partnership that combines the resources of Lynchburg, Bedford and Altavista (two nearby towns), and the four surrounding counties. Region 2000 is intended to create a supportive environment for business. More than 4,600 companies are now located in the region.

Lynchburg has a favorable labor market, but despite a relatively low unemployment rate, just 3.8 percent in 1995, a substantial percentage of the city's residents live in poverty. Lynchburg's poverty rate in 1989 was 16.4 percent compared with 10.2 percent for the state as a whole. One in six households is female headed. Rates of high school completion for adults over the age of 24 are somewhat lower than for the state as a whole. Although the majority of Lynchburg's population is white (73 percent), it has a larger share of African-Americans (26 percent) than the state as a whole (19 percent). In contrast to its overall population, the majority of Lynchburg's TANF households are headed by African-Americans, most whom have never been married. Rates of high school completion are in the middle of the range for the five research sites. Lynchburg's AFDC/TANF caseload has declined by 39 percent to 642 cases since welfare reform was first implemented.



TABLE I.1a

## SELECTED CHARACTERISTICS OF THE VIP/VIEW RESEARCH SITES

	State	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
<b>Characteristics of the Local Communities<sup>a</sup></b>						
Total Persons	6,618,358	66,491	245,184	40,934	103,464	39,925
Persons per Square Mile	168	1,350	724	1,659	3,094	99
Per Capita Income (1989)	\$15,713	\$12,657	\$17,833	\$10,547	\$11,158	\$9,392
% Below Poverty (1989)	10.2	16.4	3.2	20.3	17.7	21.6
Racial Distribution (1990) (Percent)						
White/Other	81.6	73.3	86.3	27.4	52.0	97.8
African-American	18.8	26.4	11.6	72.1	47.3	1.8
Hispanic	2.6	0.7	4.5	1.2	1.3	0.3
% Female-Headed Households	11.1	15.6	8.4	23.0	19.3	12.1
% Never Married	26.7	31.8	23.9	34.6	26.3	20.5
% High School Graduates	75.2	69.5	87.8	62.2	66.6	52.1
Unemployment Rate (Percent)						
1980	5.0	4.5	3.7	7.8	7.7	7.6
1986	5.0	6.0	2.4	9.6	7.8	15.6
1990	4.5	6.0	3.3	8.7	7.8	9.6
1995	4.5	3.8	3.3	7.0	7.0	17.0

<sup>a</sup>City and County Data Book, 1983, 1988, 1994, 1997; State Data Center, Virginia Employment Commission.

TABLE I.1b

## SELECTED CHARACTERISTICS OF THE AFDC/TANF CASELOAD IN THE RESEARCH SITES

Total AFDC/TANF Cases	State	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
June 1995	70,797	1,058	1,987	1,244	3,296	924
April 1998	43,509	642	1,240	750	2,196	753
% Decline 6/95 - 4/98	40.2	39.3	37.6	39.7	33.4	18.5
% AFDC/TANF-UP	1.7	0.8	1.8	0.6	0.7	8.4
Characteristics	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
Racial Distribution <sup>a</sup> (Percent)						
White/Other	32.2	28.0	46.8	7.4	16.1	96.8
African-American	65.4	72.0	47.8	91.9	83.3	3.2
Hispanic	2.1	0.0	5.4	0.7	0.6	0.3
% Female Headed <sup>a</sup>	96.3	96.8	96.5	97.9	97.3	88.2
% Never Married <sup>a</sup>	62.8	70.2	55.2	74.9	70.4	29.1
% High School Graduates <sup>a</sup>	57.0	54.7	62.4	59.0	54.1	47.5

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

NOTE: The research sample includes household heads who were on assistance at the time the evaluation sample was established in July 1995, were selected for the experimental group, and were still receiving assistance at the time VIEW was implemented. The table covers the period of VIEW implementation through April 1998.

## **2. Prince William County**

Prince William County has a population of 245,184 and is located in suburban northern Virginia, 35 miles southwest of the District of Columbia. Prince William's economy is healthy and includes a broad base of employment ranging from high-tech industries such as IBM to numerous service and retail jobs at the area's largest retail outlet mall. Its proximity to Washington, DC, and to a large U.S. Marine base in Quantico, Virginia, provides additional employment opportunities with the federal government that are not readily available in most other localities in the state. Prince William residents are employed throughout northern Virginia, the District of Columbia, and suburban Maryland. In 1995, Prince William's unemployment rate was just 3.3 percent, the lowest of the five research sites. In 1989, only 3 percent of the residents of Prince William lived below the federal poverty line.

The county's population is 12 percent African-American and 5 percent Hispanic--the most significant Hispanic population of the five research communities. Just over 8 percent of Prince William's households are female headed. Educational levels there are substantially higher than in the state as a whole. Prince William's TANF caseload is distinguished by its heterogeneity, especially in terms of race and marital status. Whites and African-Americans are represented in almost equal numbers, as are married and never-married household heads. In that 64 percent of its caseload has completed high school or a GED, Prince William is also home to a more educated population than are any of the other four sites. Since the start of welfare reform, Prince William's AFDC/TANF caseload has declined by 38 percent to 1,240 cases.

### **3. Petersburg**

Petersburg, a small city of 40,934 people, is located near Richmond, the state capital. Thanks to its rich history--the siege of Petersburg during the Civil War led to the surrender of General Robert E. Lee--Petersburg has a large tourism industry. Historically, Petersburg's economy has been manufacturing-based, but the city never fully recovered from the recession in the early 1980s. This recession, coupled with the departure of a large tobacco manufacturing plant, cut Petersburg's manufacturing base in half. The major local retail mall closed in the 1980s, and several discount department chains have closed all local stores. Downtown retail has failed, and only a few, unstable establishments remain. Employment at Fort Lee, a local military installation, also has declined somewhat. The result is limited tax revenues for city services. With an unemployment rate of 7 percent in 1995, Petersburg is one of the less economically stable cities in Virginia. Similarly, with fully 20 percent of its residents in poverty, Petersburg is one of the poorer cities in the state.

Employment opportunities for the low-income population do exist. Virginia State University is located just outside the city, and four large companies have recently located in the area. However, due to a poor public transit system, Petersburg's low-income residents have had difficulties taking advantage of employment opportunities available in the retail centers that have been developing outside the central city. Although Petersburg's unemployment rate remains substantially higher than the rate statewide, it has fallen from 8.7 to 7.0 percent since 1990.

The city's population is predominately African-American (73 percent), and 23 percent of its households are headed by a female. Rates of high school completion are lower than the statewide rate. Petersburg's TANF caseload is the most homogeneous of all of the sites, serving a predominantly African-American, never-married population. The rates of high school completion of Petersburg's TANF

caseload are among the highest of the five research sites. Since the start of welfare reform, Petersburg's TANF caseload has declined by 40 percent to 750 cases.

#### **4. Portsmouth**

Portsmouth has a population of 103,464 and is the ninth largest city in Virginia. Nearby Norfolk Naval Shipyard shapes much of the industry and employment in Portsmouth. Over 13,000 employees work for the U.S. government: 7,200 work in the shipyard, 4,200 work at the U.S. Naval Hospital, and almost 2,000 work for the Coast Guard. Large health care and manufacturing firms in the Portsmouth area are other significant employers.

Despite this employment base, Portsmouth has experienced employment losses in several areas in recent years. The nearby shipyard civilian labor force suffered a sizable layoff in late 1993. Other shipyards in nearby Hampton Roads cut jobs in 1991-1993, though employment became more stable during 1994 and 1995. In the early 1990s, Portsmouth's employment situation was considerably worse than the state as a whole. With an unemployment rate of 7 percent in 1995, however, the employment picture in Portsmouth has improved in recent years. Despite this upturn, 17.7 percent of its residents live below the poverty line, making Portsmouth, like Petersburg, one of the poorer areas in the state.

The city's population is the most heterogeneous of the five sites: 52 percent of the population is white, 47 percent is African-American and 1 percent is Hispanic. About one in five households is headed by a female. The rates of high school completion are lower than the rate for the state as a whole. Portsmouth's TANF caseload is made up primarily of families headed by African-American, never-married mothers, but it is somewhat less homogeneous and has lower rates of high school completion than Petersburg's caseload.

Since the start of welfare reform, Portsmouth's AFDC/TANF caseload has declined by 33 percent to 2,196 cases.

## **5. Wise County**

Wise County, located in the coal fields region of western Virginia, comprises a mix of small towns and rural areas. Its population of 39,925 lives in the hills and within and outside its many small towns. An isolated area, there is little opportunity for tourism as well as poor access to road transport. Historically, coal alone supported the county until technological advances in mining emerged in the late 1980s and early 1990s. Now that the same amount of coal can be mined with far fewer workers, there are very few mining jobs left, and no new industries have emerged to employ the displaced coal labor force. Just under 18 percent of employees in Wise County still work in coal mining.

While most of Virginia and the rest of the country have been experiencing an economic boom and record low unemployment rates, Wise County has seen its unemployment rate rise to 17 percent. The largest single employer in Wise is a lumber manufacturer, which employs just 281 people. With 21.6 percent of its citizens in poverty, Wise has a poverty rate that is more than twice the statewide rate. The rate of high school completion in Wise is significantly lower than the statewide rate. Because the economic situation in Wise is so bleak, the county is "exporting its children." However, it is difficult for long-time residents to leave as most own their homes and have strong personal and family ties in the county. Most new employment is in low-paying service industry jobs—fast food, discount retail, and nursing homes; secretarial and receptionist jobs also account for new employment. A new prison opened in August 1998 and a second is scheduled to open in the spring of 1999.

The characteristics of Wise County's TANF caseload are quite different from those of the other four research sites. Recipients are predominantly white, most of whom are or have been married; 8 percent of the caseload is enrolled in the TANF Unemployed Parents program. The high school completion rate, at 48 percent, is substantially lower than in the other four research sites. Despite its high unemployment rate, Wise County has seen its AFDC/TANF caseload decline since the start of reform, albeit at a slower rate than in the rest of the state and the other research counties. In April 1998, 753 families received assistance, 19 percent fewer than in June 1995, the month prior to welfare reform implementation.

Since July 1995, when implementation of welfare reform began, local communities have been the focal point of nearly all the welfare reform activity in the state. The state anticipated that the success of the reforms would ultimately rest on the ability to translate ideas and policies into practice at the local level.

The implementation experiences of the five research sites provides an opportunity to document the practical implications of welfare reform in Virginia. The research sites represent localities that implemented welfare reform at different times. Lynchburg, having implemented VIEW in October 1995, has the longest history of operating the program. Prince William, which followed in April 1996, and Petersburg, in January 1997, also have had time to fully implement their programs, although they will not see any families affected by the time limit until later this year or early next year. Portsmouth and Wise did not implement VIEW until October 1997. At the time of our site visits in February and March 1998 they had only recently had their first families hit the 90-day work requirement and will not have any families affected by a time limit for quite some time. With a state as diverse as Virginia, there is no way to select five communities that can tell the full story of how welfare reform has been implemented. Nonetheless, these sites do represent a range of circumstances and experiences, and they provide important insight into how welfare reform has been implemented in the Commonwealth.

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## **II. CREATING A BLUEPRINT FOR REFORM**

When George Allen campaigned for Governor in 1993, he promised to reform Virginia's welfare system. Shortly after taking office, he appointed the 40-member Commission on Citizen Empowerment and charged it with developing policy recommendations for replacing the welfare system with an employment-based temporary assistance system that was pro-family. Eighteen months later, implementation of the proposed changes began. Before Governor Allen left office in January 1998, welfare reform had been fully implemented statewide, more than 18 months ahead of schedule.

According to key actors involved in the development of welfare reform, VIP and VIEW were passed by the General Assembly and signed into law because "everyone needed reform." Although there were differences of opinion over how the system should be reformed, there was little disagreement that the AFDC and JOBS programs needed to be replaced with a new assistance system that would help welfare recipients improve their current circumstances and enhance their prospects for the future.

### **A. THE ROAD TO REFORM**

Governor Allen's framework for reform focused on four principles: work, personal responsibility, short-term assistance, and fiscal accountability. The Commission on Citizen Empowerment, headed by then-Secretary of Health and Human Resources Kay Cole James and composed of individuals representing businesses, churches, government agencies, and nonprofit groups, as well as volunteers, taxpayers, and former and current recipients of public assistance, relied on these principles to develop a concrete set of policy recommendations that would form the basis of welfare reform in Virginia. During 1994, the commission held public hearings across the Commonwealth and received testimony from more than 1,000

people representing every segment of the population. Based on the information it received, the Commission submitted a report to the Governor in December 1994 with recommendations for replacing welfare in Virginia with employment-based temporary assistance. Their work built on and expanded the work of the Poverty Commission, appointed by former Governor Douglas Wilder and headed by former Lieutenant Governor Donald Beyer.

Suggestions in the Commission's report were then drafted as legislative proposals and introduced in the General Assembly during its 1995 session. The legislation passed with widespread, but hard-won, bipartisan support. In the House of Delegates, the vote was 90-9; in the Senate, it was 33-6. Many members of the General Assembly were concerned that the time limits, work requirements, and penalties for non-compliance in the proposal were too harsh. Consequently, the legislative debate was often contentious. The Empowerment Commission and the Governor's office held firm to their blueprint for reform and eventually convinced most of the General Assembly that the proposed reforms would empower, not harm, citizens of the Commonwealth in need of government assistance. The legislation that finally passed the General Assembly and was signed by Governor Allen did not deviate from the Empowerment Commission's recommendations in any significant way.

## **B. THE POLICY FRAMEWORK FOR WELFARE REFORM: VIP AND VIEW**

The VIP and VIEW provisions focused on the twin pillars of personal responsibility and work. The VIP eligibility provisions, designed to encourage responsible behavior, were implemented statewide on July 1, 1995. The VIEW provisions, designed to encourage work, were to be phased in over a four-year period by Economic Development District (EDD) beginning July 1, 1995 and ending April 1, 1999. However, because implementation went much more smoothly than anticipated, the VIEW phase-in

schedule was compressed and the provisions implemented throughout the Commonwealth by October 1, 1997.

## 1. The VIP Eligibility Provisions

With a few exceptions, the VIP eligibility provisions primarily encourage adults to be responsible parents. The exceptions focus on supporting parents' efforts to find or keep a job. The VIP provisions that were implemented statewide in July 1995 include:

- C *Diversionary Assistance.*** Working families who face a temporary loss of income are able to receive a one-time cash payment as long as they agree to forgo welfare benefits for up to 160 days.
- C *Paternity Establishment.*** Mothers are required to name the fathers of their children and provide three additional pieces of information to help locate the non-custodial parent. Mothers who do not comply eventually face the loss of all TANF benefits.
- C *Family Cap.*** An additional child born more than nine months after a family begins to receive assistance is not eligible to have his or her needs included in the TANF grant (i.e., benefits do not increase). All child support received for a child subject to the family cap is passed through directly to the family and is not considered income when determining a family's eligibility for TANF.
- C *Compulsory School Attendance.*** Compulsory school attendance laws apply to all school-age children receiving assistance. Children who do not comply with the laws face the loss of TANF benefits. (TANF benefits are eliminated for the child who is not attending school.)
- C *Immunization.*** TANF applicants must provide verification that all children are immunized or face monthly reduction of TANF benefits (\$50 for the first child who is not immunized and \$25 for each additional child who is not immunized).
- C *Minor Parent Restrictions.*** Minor parents are required to live with a parent or other adult in *loco parentis* to be eligible for assistance.
- C *Two-Parent Expansions.*** Eligibility for benefits for two-parent families is determined using the same eligibility criteria as for one-parent families.

- Ⓒ ***Savings Incentive.*** Families are allowed to accumulate \$5,000 in savings, provided that the money will be used for education, home ownership, or starting a business.

## 2. The VIEW Provisions

The VIEW provisions, which focus on work and time limits, form the centerpiece of welfare reform in Virginia. Unlike the VIP eligibility provisions, which apply to all applicants or recipients with few exceptions, the VIEW provisions apply only to able-bodied parents with a child 18 months or older. The VIEW provisions include:

- Ⓒ ***Agreement of Personal Responsibility.*** VIEW participants must sign an Agreement of Personal Responsibility (APR) to receive benefits. Families who fail to sign the APR have their TANF cases closed.
- Ⓒ ***Work Requirement.*** VIEW participants must begin looking for unsubsidized employment immediately and are required to work in a subsidized or unsubsidized job or participate in a community work experience within 90 days of being referred to VIEW. Families who do not comply with the work requirement face the loss of all TANF cash benefits and are subject to the time limit as long as their TANF case remains open.
- Ⓒ ***Two-Year Time Limit.*** Receipt of cash assistance is limited to 24 months followed by a one-year period of eligibility for transitional benefits only (child care, transportation and medical assistance) and a two-year period of ineligibility for all TANF benefits (including transitional benefits). (When Virginia replaced the AFDC program with TANF, recipients also became subject to a 60-month lifetime limit on the receipt of cash assistance.)
- Ⓒ ***Generous Earned Income Disregards.*** VIEW families are eligible to continue to receive their full grant as long as the total of their TANF benefit plus net earned income does not exceed the federal poverty level (and they have received assistance for 24 months or less).

Virginia enacted and implemented comprehensive welfare reform sooner than many other states. Then and now, Virginia's emphasis on work (as opposed to work-preparation activities such as job search, education, or training) sets it apart from other state approaches to welfare reform. It is increasingly common for states to require TANF applicants or recipients to look for work immediately upon receipt of

benefits. However, only 10 states require TANF recipients to work in exchange for benefits after a specified period of time on TANF. Only two other states, Wisconsin and Massachusetts, require TANF recipients to work as soon or sooner than Virginia does (Gallagher et al. 1998). In Wisconsin, the work mandate applies to all recipients, but in Massachusetts it applies only to families with a child over the age of six.

Virginia's emphasis on work was purposive and deliberate. The Empowerment Commission believed that work had intrinsic value and that recipients would learn from the discipline of going to work. They resisted efforts to redefine work to include activities such as training or extended job search. The Commission did, however, support efforts to combine training with work. Families with a child under the age of 18 months were exempted from the work requirement because the Commission believed that parents needed time to bond with their children and to learn how to be good parents. The expectation was that parents would spend those first 18 months engaged in activities that would help them to become good parents. Since the Commission planned for child care to be guaranteed for all families who were expected to work, the exemption for families with young children also reflected how much the state felt it could afford for child care.

### **C. CREATING A STATEWIDE INFRASTRUCTURE TO SUPPORT REFORM**

As soon as Virginia's welfare reform legislation was passed, state staff shifted their attention to creating an infrastructure that would support the implementation of welfare reform at the local level. In little more than three months, staff had to prepare a request for waivers from federal law, develop state regulations and policy guidance for field staff, retool automated systems, train regional and local staff in the new policies, and educate field staff to prepare them for a major shift in the philosophy of providing assistance

to poor families. Early on, state staff decided to focus not only on making sure operational details were attended to but also on building broad-based support for implementing welfare reform at the local level. Thus, the development of a statewide infrastructure to support reform focused on four key elements: (1) ensuring adequate, available funding for the implementation of welfare reform, (2) involving local communities, (3) providing technical and administrative support to the local offices, and (4) empowering local administrators and line staff.

### **1. Full Funding for Welfare Reform**

When welfare reform was passed by the General Assembly, the consensus was that additional funding for child care, transportation, and employment services would be needed to ensure its success. Key actors involved in the development of welfare reform in Virginia speculate that welfare reform would not have passed the Assembly without an agreement that additional funding would be forthcoming to implement the reforms. The promise of additional funding also helped to garner support from local nonprofit social service providers.

Additional funding was primarily directed to the implementation of VIEW. The amount allocated to the localities implementing VIEW reflected the costs of providing services in the local area and assumed full implementation. Child care and transportation were guaranteed for all VIEW participants, meaning that localities could request additional funding if the amount allocated proved to be insufficient. The General Assembly also awarded a one-time planning grant for each Economic Development District prior to phasing in the VIEW program. Individual districts could determine how the money would be spent, but the intent was to facilitate the collaboration between the local departments of social services and local businesses, nonprofit organizations, and faith-based organizations to make welfare reform work in a community.

Staff at all levels agree that full funding has been crucial to the success of welfare reform in Virginia. For the first time, localities have had enough money to bring all recipients who are required to work into program activities and to provide child care to all families who need it. One state official described the shift as having the work program go from being a stepchild to a top priority. As the data in Table II.1 illustrates, full funding for welfare reform has required a substantial increase in funding. From state fiscal year (SFY) 1995 (the year immediately preceding the implementation of welfare reform) to SFY 1998 (the first year in which all of the research sites will have fully phased in welfare reform), the budget for JOBS/VIEW and JOBS/VIEW child care increased 240 percent in the research sites, from \$4.2 million in SFY 95 to \$14.1 million in SFY 98. The increased funding was split almost equally between JOBS/VIEW services (case management, transportation reimbursement, and work activities such as job readiness and community work experience) and JOBS/VIEW child care. The increased budget allocations for the individual sites reflect the amount of additional funding that is needed to fully implement VIP and VIEW.

## **2. Involving Local Communities**

The Empowerment Commission viewed welfare reform as more than a set of policy changes. It strongly believed that community involvement was essential to the creation of a new service system that would empower families to become self-sufficient. In the Empowerment Commission's report to the Governor and the citizens of Virginia, Chair of the Commission Kay Cole James noted, "If we are to truly end welfare as we know it, then we must also end government as we know it, the community of faith as we know it, business as we know it, and education as we know it." The

TABLE II.1

BUDGET ALLOCATIONS:  
JOBS/VIEW SERVICES AND JOBS/VIEW-RELATED DAY CARE  
(in thousands of dollars)

	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
<b>Budget Allocations -- Fiscal Year 1995</b>						
JOBS/VIEW Day Care <sup>a</sup>	2,302.0	157.0	1,365.9	395.1	310.1	73.9
JOBS/VIEW <sup>b</sup>	1,862.3	227.7	389.8	441.9	627.6	175.3
Total	4,164.3	384.7	1,755.7	837.0	937.7	249.2
<b>Budget Allocations -- Fiscal Year 1998</b>						
JOBS/VIEW Day Care	7,538.6	755.9	3,631.4	826.8	1,875.1	449.4
JOBS/VIEW	6,605.3	1,084.2	1,682.7	1,103.4	2,104.8	630.3
Total	14,143.9	1,840.1	5,314.1	1,930.2	3,979.9	1,079.7
<b>Budget Increase (Dollars) -- Fiscal Year 1995-1998</b>						
JOBS/VIEW Day Care	5,236.6	598.9	2,226.5	431.7	1,565.0	375.5
JOBS/VIEW	4,743.0	856.4	1,292.9	661.5	1,477.2	455.0
Total	9,979.6	1,455.3	3,558.4	1,093.2	3,042.2	830.5
<b>Budget Increase (Percent Change) -- Fiscal Year 1995-1998</b>						
JOBS/VIEW Day Care	227.5	381.4	165.9	109.3	504.7	508.1
JOBS/VIEW	254.7	376.1	331.7	149.7	235.4	259.6
Total	239.6	378.3	202.7	130.6	324.4	333.3

NOTE: Information on budget allocations was provided by the Virginia Department of Social Services.

<sup>a</sup>Includes JOBS/VIEW Working and Transitional Day Care

<sup>b</sup>Includes JOBS/VIEW Purchase of Services and Administration



emphasis on community involvement continued beyond the work of the Empowerment Commission and has added a unique dimension to welfare reform in Virginia.

Soon after welfare reform was implemented, the state launched a statewide community campaign. Its slogan was, "Yes, We Can!" The campaign had three main goals. First, it was designed to ensure that people understood the details of welfare reform and to garner widespread participation in and support for welfare reform. Second, it provided the impetus for shifting the focus of welfare reform away from the issues that were contentious during the legislative debate and toward the purpose that everyone supported and cared about: creating opportunities to help poor families achieve their dreams.

Finally, and perhaps most important, it was intended to encourage people to come together at the local level to solve local problems. The state held meetings to help local governments, faith-based organizations and community organizations build partnerships. Every community was different: some already had partnerships in place on which to build, while others had to start from scratch. In the end, staff felt that some communities built successful partnerships, and others floundered. Overall, people were pleasantly surprised at how much enthusiasm was generated around making welfare reform succeed.

### **3. Providing Technical and Administrative Support to the Local Offices**

Virginia's welfare system is state supervised and county administered. Thus, the localities have always depended on the state for policy guidance, training, and automation support; this relationship did not and was not intended to change under welfare reform. Consequently, successful implementation of welfare reform, at least in the early stages, was contingent on state staff being able to provide the technical and administrative support necessary to implement the reforms on time. Although staff found it a challenge to

get everything into place in a short period of time, they felt that quick implementation of earlier federal reforms (e.g., the 1981 Omnibus Budget Reconciliation Act) had prepared them for the task.

**a. Retooling Automated Data Systems**

When Virginia implemented welfare reform, the development of a new automated system was well underway. However, because the new system was not close enough to completion, staff had to retool what they describe as an antiquated, poorly documented system for the initial implementation of welfare reform. At the same time, they had to redesign the new automated system to incorporate the new policy changes. All things considered, staff felt that they accomplished what they needed to in a short period of time, although they wish they had devoted more time to training field staff. Staff also noted that it takes so long to build new automated systems that they are often out of date before they are fully operational, making it impossible to ever feel like they are operating at optimum performance.

**b. Expanding Partnerships With Other Government Agencies**

From the state perspective, the compulsory school attendance requirement proved to be the most difficult VIP provision to implement for two main reasons. First, state social services staff had not worked with staff in the state Department of Education previously on truancy issues, and they had little knowledge of the structure and operations of the public school system. Second, the limited oversight role of the state Department of Education and the wide variation in the operation of local school districts made it difficult to develop administrative rules and procedures to implement the provision. In the end, the procedures were designed to be flexible enough to accommodate differences in local school districts.

### **c. Using Local Communities as Laboratories for Reform**

The architects of welfare reform in Virginia knew they were embarking on a bold experiment, especially with the VIEW provisions. Since no one knew whether VIEW would work--and what it would take to make it work--VIEW was designed to be phased in over time. State staff believe that the phase-in strategy was critical to the success of welfare reform. If they had implemented VIEW statewide, they believe they would have encountered massive resistance. As it was, they were able to build on the successes and learn from the mistakes of the first communities to implement the reforms. In addition, when VIEW was first implemented, the phase-in schedule allowed state staff to give each locality individual attention as they prepared to phase in the program.

Despite, or perhaps even because of, the implementation challenges, state staff described the process as “both exhilarating and exhausting.” Because welfare reform was implemented in a politically charged and very high-profile environment, staff reported that “everything needed to land right--and it did.” With a few exceptions, primarily related to automation, staff in the field concurred that the state had provided them with the support they needed to implement welfare reform. Inevitably, there was some confusion around the details of some of the policies, and communication was not always as clear as it needed to be. But issues were usually resolved relatively quickly. The sites that implemented early bore the additional burden of a deluge of press inquiries. All of the research sites carried the extra burden of maintaining two sets of policies, making them even more dependent than the other localities on the state for policy guidance.

#### **4. Empowering Local Administrators and Line Staff**

Since welfare programs in Virginia have always been state supervised and locally administered, local offices have always had some flexibility to decide how to operate their programs. However, the passage of welfare reform encouraged local offices to take a more active role in designing program strategies and service systems that would account for the needs and resources of their communities. Early on, state staff reached out to local social service directors and encouraged them to take on leadership roles in their communities. The social service directors were seen as natural allies who had been ignored during the political debate. In fact, to their dismay, the localities played a very minimal role in the design of welfare reform--their active involvement began after the legislation was passed and focused on implementation of policies.

Staff in the field were generally supportive of welfare reform, which helped implementation tremendously. For the first time, they felt they could do something positive for people. Many workers had seen families getting a welfare check and food stamps for years, but nothing positive was happening in their lives. They felt welfare reform would be better for their clients and better for them. Still, they approached reform with some skepticism. Until implementation began, no one was quite certain what welfare reform would mean on a day-to-day basis. In addition, passing the reforms was so political that staff were concerned that the new welfare provisions might not be around long enough to result in any major changes.

A year after welfare reform was implemented, the state sponsored a statewide conference described by many as a turning point in the implementation process. The conference was designed to showcase the efforts of the communities that had already implemented welfare reform. It created excitement and re-energized the "Yes, We Can!" attitude that launched the new policy. The larger agencies did express some

disappointment with the conference because the first sites to implement welfare reform had smaller caseloads, so conference presentations were not fully applicable.

A second conference held a year later generated even more enthusiasm, highlighted by the fact that the Governor received a standing ovation when he announced that welfare reform would be implemented statewide by October 1997--18 months ahead of schedule. Those who had not yet fully implemented welfare reform looked forward to being part of what they saw as an exciting new opportunity.

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### III. BUILDING A LOCAL INFRASTRUCTURE TO SUPPORT WELFARE REFORM

Historically, the welfare office has focused on assessing individuals' eligibility for public benefits and making sure those eligible receive benefits in a timely manner. Although the local Departments/Divisions of Social Service (DSS) have operated employment programs for welfare recipients for many years, these programs have always been small and have never had a major impact on the operation, structure, or focus of the local welfare offices. Implementing welfare reform, with its emphasis on work and personal responsibility, meant local offices needed to "think outside the box." They needed to identify strategies for a new way of providing income support and services to cash assistance applicants and recipients. They also needed to find ways to encourage responsible behavior and self-sufficiency.

In their efforts to create a new approach to providing services, the local welfare offices faced two primary tasks: (1) identifying strategies for restructuring their current service delivery systems and (2) identifying and developing long-term relationships with other government agencies, community organizations and businesses who were interested in helping them achieve their welfare reform goals. The five research sites made different choices regarding how to restructure their current service delivery systems and how to involve the local community in welfare reform. This resulted in different approaches to implementing welfare reform. However, several common themes emerged from their experiences.

- C ***Major restructuring of the welfare office and privatizing the delivery of services was uncommon.*** Prince William, which has had a long-term interest in re-engineering the department, is the only site where welfare reform served as a catalyst for major restructuring of the welfare office. The other four sites primarily focused on developing strategies to help workers do their jobs differently with an emphasis on helping them take on new responsibilities and send a different message to clients. Although the sites contracted out for some services, none of them shifted primary responsibility for the delivery of services to private contractors.

- C ***The offices relied on several types of staffing arrangements. However, none of the sites felt they had a model in place that effectively balanced the needs of clients with the responsibilities of workers.*** Implementation of welfare reform proved to be very demanding and required substantial changes in work practice. Workers had to learn new policies, interact with clients differently, and meet newly established standards for timeliness and accuracy. In addition, workers' responsibilities have expanded under welfare reform, meaning more time is required for them to become proficient in their work.
- C ***The responsibilities of eligibility and employment services staff have remained separate and distinct since the implementation of welfare reform.*** None of the research sites chose to merge the responsibilities of eligibility and employment services staff into a single staff position. In four of the five sites, eligibility and employment services remained in separate operating units. Prince William, the only site to deviate from this model, created a new employment services unit where eligibility and employment services staff carry a common caseload and work as a team.
- C ***The quality of local offices' relationships with other government agencies varies by site and by agency.*** All of the research sites felt it was important to engage other government agencies in their efforts to reform the welfare system in their communities. Key agencies included the Division of Child Support Enforcement (DCSE), the local school districts and the Virginia Employment Commission (VEC). While some of the sites reported developing extremely strong, positive working relationships with the public schools and DCSE, none reported a strong working relationship with the VEC.
- C ***The sites placed considerable emphasis on involving the local community in the implementation of welfare reform, especially during the early stages of implementation.*** Initial efforts to involve the local community in welfare reform focused on garnering widespread community support and identifying agencies willing to participate in the Community Work Experience Program (CWEP). Over time, community involvement has focused on maintaining ongoing relationships with a small number of community partners who have taken an active interest in the implementation of welfare reform.
- C ***In most of the sites, businesses were willing to consider hiring welfare recipients to fill vacant positions; however, businesses have not been extensively involved in the ongoing planning and implementation of welfare reform.*** When welfare reform was first being implemented, all of the sites invested considerable time and energy to bring business to the table. Employers have been receptive to hiring welfare recipients, but with a few exceptions, ongoing relationships and specific hiring agreements have not materialized.

This chapter presents the key choices the research sites made to create a local infrastructure to support reform and the challenges they faced as they put the infrastructure into place. We start with a discussion



of the internal planning processes. We then present a detailed discussion of the strategies the sites employed to restructure their service delivery systems. Finally, we discuss the sites' efforts to involve other government agencies, community organizations and businesses in the implementation of welfare reform. The focus of this section is primarily on the organizational arrangements the sites put into place to implement welfare reform. The details on how they implemented the specific welfare reform provisions are contained in subsequent chapters.

#### **A. PLANNING FROM THE BOTTOM UP**

When asked what advice he would give to other states or localities implementing a program similar to VIP/VIEW, a state official remarked, "Believe in front-line workers. They have a tremendous capacity for knowing how to help recipients. If you believe in them and turn them loose to do the job, the results will be magical." Each of the five localities involved line staff in the planning for welfare reform. Lynchburg, Prince William, Petersburg, and Portsmouth established welfare reform planning teams that relied almost exclusively on the expertise of supervisors and/or line staff. Wise, the smallest of the five localities, engaged in a less formal planning process, calling upon staff as needed to make decisions regarding the implementation of VIP/VIEW.

Lynchburg and Petersburg established welfare reform planning processes that applied to the entire agency, including staff from child protective services and foster care who had no direct responsibility for implementing welfare reform. An agency-wide approach was established to gather input from different parts of the agency and to ensure that all staff were sending a consistent message to the families receiving services.

The welfare reform planning teams in the localities were given varying degrees of responsibility for deciding how welfare reform should be implemented. For example, in Petersburg, the planning team, made up exclusively of line staff, made recommendations about managing welfare reform, hiring and training workers, and accessing computerized information. These efforts led to smooth implementation of welfare reform. Prince William's welfare reform team was asked to develop a plan for completely re-engineering the system that provides assistance to welfare recipients. Their plan resulted in major changes in the way services are delivered and staff are organized. Portsmouth's planning team primarily developed a plan for getting the message of welfare reform out to clients. The team developed a question and answer booklet for clients and a video on the VIEW program that could be shown in the lobby.

Portsmouth and Lynchburg also have participated in regional planning groups. In Portsmouth, the regional planning effort has focused primarily on creating a coordinated approach to develop an improved transportation system. The group is striving to obtain additional transportation funding. There is a sense that a whole region is more likely than a single local agency to have clout and command resources. The region also has preliminary plans for developing a regional approach to addressing the needs of "harder-to-employ" clients, especially those with substance abuse problems.

In Lynchburg, staff attribute much of their success to their work with other localities in the region. They have depended on each other to develop and implement new ideas. They have awarded regional contracts and brought staff together on a regular basis to exchange information and present alternative ways of working with recipients. On more than one occasion, this has allowed them to pool their resources to implement programs that no single agency would have had the resources to implement on its own.

## **B. RESTRUCTURING THE DSS SERVICE DELIVERY SYSTEM**

Successful implementation of VIP /VIEW requires completion of many of the same tasks that were required under the AFDC/JOBS programs: Eligibility must be determined accurately and in a timely manner; self-sufficiency plans must be developed; and supportive services must be authorized and provided. However, the scope and relative importance of many tasks have changed, resulting in a need to rethink how to organize the work of the welfare office. This section discusses how the local welfare offices have responded to these changes.

### **1. Redefining Staff Roles, Responsibilities, and Relationships**

Historically, local departments/divisions of social service in Virginia have been separated into two operational units: eligibility and services. The eligibility units were responsible for determining eligibility for all of the public benefit programs including AFDC, Medicaid, and Food Stamps. The service units were responsible for Child and Adult Protective Services, foster care, child care and the JOBS program. Four of the five sites maintained this structure under welfare reform. Prince William eliminated the separation between services and eligibility by restructuring its office into an employment unit that handles eligibility, VIEW, and child care for all VIEW-mandatory cases and a maintenance unit that handles eligibility for all Food Stamp and Medicaid cases that do not receive TANF and TANF cases that are not subject to the work requirement. Although given the option to create a new self-sufficiency worker who would handle eligibility and VIEW responsibilities, all five sites chose to maintain separate eligibility and VIEW workers.

Historically, service delivery to welfare recipients has involved interaction with a minimum of three different workers, each performing a different, specialized function. Eligibility workers authorized benefits. Employment service workers assessed recipients' education, training and supportive service needs;

assigned recipients to appropriate program activities; made referrals for supportive services; and monitored recipients' participation in program activities. Day care workers authorized child care benefits. Interaction between workers occurred infrequently, most often through a series of paper transactions. Welfare reform has affected the work of all staff involved in providing services to welfare recipients. The emphasis on rapid entry into the labor market also has increased the need for coordination of program services. The sites have faced a series of challenges as they attempted to develop a service delivery system that takes into account clients' and workers' needs.

**a. Eligibility Determination: Expanded Responsibilities and Competing Priorities**

Determination of eligibility for a public benefits program requires extensive knowledge of program rules, an ability to meet multiple deadlines, and attention to detail. Historically, payment accuracy and timeliness have defined success for eligibility workers. Welfare reform, with its emphasis on personal responsibility and work, has added a new dimension to the eligibility determination process. Now, eligibility workers are expected not only to determine eligibility accurately and in a timely manner, they must also explain a new set of rules, monitor compliance with those rules, support clients in their efforts to find employment, and continually remind clients that benefits are time-limited.

Regardless of the way the research sites structured the eligibility process, workers felt their jobs had become more complicated and their workloads had increased. In particular, they report seeing more employed cases that take more time and are more difficult to process correctly. In addition, they also felt that welfare reform required them to do more case management than they had previously done. Eligibility workers and their supervisors are concerned that the emphasis on the implementation of VIEW means that the impact of welfare reform on eligibility workers has never been fully appreciated.

***Shift to Generic Workers.*** Prior to welfare reform, the research sites organized their eligibility staff according to two different models: a generic model where staff handled eligibility for AFDC, Food Stamps, and Medicaid or a specialized model where staff handled eligibility for only one or at most two of the public benefit programs. In preparation for the implementation of a new automated system and separate from welfare reform, all localities in Virginia were encouraged to move to a generic model of service delivery. Wise and Lynchburg made this shift at the same time that they implemented welfare reform, making the implementation of welfare reform more labor intensive than it was in the other three sites.

The shift from specialized to generic caseloads is labor intensive: staff must learn new policies, and caseloads must be reallocated to account for the change in workers' programmatic responsibilities. Even without welfare reform, the transition would have been difficult; welfare reform added another layer of policy changes and expectations on workers. Although difficult to accomplish, the shift from specialized to generic workers resulted in a more integrated eligibility system. Workers had to learn more policies, but clients have fewer workers with whom they need to communicate.

***Balancing Continuity for Recipients and Efficiency for Workers.*** As a part of its reorganization, Prince William adopted a "cradle to grave" model of service delivery, where one eligibility worker handles a case from application to closure. Wise also uses this model, and the other three sites maintain separate intake and ongoing workers. Prince William shifted to a one-worker eligibility model because staff believed they could provide better service to clients by doing so. Workers believe the system works better for clients, but the job is very difficult to do well. Their intake responsibilities require very quick turnaround and extreme attention to detail, while their ongoing responsibilities require more time with clients and more time to research their cases. Even with smaller caseloads, it has been difficult for staff to

feel comfortable doing both jobs. Supervisory staff believe that the model is best for clients, but they acknowledge that they misjudged how difficult it would be for staff to make the adjustment.

Staff in Wise, who have been handling both intake and ongoing case responsibilities for some time, did not report the same difficulties combining these two functions. The difference in workers' experiences probably reflects inevitable start-up costs involved in shifting from one set of responsibilities to another and differences in caseloads. Wise, with few employment opportunities, has a relatively stable caseload while Prince William has a far more transient caseload.

***Balancing the Needs of TANF and Non-TANF Clients.*** Eligibility is a complex process that extends beyond welfare reform. Therefore, from an eligibility perspective, successful implementation of welfare reform requires taking into account all factors that have an impact on the eligibility determination process. In particular, Virginia's welfare reform changes affected only the TANF programs, which account for a relatively small share of the total eligibility workload. Eligibility units also are responsible for determining eligibility for Food Stamps, and Medicaid. The non-TANF Medicaid caseload in the five sites is at least two-and-one-half times the size of the TANF caseload. In Wise, it is four times as large. While TANF recipients often participate in all three programs, many families receive only Food Stamps and/or Medicaid. In four of the five sites, workers carried a mix of TANF and non-TANF cases, and their TANF cases sometimes accounted for as little as 10 percent of their total caseload. Therefore, although welfare reform required eligibility workers to approach their work differently, it only did so for a small portion of their caseload.

Prince William felt that clients affected by welfare reform would receive better service if some eligibility workers were dedicated specifically to them. Therefore, Prince William eliminated the traditional split between eligibility and services and created an employment services unit dedicated to working with

recipients who are or will be expected to work as a condition of receiving cash assistance. Eligibility workers in this unit carry relatively small caseloads and work only with TANF recipients. Clients who are not expected to work receive services from a separate maintenance unit. Workers in the maintenance unit carry very large caseloads and their work focuses solely on determining eligibility for public benefits, primarily Medicaid and Food Stamps. Although staff believe this arrangement works well, they believe it is a challenge to maintain an environment that is welcoming to all clients.

**b. Employment Programs for Welfare Recipients: From Stepchild to Center Stage**

The emphasis on employment has placed employment services staff at the center of welfare reform. Employment services staff are responsible for enrolling recipients in the VIEW program, conducting an initial assessment, assigning recipients to participate in specific VIEW program activities, authorizing transportation assistance, and monitoring compliance with program mandates. While workers performed all of these functions under the JOBS program, they did so in a very different environment. Under VIEW, the emphasis on rapid entry into employment for all mandatory participants has increased the volume of work, quickened the pace at which tasks must be completed and dramatically altered the message workers try to send to clients.

*An Emphasis on Rapid Action and Response.* The implementation of welfare reform has dramatically altered the pace at which VIEW workers must engage recipients in work and work-related activities. Under JOBS, recipients could participate in education and training programs for long periods of time. However, everything happens quickly under VIEW: workers are expected to conduct an initial meeting with clients within 30 days; within 90 days, recipients are expected to be working or participating in the Community Work Experience Program. Local offices are judged on the extent to which they meet

these expectations. Although a significant change from JOBS, the research sites have adjusted quite well to this faster pace. Since the beginning of implementation, the research sites have enrolled between 73 and 89 percent of mandatory recipients into VIEW in a timely manner and have placed between 67 and 76 percent of recipients in a work activity within 90 days (See Table III.1).

***A New Focus Requiring New Skills.*** VIEW workers' jobs have changed in other ways as well. The messages they convey to recipients have changed, and they are required to be in contact frequently (at least once a month) with recipients who remain on their caseload. While many of their day-to-day responsibilities have remained the same, staff feel they have had to acquire additional skills to help recipients find and keep jobs. In particular, workers feel they need to know more about the job market and how to provide recipients with direction on how to find employment.

***Caseload Management Issues.*** In general, VIEW workers have been extremely supportive of the welfare reform changes they have been required to implement and feel the job they have been asked to do is a reasonable one. The most difficult challenges VIEW workers face revolve around management of an ever-changing caseload in need of services quickly. In contrast to JOBS, many recipients are finding employment within the required 90-day window, requiring workers to help them obtain supportive services, especially child care and transportation, quickly.



TABLE III.1  
VIEW TIMELINESS MEASURES  
(Cumulative - All Cases Since VIEW Implementation)

	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
Percent Enrolled Timely	73	75	89	75	85
Percent Placed Timely	76	72	69	63	67

SOURCE: Virginia Independence Program Monthly Report, June 1998, Office of Policy and Planning, Virginia Department of Social Services.

Workers also are required to be in contact with recipients every month. Competing demands for workers' time often means that workers' monthly contact is limited to a phone conversation or a quick in-person interaction while a recipient picks up a transportation or child care voucher. Recipients who do not find employment and are placed in CWEP require more ongoing support than those who find unsubsidized employment.

To address these issues, several of the sites have experimented with ways to help workers achieve a more reasonable workload. For example, two of the sites, Prince William and Lynchburg, have hired human service aides to help with routine tasks such as scheduling orientation meetings and processing transportation or child care vouchers. Both sites feel that these extra positions have been critical to their success in moving recipients into employment or CWEP quickly and providing good customer service to recipients while they are looking for and after they find employment. Two sites, Wise and Portsmouth, refer recipients participating in CWEP to a specialized VIEW worker who handles all CWEP cases. These sites

feel these families face a different set of expectations and needs than families who are employed and a specialized worker can more easily focus on their specific circumstances. Specialization also streamlines the monitoring process for the agencies involved in CWEP. Still, specialized CWEP workers often carry large caseloads and have other responsibilities, making it difficult for them to meet with recipients as often as they would like.

**c. Child Care: An Expanding and Integral Component of VIEW**

Although child care was provided to welfare recipients under JOBS, the emphasis on employment has made it a much more important under VIEW. Under JOBS, each local site had a fixed child care allocation, limiting the number of recipients who could participate in JOBS and providing child care workers with a predictable and stable workload. In all sites, child care staff worked in a separate unit and had responsibility for authorizing eligibility for child care and processing payments for providers. With the exception of Prince William, all sites have maintained a separate child care unit since VIEW was implemented.

Under welfare reform, child care policies changed very little. However, because more recipients are required to participate in VIEW and child care is guaranteed for all mandatory participants, the number of families using subsidized child care has increased substantially. This increase has required additional staff and increased coordination between day care and VIEW staff. Staffing configurations for the provision of child care assistance range from a fully integrated model (Prince William) in which VIEW workers and human services aides have assumed full responsibility for providing assistance with child care arrangements in addition to their VIEW responsibilities to a separate model (Lynchburg, Petersburg, and Portsmouth) in which child care workers are staffed in a separate unit and have exclusive responsibility for addressing

clients' child care needs. Wise is moving to a hybrid model with responsibility for child care shared between a dedicated child care worker and a VIEW worker.

In Prince William, employment services staff assumed responsibility for child care because they wanted to reduce the number of contacts for recipients. Staff report that they underestimated how much work was involved in authorizing child care and resolving issues with recipients and providers. As the child care caseload continues to grow, it becomes more difficult to manage child care along with other responsibilities. To address this issue, Prince William has hired an additional human service aide to work with each employment service worker.

**d. Coordination: An Ongoing Challenge with Structural Impediments**

The separation of eligibility and service has resulted in a relatively weak connection between eligibility and VIEW staff. Staff report that they communicate more now than they did under the JOBS program, but this communication is often limited to transferring information about program participation or employment. VIEW workers generally work with numerous eligibility workers, making it difficult for workers to feel that they are working jointly to help a recipient find employment and achieve their personal goals. The exception is Prince William, where eligibility and VIEW staff work as a team and carry a common caseload.

Staff in Prince William report that working in teams eases communication and works better for clients, who feel it is far more efficient than the old system. Even so, staff were initially resistant to the change. Many felt that things worked the way they were so there wasn't a need to fix something that wasn't broken. To ease workers's concerns, Prince William initially implemented the team concept through a pilot project.

Supervisory staff say the pilot project helped staff feel comfortable about the change. Supervisory staff expected the lines would blur between the individual jobs, but they have not.

**e. Ongoing Staffing Challenges**

All staff feel that it has taken a significant amount of time to determine what staff resources are necessary to implement welfare reform. They had no previous experience on which to estimate how quickly caseloads would turn over, how much child care and transportation would be used, and how much assistance recipients would need to find employment. Only a few of the sites feel they have reached a staffing pattern that works extremely well; the remainder anticipate staff changes (primarily adding new staff) in the future.

Hiring decisions in all of the sites were affected by what they characterized as an uncertain future for welfare reform. Program administrators have no guarantee that they will continue to receive the current level of funding. In addition, because of the political history of welfare reform, staff were concerned that work requirements were only temporary. Therefore, most new staff have been hired as temporary or restricted staff, which increases the likelihood of staff turnover. Petersburg has an especially difficult time keeping staff because their salaries are so much lower than the surrounding jurisdictions. All of the sites report that losing staff creates problems in service delivery. Welfare reform has made the jobs of eligibility and VIEW staff more complicated, requiring more time for new staff to reach the necessary productivity level.

Although the state gave localities the option to shift to an integrated self-sufficiency worker who would handle all aspects of a case, none of these sites implemented or were planning to implement this model. Given the workload management issues the sites face, it is unclear whether this model could be

implemented successfully with the current level of staff resources. Prince William anticipated that the creation of employment service teams would move them toward a one-worker model. But, it has not. In fact, workers report already being overwhelmed by a new set of responsibilities within their current areas of specialization. Further shifts would require analysis of current workload management issues and the skills needed to undertake a greater range of responsibilities. It is possible that additional staff training could make it easier for workers to learn a new set of tasks; however, in general, workers felt that the best way to learn a new job is to do it. The longer it takes workers to learn a new job, the harder it is to get work done in a timely manner. Offices like Petersburg that already face high staff turnover because of low salaries could face an especially difficult time shifting to a staffing arrangement that involves substantial start-up costs. It is clear that developing a service system that effectively addresses the needs of clients and sets realistic expectations for workers is a complicated endeavor. From the perspective of the research sites, the ideal strategy for allocating the work that must be done in a work-based assistance system remains an open question.

## **2. Privatization of Services: Enhancement, Not Replacement of Agency-Provided Services**

Although the research sites could have contracted out any number of services under welfare reform, the majority of services provided by agency staff prior to welfare reform have continued to be provided by them. The strategy the research sites have pursued is to perform a specific function themselves unless there is someone in the community who is better equipped to undertake the responsibility. Lynchburg, in conjunction with its regional partners, initially let a contract for assessment, job readiness and job placement services. However, once agency staff realized that they were more successful at completing these activities themselves, they cancelled the contract. Several of the other research sites have identified contractors they

feel provide quality services to their clients. For example, staff in Portsmouth feel they had found an especially dynamic contractor to provide job readiness services and wish they could provide the service to more program participants. Similarly, Prince William has developed a successful contractual relationship with a community agency that manages its CWEP program.

### **C. INTERGOVERNMENTAL AND COMMUNITY AND PRIVATE SECTOR INVOLVEMENT**

Although the state initiated and supported the development of intergovernmental relationships and involvement of the local community in welfare reform, the primary responsibility for developing and maintaining these relationships rests with the local offices. Each of the five research sites made it a priority to involve other government agencies and the broader community and private sector in its efforts to reform the welfare system. Efforts were aimed at achieving multiple goals: (1) building relationships with other government agencies whose operations were critical to the successful implementation of welfare reform; (2) educating recipients and the broader community about the new policies, philosophy, and expectations; (3) recruiting private sector or government agencies to participate in the community work experience program; (4) recruiting employers to hire welfare recipients; and (5) encouraging private and public agencies to work with the welfare agency to meet client needs. Each of the localities has undertaken efforts in all these areas.

#### **1. Building New Intergovernmental Relationships**

Welfare reform encouraged local agencies to reach out to other government agencies with which they previously had minimal or no contact. All of the sites attempted to build relationships with the schools, employment agencies including the Virginia Employment Commission (VEC), the Private Industry Council

(PIC), the Job Training and Partnership Act agencies (JTPA), and the Division of Child Support Enforcement (DCSE) within the Virginia Department of Social Services. Below, we briefly discuss the intergovernmental relationships the research sites developed. In later chapters, when we discuss the implementation of specific policies, we provide more detail on how these relationships play out in practice.

**a. Public Schools**

Developing a relationship with the local school system was new for most of the sites, which previously had no specific reason to work with the schools. However, to implement the compulsory school attendance requirements, the local welfare offices needed to work closely with the local school districts. Lynchburg, Petersburg, and Wise have developed especially strong partnerships with the schools. Prince William and Portsmouth have developed procedures with the local schools to implement the compulsory school attendance requirement; however, these relationships are not nearly as strong as those found in the other three sites.

**b. Division of Child Support Enforcement**

Prince William, Lynchburg, and Petersburg have developed strong relationships with the DCSE. In Prince William and Lynchburg, DCSE and welfare staff are located in the same office. In Petersburg, DCSE staff are not located in the office, but staff have worked to develop close ties between the two offices. There is widespread agreement in all of the sites (including those that have not forged stronger relationships with DCSE) that welfare reform has increased the importance of obtaining child support. In the face of time limits, child support can provide access to additional financial resources. Co-locating child support workers on site makes it easier for recipients to meet with child support workers and makes it

easier for welfare and child support workers to share information. Eligibility workers often have known recipients for a long time and can often provide information the child support worker may need.

**c. Employment Agencies**

Relationships with employment agencies varied considerably within the sites. None of the sites had been able to develop a strong working relationship with the Virginia Employment Commission (VEC). In Petersburg, the VEC indicated it could not provide any assistance with welfare reform; in Prince William, the relationship with the VEC was described as strained but improving. Staff in Lynchburg felt that the VEC had not been very helpful in their efforts to help recipients find employment.

Some of the localities report stronger relationships with JTPA and/or the PIC. In Prince William, JTPA is on site and functions as a part of the agency. Recently, Prince William started to work with the PIC, primarily around the use of Welfare-to-Work funds.<sup>1</sup> Wise works closely with JTPA to obtain funding for welfare clients and recently was able to obtain a seat on the PIC. Petersburg has a good relationship with JTPA, but the PIC indicated that it could not help with welfare reform. Portsmouth, on the other hand, maintains a close relationship with the PIC and is working with it to design programs using Welfare-to-Work funds. Lynchburg does not have a close working relationship with either JTPA or the PIC.

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<sup>1</sup>Welfare-to-Work is a new federal program that is being implemented through the Department of Labor at the federal level, the Virginia Employment Commission at the state level and the Private Industry Councils at the local level. Services must be employment-focused and are targeted to hard-to-employ current and former TANF recipients and non-custodial parents of TANF recipients.



## **2. Involving Community Organizations in Welfare Reform**

When welfare reform was first being implemented, the local sites hosted community forums or participated in existing forums to let people know what welfare reform would mean for the community. Wise initially focused its community-wide forums on educating recipients about the new program rules and expectations. Wise and Petersburg held community forums to recruit CWEP providers. Prince William and Portsmouth focused their community-wide forums on trying to garner support from local social service providers and the business community. The community forums allowed the localities to identify organizations that were willing to make welfare reform a priority and allowed them to educate a broad range of stakeholders on what would be expected of families applying for or receiving cash assistance. All of the agencies report that, in general, the community was and continues to be supportive of welfare reform.

Now that welfare reform is fully implemented, community outreach and involvement has continued to varying degrees. Each of the agencies has a small number of community agencies it works closely with and others it calls on when a specific need arises. Over time, staff in each of the localities have relied primarily on their personal networks to identify community organizations to work with them. Prince William, Lynchburg, and Wise have ongoing processes in place for working with the local community. In Prince William, the District Office Directors have an explicit mandate to develop partnerships in the community. As a part of this mandate, they have developed a Community Partners group that meets monthly to identify and resolve issues related to welfare reform implementation. Lynchburg is currently working with the Social Service Board (an advisory board to the Director of Social Services) to encourage community agencies to implement service strategies that will support rather than undermine the goals of welfare reform. Wise is working with a group of government and community-based organizations to develop training opportunities and to encourage businesses to locate in the area.

### **3. Involving Businesses in Welfare Reform**

All of the localities report that it has been more difficult to engage the business community in welfare reform. Meetings with Chambers of Commerce, the Lions Club, and other business groups were held in each locality. Staff from several sites indicated that very few business representatives attended community forums, but their requests to attend already planned meetings of businesses were welcomed. In spite of their efforts, all of the sites indicated that businesses have not been active partners in the planning and ongoing implementation of welfare reform. Businesses have, however, hired welfare recipients when they have had employment openings, but they have been reluctant to make any ongoing commitments to planning.

The localities faced several hurdles in getting businesses involved in welfare reform. Businesses were concerned about the qualifications and dependability of welfare recipients. Staff did their best to assure them that recipients would be screened, and child care and transportation would be provided for them. Even so, businesses have been more comfortable contributing to welfare reform in concrete ways than making a commitment to an ongoing process. Businesses indicated that they did not want social services coming to them to do their job. Social service providers felt they had to learn that businesses operated differently than they did. Businesses wanted to be told exactly what it was they were being asked to do and did not want to invest time processing ideas and information.

Over time, most outreach to businesses has occurred on an individual basis. The amount of outreach varies from office to office. Prince William, the only office that has a staff person devoted to job development, does the most extensive outreach to businesses. Initially, almost all of the business recruitment involved cold calls. Now that there is an established track record, about 60 percent of contacts come from referrals from other businesses with whom Prince William has placed recipients. With the

exception of Wise County, the research sites were aided in their efforts to place large numbers of welfare recipients into employment by a very healthy economy. It is possible that in more difficult economic times, the local sites would have worked harder to involve businesses in their welfare reform efforts.

#### **D. SUMMARY AND CONCLUSION**

With the exception of Prince William, the research sites did not undertake major structural or organizational changes to implement welfare reform. Instead, the local sites focused on trying to create an environment within the welfare office and in the community that would encourage and support recipients' efforts to find employment. Most of the change in the culture of the welfare offices in the five research sites has taken place through individual interactions between workers and clients--changes that are often difficult to measure and define. Although supportive of welfare reform, the transition to a new work-based assistance system has often been difficult for staff. To successfully implement welfare reform, staff have had to learn new policies and skills and adjust to a new set of expectations. It remains to be seen whether some of the difficulties workers faced will diminish over time as they become more comfortable with their new responsibilities.

The extent to which the research sites have been able to rely on other government agencies to support their efforts to implement welfare reform varies by site and by agency. The research sites invested considerable time and energy to educate the community about the goals and purpose of welfare reform, to recruit agencies to participate in CWEP, and to recruit businesses to play an active role in welfare reform. The agencies believe that their efforts to educate the community paid off as they have been able to implement welfare reform with broad community support. Community involvement in welfare reform has changed over time, moving from initial efforts to reach out to all members of the local community to

ongoing efforts to work with a few community agencies that have made a commitment to work with the local agencies to implement welfare reform. Efforts to bring business to the table to be an ongoing part of welfare reform have been less successful. Only Prince William continues to actively recruit businesses to hire welfare recipients. However, businesses have willingly hired welfare recipients when vacancies arise.

#### IV. ENCOURAGING RESPONSIBLE PARENTING

One of the primary goals of welfare reform in Virginia is to build a stronger and more widespread sense of family responsibility. The primary strategy for achieving this goal is to link receipt of cash assistance to a set of behaviors that the architects of welfare reform believed would encourage welfare recipients to become more responsible parents. So, when VIP was implemented, all TANF applicants and recipients had to meet four behavioral requirements in order to keep their benefits:

- Ⓒ Children are required to attend school (and parents are required to attend any meetings held to discuss a child's school attendance problems).
- Ⓒ Mothers are required to name and help locate the father(s) of their children.
- Ⓒ Minor parents are required to live at home or with a responsible adult.
- Ⓒ Parents are required to have their preschool children immunized.

In addition, the birth of a child no longer automatically results in an increase in the amount of cash assistance a family is eligible to receive.

With the exception of the compulsory school attendance requirement, the five research sites implemented these requirements as they were designed -- as eligibility requirements. That is, eligibility for assistance is approved or denied, or in some cases, the amount of assistance reduced, based on compliance with these requirements. Because they generally are addressed only during the eligibility intake meeting, most of these requirements have not substantially altered the eligibility determination process, the relationship between clients and workers, or the culture of the welfare office in the same way that work requirements have. Three of the five sites have, however, used the compulsory school attendance

requirement to expand their involvement with families and to encourage responsible parenting. The discussion in this chapter examines the implementation of these policies in the research sites. For the most part, implementation has been consistent across the sites, but some noteworthy differences do exist.

#### **A. EXPLAINING THE NEW RULES: A STANDARD ROUTINE**

A client's experience with the new policies begins with the initial intake interview. The application process in each of the five research sites is fairly standard: clients meet with an eligibility worker who reviews the provisions for receiving assistance under the new welfare legislation and verifies client eligibility. Caseworkers use standard state forms to review each of the VIP provisions highlighted above, explaining the requirements of each provision and answering client questions. Once caseworkers have explained these provisions, clients are expected to sign the standard Agreement of Personal Responsibility indicating their willingness to cooperate with the program's expectations. Sites differ only on minor procedural issues such as the sequence and duration of the intake meeting, whether applicants meet with another staff member (such as a screener) prior to meeting with an eligibility worker, and whether any type of employability assessment is conducted at this first meeting.

Because this meeting is a client's introduction to the new welfare policy, eligibility workers are charged not only with determining eligibility, but also with communicating the message of the state's welfare reform program: to promote personal responsibility. It is in this first meeting that clients learn of the state's new philosophy that compassion means helping people help themselves. In Petersburg, for example, caseworkers noted that during the intake interview, applicants are informed that TANF benefits are "just to assist you until you are able to get out on your own." In Portsmouth, the new message is conveyed by the welfare office lobby, which was redesigned to look more like a business setting than a public assistance

office. Workers in all of the sites emphasized that welfare is not like it used to be and that more will be required of recipients if they want to receive assistance. However, the message is diluted by the application process itself, which is filled with paperwork and made routine by a checklist of obligations. While workers feel confident that people understand each individual requirement, they are less confident that clients leave feeling empowered to be better parents or more responsible citizens. Penalties for non-compliance provide workers with a concrete tool for enforcing the specific behaviors required by law, but they have few other ways to encourage responsible parenting.

## **B. SCHOOL ATTENDANCE: REACHING THE NEXT GENERATION**

The compulsory school attendance requirement for all children in the household under age 18--designed to improve the children's future--is conveyed to clients when they apply for assistance. Initially, the state defined truancy as either 10 or more unexcused absences in a month or eight or more unexcused absences in each of two months. Local agencies believed that this standard was too lenient. In response to their concerns, the state amended the school attendance requirement in early 1996, redefining truancy to be consistent with the state's compulsory attendance laws. At the same time, the Virginia Assembly amended these laws, setting a stricter attendance standard for all students. These stricter policies were implemented on July 1, 1996. Students are now defined as being frequently absent if they have: (1) three consecutive absences, (2) five absences within a month and (3) seven absences within a calendar quarter (Wood and Burghardt 1997).

Because enforcing this provision depends on coordination with, and the cooperation of, the local school staff, the procedures followed in enforcing this provision differ markedly across the sites in several key areas: (1) staff responsibilities, (2) coordination with schools, and (3) expectations for compliance.

The staff responsible for implementation, coordination, and oversight of this provision varies across the five research sites. In Lynchburg, the welfare reform assistant takes on this responsibility for all cases in conjunction with other obligations. In Petersburg, an eligibility staff member is dedicated to this responsibility for all cases. In Portsmouth, one ongoing eligibility worker oversees this provision for all cases as a small part of her eligibility case management duties. In Prince William, each eligibility worker is responsible for his or her respective cases; and in Wise, the eligibility supervisor devotes part of her time to implementing this provision (at least one-half day each week is spent in truancy meetings).

The receptiveness of schools and their willingness to coordinate with local welfare agencies in developing a strategy to address student attendance also varies across the five sites. Lynchburg, Petersburg, and Wise closely coordinate with the schools, acquiring truancy lists from the schools and following up with students such that DSS and school staff are obligated to meet with the parent and child. Portsmouth schools have been attacking the problem of truancy independent of the welfare agency. As a result, DSS staff play less of a role in addressing truancy issues there. When necessary, caseworkers attempt to contact students, but these efforts are considered less important than other school-based efforts. In Prince William, as in Portsmouth, schools take initial responsibility for addressing truancy and refer cases to DSS only after all school-based efforts have failed.

The localities with a clear dedication of staff resources and close coordination with the schools strictly enforce compliance with the school attendance requirement. In Lynchburg, Petersburg, and Wise, parents have five days after they are notified about truant behavior to arrange a meeting with DSS and school staff. Together, the parents, the truant child, DSS, and school staff develop an attendance plan that clearly states a student's obligations to comply. Thereafter, school personnel monitor students closely, and if they are noncompliant, the case is immediately sanctioned by DSS. Prince William and Portsmouth enforce



compliance with the compulsory school attendance requirement if the problem is brought to their attention by the local school district. However, the process is handled by individual workers rather than through a centralized enforcement mechanism.

Petersburg has moved a step further than other sites in terms of client expectations, having developed an intervention system that includes not just compliance but prevention initiatives. Through coordination with other agencies, Petersburg supplements the school curriculum with opportunities that include workshops, lectures, support groups, and cultural events. Participation in these extracurricular opportunities is a part of the school attendance plan, and students are required to participate.

Because of the variations in how this provision has been implemented and coordinated with local schools across the five research sites, there are different perceptions of its effectiveness and impact on students and their families. Where efforts are closely coordinated and strictly monitored, there is a strong sense that this is one of the more important VIP provisions and that it is positively affecting parents and their children. Where the opposite is the case, staff are much less likely to feel this policy will influence the next generation of potential welfare recipients, possibly because each individual worker is likely to see only a few families affected by the provision. For state fiscal year 1998, an estimated total of 734 children were removed from the family's TANF grant for failure to comply with the compulsory school attendance policy. For SFY 96, 97 and 98 combined, a total of 2,228 children were removed from the TANF program (Virginia Department of Social Services 1998).

### **C. PATERNITY ESTABLISHMENT: EXTENDING PERSONAL RESPONSIBILITY TO NON-CUSTODIAL PARENTS**

During intake, applicants are informed that they must provide information that will help the Division of Child Support Enforcement locate the father of their child. This VIP provision is intended to restore the

role of fathers, hoping to instill in the short-term, financial responsibility, and in the long-term, cultural change. Staff members report that clients generally cooperate with this VIP provision, particularly when faced with the threat of a grant reduction or a case closing. Time limits, too, have increased clients' willingness to cooperate as a result of their need for financial assistance to support their children beyond what they now receive from two years of public assistance. Though clients usually supply the least information required to establish the identity of the father, workers feel it is still more than they once provided. Workers are extremely supportive of this policy because they believe that, in an environment where cash assistance is time limited, child support will become increasingly important to families.

Although workers perceive that most families comply with this requirement, numerous families have not complied. For SFY 98, a total of 1,308 TANF cases lost assistance for failure to cooperate with establishing paternity, down from 2,097 cases in SFY 97. For SFY 96, 97 and 98 combined, 3,752 cases lost assistance because of non-compliance, making the number of families affected by non-compliance with this provision almost 70 percent greater than the number of families affected by non-compliance with the compulsory school attendance requirement (Virginia Department of Social Services 1997).

#### **D. MINOR PARENTS: PRE-EXISTING COMPLIANCE**

The "minor parents" requirement is an attempt to discourage out-of-wedlock teenage births and the establishment of independent households by teenagers. An adolescent mother is informed at the initial eligibility interview that she and the dependent child in her care *must* reside in the home maintained by her parent or guardian (or by an approved parental proxy, such as an aunt or uncle or grandparent). If a young mother does not comply, she will be notified that her case has been suspended for one month (during which

time her TANF clock is still ticking). If the residency issue is not resolved within the month, her case is closed.

Staff support this policy in its current form, but when it was first implemented, they felt it was too restrictive. Initially, teenage mothers who were living with their grandmothers or other family members were required to move back with their parents to be eligible for benefits. Staff felt that this created undue hardship for some teenagers, as they were being asked to leave a stable arrangement with a supportive adult. Staff expressed their concerns regarding this policy and were successful in having it changed to its current form.

Staff members at all of the five research sites indicated that most clients are already in compliance with this VIP provision, so the requirement affects few recipients. In addition, site staff members indicated that they have limited means of verifying the information clients provide, so it is relatively easy for a client to claim that her living situation satisfies the minor parent residency requirement when, in fact, it may not.

#### **E. IMMUNIZATION: A MUTUAL INTEREST**

As a preventive measure to improve children's futures, the VIP eligibility requirements mandate all eligible children to be age-appropriately immunized to qualify for TANF benefits. Caseworkers inform clients about their immunization obligation during the initial intake interview. If clients are unable to produce immunization records by or at the six-month reassessment, they have 10 days to comply, or they will be sanctioned. Staff report that clients generally share their interest in having their children immunized, and there is a high level of compliance with this requirement. Staff perceptions are consistent with data collected by the state. Fewer families have lost benefits for failure to comply with this provision than any of the other provisions designed to promote responsible parenting. For SFY 97 an estimated total of 369

families received a reduction in TANF benefits because of failure to immunize their preschool children. For SFY 96 and 97 combined, an estimated total of 744 families had their benefits reduced (Virginia Department of Social Services 1997).

## **F. FAMILY CAP: AN IMPLEMENTATION CHALLENGE**

Applicants are informed at the initial interview that any children born starting 10 months after TANF approval (or 10 months after notification of the new rule in the case of ongoing clients) are not eligible for TANF assistance, i.e., their grant does not increase. This corrective measure is designed to encourage responsible behavior. The architects of this provision believed that if parents already could not afford to support their children, they should not be having additional children. If they choose to have another child then it is up to them to support the additional children themselves. Though eligibility workers review this family cap provision with clients, staff members consistently noted that the policy seems unclear. There has been widespread confusion about the start date for the 10 months of prior receipt of assistance. Staff members indicated that interpretation of the policy--and determination of this start date--can have a profound impact as it determines whether a client receives assistance for her child or not. In addition, the policy suffers from a fundamental loophole in that clients can have their cases closed during pregnancy, and then can reapply for assistance after the child has been born. This loophole, along with the confusion about the family cap, have caused some staff to feel that this particular VIP provision undermines their authority with clients.

The family cap does not have the same immediate financial consequences as the other behavioral requirements the state has implemented; families only bear the consequences of the policy if an additional child is born. It may, therefore, take some time for the family cap to produce its intended results. The first

children were affected by the family cap provision in May 1996. During May and June 1996 and SFY 97 and 98, 2,293 children were excluded from an assistance unit because they were subject to the family cap (Virginia Department of Social Services 1998). If the family cap does not discourage families from having additional children, the number of children affected by this provision will increase over time. In June 1998, 88 cases were excluded from their family's assistance unit because they were subject to the family cap (Virginia Department of Social Services 1998).

## **G. SUMMARY AND CONCLUSION**

Welfare reform in Virginia is often described as having twin pillars: personal responsibility and work. Clearly, more is expected of recipients now than was expected in the past. In response to these expectations, the eligibility process has expanded to focus on more than verification of income and assets. Personal responsibility is encouraged through a set of policies that are designed to promote positive parenting. So far, implementation of these provisions has focused on sending a clear message that all mothers are expected to name the father of their children, and all parents are expected to keep their children in school and make sure their children are immunized. Young mothers are expected to live with a parent or other responsible adult and the government no longer provides support for children who are born while the family is receiving assistance.

Applicants and recipients are apprised of their responsibilities, and their benefits are adjusted to take into account acts of non-compliance. Currently, the eligibility workers who are charged with enforcing these provisions do not see recipients often, making it difficult for them to do more than apprise recipients of the new expectations and impose the appropriate penalties when recipients do not comply. It is anticipated that as caseloads decline workers will have more time to address issues of non-compliance with

recipients. With the exception of the compulsory school attendance requirement in Lynchburg, Petersburg, and Wise, the personal responsibility eligibility provisions have not been accompanied by programmatic or structural changes within the welfare office (e.g., mothers with young children are not required to attend parenting or family planning classes). This stands in stark contrast to the emphasis on work, which has dramatically altered the culture of the welfare office. This suggests that if welfare reform encourages recipients to become more responsible parents, it will be because the financial penalties associated with non-compliance motivate recipients to act differently than they would have in the absence of these penalties and not because they have received services designed to improve their parenting abilities. This strategy is consistent with Virginia's emphasis on encouraging families to take greater responsibility for their actions and for ensuring the well-being of their children.

## V. MOVING RECIPIENTS INTO WORK

With the implementation of VIEW, Virginia's welfare program evolved from an unlimited assistance program that encouraged education and skills training into an employment-based "work first" program that provides assistance on a temporary basis and encourages recipients to enter the labor market as quickly as possible. Virginia believes that empowerment and personal responsibility are key to success. The underlying philosophy of VIEW's work first focus is that (1) most able-bodied recipients are capable of finding and maintaining employment, and (2) the most effective way to succeed in the labor force is to join it right away, emphasizing informal on-the-job training over structured education or training programs (Brown 1997).

The VIEW program emphasizes helping recipients find unsubsidized employment as quickly as possible. VIEW requires a larger share of the TANF caseload to participate in work-related activities than was required under the JOBS program. Through enhanced funding, VIEW has eliminated the long waiting lists that formerly curtailed participation in work-related JOBS activities. VIEW relies on the same work-related program components that existed under the JOBS program—education and training, job search, unpaid community work experience, and job readiness classes. However, the work first philosophy of VIEW reorders the sequence of these components, so that the priority for all VIEW participants is job search, which is to occur almost immediately after benefits are first issued. An enhanced community work experience program (CWEP) serves as a backup work activity for all clients unable to find unsubsidized employment.<sup>1</sup>

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<sup>1</sup>Localities also have the option to use the Full Employment Program (FEP), a subsidized employment program, as a backup work activity. When VIEW was first implemented it was expected that FEP would  
(continued...)

VIEW was designed to adhere to Virginia's principles of empowerment and personal responsibility.

As implemented, VIEW is consistent to these tenets and conforms to the work first philosophy espoused in the Empowerment Commission's 1994 report. Virginia's VIEW program has four key dimensions:

- C ***VIEW is mandatory and full participation is expected.*** Participation in VIEW is mandated for all able-bodied parents with the exception of those caring for a child under 18 months of age and those acting as the sole caregiver for another household member who is incapacitated. Relatively narrow exemptions for VIEW mean that a greater percentage of the welfare caseload is expected to work than was expected to participate in the JOBS program. All referred persons are expected to be seen by a VIEW worker within 30 days, after which clients must immediately participate in a work activity to continue to qualify for TANF benefits. Unlike JOBS, there is no waiting list for the VIEW program--*all* referred clients participate.
- C ***Independent job search, which makes up the core of VIEW, is the initial requirement for all recipients.*** In keeping with Virginia's philosophy of empowerment, the state requires all nonexempt TANF recipients initially to attempt to find a job on their own. Job readiness programs, designed to provide assistance and structure in the job search process, are available on a limited basis to a small number of job search participants. Most, but not all, staff believe the program would be more effective if job readiness was provided to all recipients.
- C ***CWEP is readily available as a safety net for clients not able to find a job.*** Realizing that not everyone will successfully find employment on their own, Virginia designed CWEP to enable *all* recipients to meet the work requirement and continue to receive benefits. Participation in CWEP is mandatory for every client not employed within 90 days of referral to VIEW. Levels of participation in CWEP have been lower than expected, but not because the program is not operating as mandated. A strong economy has made it possible for many recipients to find unsubsidized employment. The five research sites have had no trouble identifying work experience slots for recipients unable to find employment on their own, and staff believe that many additional slots could be created if future economic conditions increased the need for them.
- C ***Education and training is not a major focus under VIEW, but it is still available as an option in limited circumstances.*** While training opportunities have not been eliminated from Virginia's work program, they are offered only in conjunction with job search,

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<sup>1</sup>(...continued)

be the first option for program participants who did not find unsubsidized employment. However, this program is rarely used.



employment or CWEP. Staff have differing opinions about what role education and training should play in a work first environment; some staff believe that VIEW's balance between work and education and training is the right one, but others worry that clients with very low education and skill levels will never be able to make it on their own without augmenting their skills.

While staff across the sites have enthusiastically welcomed VIEW's work first philosophy and heralded the immediate successes of the program, there is concern that the VIEW provisions represent a one-size-fits-all policy that may not fully take into account the needs of the harder-to-serve population. Staff would prefer a slightly more flexible set of work requirements that allow for different rules for different types of recipients.

#### **A. EXPANDED PARTICIPATION IN MANDATED JOB SEARCH AND WORK PROGRAMS**

Compared with the JOBS program, a much greater portion of the TANF caseload is expected to participate in VIEW because (1) benefits are conditional on VIEW participation for all able-bodied TANF recipients; (2) work exemptions have been narrowed (e.g., mothers of children younger than 3 years were exempt under JOBS, compared with mothers of children younger than 18 months under VIEW); and (3) VIEW is sufficiently funded, which means that all referred recipients can participate.

To remain eligible for benefits, VIEW provisions require all "able-bodied" TANF parents to work at least 20 hours per week or participate in an approved VIEW work activity, such as job search or CWEP.

VIEW participation is mandatory for all able-bodied parents, excluding those who are:

- C Under age 16 or over age 59
- C Age 16-19 and enrolled in school

- Ⓒ Temporarily or permanently disabled or the sole caregiver for a disabled household member
- Ⓒ The parent of a child less than 18 months of age or a “capped” child less than 6 weeks of age or a woman in the fourth through ninth months of pregnancy
- Ⓒ Not the natural or adoptive parent of the TANF child (child-only or relative caretaker cases) and children receiving AFDC-Foster Care

## **1. Closer Monitoring of Medical Exemptions and Rapid Program Entry**

Eligibility workers evaluate clients for exemptions. A client claiming a medical excuse has 30 days to submit a physician’s report. All medical exemptions are re-evaluated every 60 days. Clients without a qualifying exemption are immediately referred to VIEW and entered into the employment services queue. A VIEW worker then has 30 days to see the client. As timeliness is a critical performance measure that is calculated by the automated case record system, the majority of VIEW-referred clients are seen within those 30 days. A VIEW worker makes an appointment for each client, and clients who do not report on the requested day lose their benefits.

## **2. Elimination of Waiting Lists**

In addition to the expanded recipient population required to participate, the long waiting lists that previously prevented many JOBS-referred recipients from participating have been eliminated under VIEW. Previously, individuals became eligible for employment services only when a slot opened because another recipient left the JOBS program. Now, all recipients are expected to begin participation within 30 days of being referred to VIEW. For example, when Wise implemented VIEW, more than 300 TANF clients were on the JOBS waiting list. Using VIEW funds, Wise eliminated this waiting list, moving all pending clients into employment or VIEW work activities.

### **3. Expanded Referrals to VIEW**

Available data suggests that the number of families expected to participate in VIEW is substantially higher than the number who were expected to participate in the JOBS program. Nationally, only nine percent of AFDC recipients were required to participate in the JOBS program (Pavetti et al. 1995). In Virginia, in 1995, only 7,260 recipients, representing just over 10 percent of the AFDC caseload were deemed mandatory for JOBS (U.S. House of Representatives 1996). Now, about half of Virginia's TANF caseload is estimated to be mandatory for VIEW.

Although one might expect broader program coverage to result in a more diverse VIEW caseload, the data presented in Table V.1 suggest that the characteristics of VIEW participants are remarkably similar to the characteristics of recipients participating in the JOBS program. These data compare the characteristics of household heads who were receiving assistance at the time the experimental and control groups were first established (October 1, 1995) and were still receiving assistance at the time VIEW was implemented in their local communities; all were members of the experimental group and could have participated in JOBS prior to VIEW implementation. A substantial portion of the group participated in both JOBS and VIEW, although some participated only in JOBS and others participated only in VIEW. Except in Wise, recipients who were referred to VIEW were substantially more likely to have completed high school and less likely to have received AFDC or TANF in 36 of the last 60 months. These differences probably reflect the impact of lowering of the age of the youngest child exemption from three years to 18 months as recipients with younger children are less likely than recipients with older children to have received assistance for extended periods of time.

TABLE V.1  
CHARACTERISTICS OF JOBS AND VIEW PARTICIPANTS

	Total		Lynchburg		Prince William		Petersburg		Portsmouth		Wise	
	JOBS	VIEW	JOBS	VIEW	JOBS	VIEW	JOBS	VIEW	JOBS	VIEW	JOBS	VIEW
<b>Race of Case Head</b>												
Black	71.5	69.4	74.9	74.6	53.1	52.2	95.1	95.1	91.1	89.8	3.2	2.4
Hispanic	1.4	1.7	0.0	0.0	4.6	4.8	0.0	0.0	0.4	0.5	0.5	0.0
White	27.1	28.9	25.1	25.4	42.3	43.0	4.9	4.9	8.5	9.8	96.3	97.6
<b>Female-Headed Case</b>	97.1	96.9	98.0	96.9	98.0	97.6	99.2	99.3	98.0	96.9	88.8	88.8
<b>Average Age of Case Head</b>	31.8	30.9	33.5	35.0	32.5	31.3	31.2	31.3	30.9	29.9	32.7	31.9
<b>Marital Status of Case Head</b>												
Married	26.4	25.3	20.9	18.9	31.3	30.4	18.7	18.0	18.5	16.1	61.5	66.9
Never married	65.0	66.5	71.2	73.4	57.4	58.0	75.5	76.3	74.5	77.7	25.7	25.8
Separated/Divorced	8.6	8.2	7.9	7.7	11.4	11.5	5.8	5.7	7.0	6.1	12.8	7.3
<b>Case structure</b>												
Number of children in case	1.8	1.8	1.8	1.9	1.9	1.9	1.9	1.8	1.8	1.7	1.6	1.8
Number of children under age 6	0.9	1.0	0.8	1.1	0.8	1.0	1.0	1.0	0.9	1.0	0.7	0.8
<b>Educational attainment of Case Head</b>												
Percentage with HS diploma/GED	39.6	46.5	47.2	51.4	47.8	34.2	39.8	46.5	33.3	40.3	36.7	36.8
Percentage with some college	6.1	5.8	6.5	5.4	5.1	4.9	7.7	6.9	4.8	5.1	11.7	12.8
<b>JOBS Target Group</b>												
Not in target group	21.0	30.2	10.6	20.0	26.4	38.7	22.0	30.9	16.5	24.3	35.6	38.4
Received AFDC 36 of last 60 months	65.0	57.7	77.9	70.3	57.3	47.9	66.7	58.7	68.0	61.0	55.0	53.6
Custodial parent under 24	12.9	10.9	11.1	8.6	13.9	12.0	11.4	9.7	14.5	13.1	8.5	6.4
<b>Sample size</b>	1,840	1,794	199	350	454	582	246	288	753	449	188	125

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

NOTE: The samples for the "JOBS" and "VIEW" columns are both drawn from household heads who were on assistance at the time the evaluation sample was established in July 1995, were selected for the experimental group, and were still receiving assistance at the time VIEW was implemented. Those in the "JOBS" columns have a record showing they were referred to the JOBS program. The sample for the "VIEW" column is the same except that they have a record showing they were referred to VIEW. The samples for JOBS and VIEW overlap, as some participated in both programs.

## **B. SENDING THE MESSAGE, ESTABLISHING EXPECTATIONS**

In Virginia, recipients referred to VIEW are expected to begin participating in the program quickly. An initial assessment must take place within 30 days of a client's referral to VIEW. This initial meeting serves three purposes: (1) to communicate the new VIEW "message" to the client, (2) to assess the client's occupational skills and needs, and (3) to develop an initial job search plan and sign the Agreement of Personal Responsibility (APR). However, the primary focus of VIEW initial assessment meetings is to help recipients understand their work responsibilities and establish appropriate expectations for a work-based assistance program. Although an employment assessment is completed, it has little impact on a recipient's plan, as DSS expects all referred recipients to work.

### **1. Initial Assessment: A Standard Routine**

The actual assessment component of the initial meeting is fairly routine. Staff report that it is geared toward trying to get a basic understanding of a recipient's literacy and skill levels, identify supportive service needs, and develop an initial job search plan. Since the emphasis of VIEW is getting participants into the labor market as quickly as possible, assessment results do not substantially alter a client's path through VIEW. All clients take a brief standardized test (the Texas Instrument), which is used to determine a client's functional literacy level. Clients also complete the statewide VIEW Assessment Form, which is designed to identify and evaluate a client's occupational skills, education, proficiencies, and deficiencies. The VIEW Assessment Form determines the types of jobs a client could acquire immediately without need for further skills, training or education—critical information in a work first environment.

VIEW workers are also proactive in identifying barriers to employment that can be overcome with VIEW funds, such as child care, transportation, dental or medical treatment, uniforms, and employment-

related tools or supplies. This assessment is used to determine whether a client may require VIEW supportive services to facilitate movement into employment or VIEW activities. If necessary, VIEW workers will make referrals, for example, to the day care unit or worker, based on this portion of the assessment.

Assessment practices are largely consistent across the five research sites, with differences in format arising primarily from resource constraints. For example, while Lynchburg, Wise, and Portsmouth conduct initial assessment meetings as one-on-one interviews between the client and their VIEW worker, staffing limitations in Petersburg mean that the initial VIEW assessments are conducted in group interviews with up to six clients. Each client does get an opportunity to meet one-on-one with a VIEW worker for 10 minutes at the end of the assessment meeting to ask questions and complete the individualized sections of the APR. In Prince William, teams can structure initial assessments as they wish; currently teams employ both group and individual assessment formats.

Some of the localities conduct additional assessment activities to identify potential barriers to employment. In Petersburg, a criminal background check is conducted for each client, and in Lynchburg, workers collect arrest records and medical histories. (These may be used to facilitate CWEP placement if a job is not found.) Some localities focus on a client's work preferences as well as skills. VIEW workers in Lynchburg, Portsmouth, and Wise use the initial assessment to learn about their clients' employment-related interests and long-term career goals. In Wise, VIEW workers ask clients "what they can do, have done, are doing now, and are interested in doing in the future" and personalize the APR job search plan accordingly.

## 2. Clarifying the Work-First and Personal Responsibility Message

Although clients learn about basic VIEW provisions and requirements in the initial intake interview with an eligibility worker, a major role of the VIEW assessment is to clarify the goals, expectations, and requirements of VIEW participation. VIEW workers across the research sites discuss the mandated VIEW program requirements in a fairly standard manner--usually by going through the APR with the client. The crux of the message presented varies across the research sites because of differing philosophies regarding approaches to welfare reform and what is expected of clients:

- C Lynchburg staff use the initial assessment to present the *benefits* of welfare reform and stress personal responsibility. Employment services staff make it clear that the benefits system has changed dramatically and that clients' lives will now change for the better, but that clients will be required to move toward employment. Workers stress that the program is mandatory and that they will impose a sanction if the recipient does not comply with the mandate.
- C In Petersburg, VIEW workers focus most closely on the *consequences* of non-compliance, highlighting sanctions and case suspensions. Workers stress that DSS has funding for supportive services designed to eliminate barriers to work success. VIEW workers also highlight the urgency of time limits and present information designed to encourage clients to close their cases and bank their time.
- C In Portsmouth, the main message presented to clients is that caseworkers are there to help them, but under the new rules it is clients' responsibility to take advantage of this assistance to *help themselves*. The message of this initial meeting has evolved from "I'm going to give you . . ." to "I'm going to help you to get . . .". Employment requirements are strongly emphasized.
- C As part of Prince William's emphasis on customer service, staff try to send a self-sufficiency message that recipients who get a job will learn how to work and will learn additional skills on the job. DSS staff refer to this as the "*work first*" message.
- C In Wise, the message focuses on employment and *self-sufficiency*. The main message presented to clients is that "now you need to work for your benefits." Before welfare reform, VIEW workers opened assessment interviews with: "How can we help you?" Now workers ask the clients: "How can you help yourself?"

Regardless of the message communicated to clients, the expectation is that recipients leave the first meeting with a clear understanding of what is expected of them and how they will accomplish it. Currently, participation in VIEW activities and authorization for support services begin immediately.

### **C. VIEW PROGRAM COMPONENTS: NEW POLICIES FOCUS ON INDEPENDENT JOB SEARCH AND CWEP**

VIEW utilizes the same core components that were offered under the JOBS program—job search, job readiness, education and training, and unpaid community work experience. In conjunction with Virginia’s work first philosophy, however, VIEW shifts the focus from education and training to job search, resequencing the work-related activities so that job search precedes all other program components. Immediately following the initial assessment, all unemployed VIEW-mandatory TANF recipients are assigned to an independent job search, which may or may not be accompanied by a job readiness program. Community work experience plays a significant role; all clients not employed within 90 days of signing the APR must accept an unpaid community work experience position to remain eligible for benefits. Education and training occur infrequently under VIEW and generally only in conjunction with another activity.

As the data in Table V.2 show, nearly all recipients referred to VIEW are eventually placed in a VIEW component: rates of placement in program components range from a high of 98 percent in Wise County to a low of 90 percent in Lynchburg. Job search is by far the most common program activity, ranging from a placement rate of 96 percent in Lynchburg to 99 percent in Wise. The sites differ considerably in the extent to which job search is combined with other program activities. (See Table V.2). Further details about the structure and patterns of program participation are discussed below.



TABLE V.2  
PLACEMENT IN VIEW ACTIVITIES  
(Percentage)

	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
Ever Referred to VIEW (Percent)	48.2	66.8	52.8	60.5	34.3	39.8
<b>Total Sample Size</b>	<b>3,724</b>	<b>524</b>	<b>1,102</b>	<b>476</b>	<b>1,308</b>	<b>314</b>
Ever Placed in a VIEW Work Activity	93.0	90.0	95.4	91.7	91.8	97.6
<b>Sample Size (ever referred to VIEW)</b>	<b>1,794</b>	<b>350</b>	<b>582</b>	<b>288</b>	<b>449</b>	<b>125</b>
<b>Activities of Those Placed</b>						
Job search	97.1	96.2	98.4	95.8	96.4	99.2
Job readiness	25.1	17.1	35.9	8.0	29.4	19.7
CWEP	13.5	15.9	13.9	18.6	7.8	14.8
Education & Training (E&T)	15.2	18.1	11.7	8.3	18.0	28.7
<b>VIEW Placement Patterns (of those placed)</b>						
Job search only	55.2	58.1	50.8	70.8	49.5	52.5
Job readiness only	0.2	0.0	0.5	0.4	0.0	0.0
E&T only	2.2	3.5	0.7	1.9	3.6	0.8
CWEP only	0.1	0.0	0.0	0.8	0.0	0.0
Job search and job readiness only	18.9	10.5	26.3	4.6	26.7	12.3
Job search/readiness and E&T	9.2	9.5	7.8	3.4	11.9	18.8
Job search/readiness and CWEP	9.7	11.1	10.6	14.8	5.3	5.7
Job search/readiness, E&T, and CWEP	3.3	4.1	2.9	1.9	2.4	9.0
Other combination	1.1	3.2	0.4	1.5	0.5	0.8
<b>Percent Employed (of referrals to VIEW)</b>	<b>62.9</b>	<b>77.1</b>	<b>74.4</b>	<b>62.2</b>	<b>44.8</b>	<b>36.8</b>
<b>Sample Size (of placements)</b>	<b>1,668</b>	<b>315</b>	<b>555</b>	<b>264</b>	<b>412</b>	<b>122</b>

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

NOTE: The research sample includes household heads who were on assistance at the time the evaluation sample was established in July 1995, were selected for the experimental group, and were still receiving assistance at the time VIEW was implemented. The table covers the period of VIEW implementation through April 1998.

## **1. Job Search**

### **a. Self-Directed Job Search: The Primary VIEW Activity**

The primary VIEW activity, mandated by the state, is the job search requirement. Across the five sites, 97 percent of VIEW participants (cases referred to and enrolled in a VIEW work activity) are assigned to job search; many participate only in job search, but others combine job search with additional program activities. All clients are assigned to 30 days of mandatory individual job search, during which a client is required to make and document 40 valid employer contacts during the 30-day period.<sup>2,3</sup> Clients who do not comply with job search requirements are sanctioned. The process varies across the five research sites only in the degree to which (1) job search assistance is provided, (2) job search is supplemented by job readiness classes, and (3) employment contacts are followed up and monitored.

Job search is primarily independent for clients across the research sites. In Wise, Portsmouth, and Lynchburg, clients are almost completely on their own during the 30-day job search. Workers provide encouragement but do not aid in the search process; no job listings are provided, and VIEW workers typically leave job application decisions up to clients. Prince William employs a job developer who works with individual TANF recipients to find suitable employment, and Petersburg VIEW workers support clients in their job search by providing job listings to clients and occasionally driving to client homes to tack applicable job listings to their doors. Petersburg has also constructed improved job readiness training facilities with computers to facilitate job search activities, but there are not enough workers to adequately

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<sup>2</sup>Previous VIEW participants, clients already employed for at least 30 hours per week, and those enrolled in an education or training program that will end within one year and in which they have been enrolled for at least two semesters and have maintained a C- average are not required to participate in job search.

<sup>3</sup>Wise participants are required to complete just 20 employer contacts because of the county's high unemployment rate, which limits a participant's ability to conduct an effective job search.

staff these facilities. Information about jobs is posted on job boards in DSS lobbies at all five research sites.

**b. Concurrent Assignment to Job Readiness**

All five research sites assign some clients to a job readiness program, although there is considerable variation in the extent to which this option is used. Across the five sites, 25 percent of VIEW participants were assigned to job readiness. Portsmouth, with a referral rate of 29 percent, was the biggest user of job readiness services; Petersburg, with a referral rate of just 8 percent, used job readiness the least of the five sites (Table V.2). Under JOBS, job readiness training typically occurred prior to client work search efforts. The work first philosophy of VIEW, however, resequences job search over any form of training, including job readiness. In the research sites, job readiness is typically assigned only concurrent to or following the mandatory job search as is evidenced by the extremely small portion of recipients who are assigned to job readiness as their only activity.

The five research sites offer job readiness to clients at different points in the job search process. In Prince William, Lynchburg, and Portsmouth, VIEW workers assign clients to job readiness classes in combination with job search activities at any time during job search. In Petersburg, this assignment is not made until the two-week or four-week job search follow-up appointments. In Wise, job readiness training is available only after the completion of the 30-day job search, so that job readiness is targeted to the clients most difficult to employ. In all of the communities, however, assignment to job readiness is strictly limited by the timing of courses and the number of available slots.

The expanded responsibilities of employment services staff have made it increasingly difficult for agencies to provide in-house job readiness classes. Wise and Petersburg use JTPA services; Portsmouth

contracts out job readiness services and Lynchburg refers recipients at no cost to an existing program in the community. Currently, only Prince William provides job readiness training in-house, but it does so through an ongoing co-location arrangement with JTPA. Strict time constraints also make it difficult to assign clients to periodic job readiness classes that start only every third or fourth week. It is critical for workers to make the VIEW assignment within 30 days of referral, so if a job readiness class is already in progress, the client will miss the opportunity for a job readiness class. For example, Prince William's classes last three weeks, so referrals are coordinated with the job readiness class schedule. In all sites, the number of job readiness slots are fixed and are far lower than the number of potential participants, making it difficult to assign all clients who would benefit to a job readiness class. Portsmouth's program, for example, serves just 60 clients at a time. While VIEW workers would like to assign all job search participants to this program, their VIEW caseload is too large to allow universal participation.

Job readiness programs are designed to provide the information and skills necessary for participants to succeed in the labor market. Typical job readiness programs in Virginia provide pre-employment information, skills training, and discussion of workplace expectations, behavior, and attitudes. Some programs also include motivational training or teach life skills, such as money and time management, nutrition, and parenting skills. In Prince William, Lynchburg, and Portsmouth, job readiness is followed by job club, so that job preparation and search activities are closely integrated. Clients participating in a job readiness class or job club during their 30-day job search receive more individual attention and assistance during their employment search. Portsmouth's four-week job readiness curriculum includes an initial week of classroom instruction focusing on resumes, interviewing skills, and application completion procedures, as well as motivational messages. In weeks two through four, clients spend time in the field looking for jobs.

Most, but not all, VIEW workers believe that job readiness should precede job search, and the usefulness of job readiness remains a point of disagreement in some sites. Petersburg and Wise staff would prefer to do job readiness first; VIEW workers believe that many clients are being assigned to job search before they know how to fill out an application. In Portsmouth, clients are referred to the job readiness/job club program as soon as slots open because staff recognize that it has a high job placement rate and appears to be beneficial for clients. In Prince William, some staff feel that the independent job search has been quite successful on its own, but others feel that all participants would benefit from job readiness.

**c. Follow-up and Monitoring**

The five research sites conduct varying amounts of client follow-up and job search monitoring during the job search component. These differences are dictated by staff availability, and to a lesser degree, differences in philosophy. Workers in Wise schedule only a 30-day follow-up appointment; no intermediate checking of job contacts or job search progress is done. Workers in Petersburg and Portsmouth schedule a two-week follow-up appointment, at which time workers hope to see that 20 of the 40 job contacts have been made or a job has been procured. In Lynchburg, clients are required to visit DSS weekly and show caseworkers 10 applications per week. In Prince William, the amount of follow-up depends on whether the client is participating in job readiness. Less intermediate follow-up is provided to clients not in job readiness. Sites also initiate different activities at the intermediate follow-up meetings. In Portsmouth, the clients' second interview with their caseworker after making 20 contacts is solely to assess progress. In Petersburg, job contacts are reviewed at the two-week follow-up, and additional skill testing may be administered.

Clients are required to submit detailed information on job contacts made in their job search participation. At this point, only one site—Lynchburg—verifies three to five employer contacts. The other four sites are not able to do any verification for a variety of reasons. In Portsmouth, caseworkers do not verify the applications because they are trying to make clients understand that it is their responsibility to submit applications. In Wise, Petersburg, and Prince William, clients are told that workers will check their job referral sheets, but to date VIEW staff have been far too busy to do more than check that “about 40 names are listed on the required contact sheet.” Most VIEW staff would prefer to validate the reported contacts and hope to integrate this monitoring into the program in the future.

## **2. CWEP: A Critical Program Component**

Virginia’s approach to work first requires recipients to be employed within 90 days. For this approach to be effective, it is necessary to provide an employment option for individuals who are not able to find work on their own. Any VIEW mandatory client not employed at least 20 hours per week within 90 days is assigned to the state-mandated CWEP. CWEP participation after 90 days is mandatory; VIEW clients who do not cooperate with CWEP placement are sanctioned.

Across the five research sites, 14 percent of VIEW participants were assigned to CWEP, although many leave quickly after realizing that they are will be much better off financially if they find a paid job (Table V.2). With 19 percent of its VIEW participants in CWEP, Petersburg made the most use of the CWEP program, followed by Lynchburg with 16 percent, Wise with 15 percent and Prince William with 14 percent. Portsmouth placed only 8 percent of its VIEW participants in CWEP . Given their later implementation, rates of participation in CWEP are likely to increase over time in both Portsmouth and

Wise, where the other sites are likely to have reached their peak level of use, at least under the current economic conditions.

**a. Program Philosophy and Structure**

CWEP participation involves unpaid work placement in a non-profit or government agency for up to six months. Participants are required to treat their CWEP position as regular employment; the number of hours they must work is determined by dividing the sum of their TANF grant and food stamp allotment by the minimum wage and the number of weeks (4.3) in a month. Placements are reevaluated every six months. CWEP recipients are also required to continue looking for employment. Unexcused absences or poor performance can result in a suspended or terminated TANF grant.

Overall, there has been far less use of CWEP than anticipated during the planning of welfare reform. Strategic planning for welfare reform in each of the five research communities included significant focus on the CWEP program, which was expected to be used heavily by clients not able to find employment within 90 days. Several communities spent a great deal of time establishing a CWEP operating structure and developing sufficient community work experience sites and slots. However, with the exception of Wise, CWEP has not been needed nearly to the degree anticipated, probably for three reasons:

2. CWEP has served as a motivator, providing an incentive for VIEW participants to find unsubsidized employment.
3. Some clients placed in CWEP immediately find employment or become noncompliant as they do not want to “work for free.”
4. Economic conditions in four of the five counties have been favorable, and VIEW participants are finding employment.

Wise, however, is an exception. Because of a high unemployment rate and consequent labor surplus, a significant portion of Wise's caseload is expected to participate in CWEP at some point during their participation in VIEW. Staff expect that a substantial proportion of these people will remain in CWEP until they reach the time limit.

**b. Administrative Structure: Adaptation to Local Strengths and Resources**

While only a few VIEW participants have been in a community work experience program, CWEP has become well-defined, and highly structured in each of the five research sites. In four of the five research sites, CWEP is operated in-house, and VIEW workers and supervisors have responsibility for slot development, placement, and client follow-up. In Prince William, CWEP is contracted out to a community-based nonprofit agency. This agency is responsible for all CWEP-related activities including interviewing and placing participants, monitoring participant progress, and identifying and recruiting sites. Prince William staff feel that this contracting arrangement has been a very positive experience for DSS, community CWEP site participants, and CWEP clients.

Developing CWEP slots has presented different challenges to the five sites. Petersburg did not need to develop any new CWEP slots; the city operated a successful community work experience program under JOBS, and many long-standing and positive relationships between DSS and local work sites remained. Lynchburg staff used the phone book and personal contacts to identify potential CWEP sites, and the welfare reform assistant successfully developed 150 work slots in agencies and organizations throughout the city. Prince William and Wise also created CWEP slots by relying on existing community contacts. Prince William's CWEP contractor had managed a community service program for the court system prior to welfare reform, so staff were able to use existing relationships with a wide network of local



agencies. Wise hired a job developer with a background as a JOBS trainer and numerous community connections.

**c. Work Experience Options: A Reflection of Program Priorities and the Local Economy**

The research communities have developed and used a wide variety of CWEP slots. In Prince William, the majority of developed sites are clerical, but there are also placements in food service and elder care. The largest CWEP placement centers in Wise are county offices, health facilities, the community college, HeadStart, the local hospital, and the sheriff's department. In Portsmouth, placements tend to be in schools, hospitals, city agencies, and day care centers.

Two of the research communities initially developed a wide variety of CWEP sites but ended up using just a few CWEP site providers for actual placements. For example, although Lynchburg developed 150 potential slots in a wide variety of agencies throughout the city, almost all CWEP positions filled in Lynchburg have been with DSS. These slots have been chiefly clerical. Petersburg relies heavily upon a state mental retardation residence and state psychiatric facility for placement. Most of these positions are kitchen or janitorial placements.

Several communities had hoped to rely heavily on the school system for CWEP placements, but this has been more difficult to work out because many schools require background criminal and Child Protective Services (CPS) checks, which cannot always be processed in the 90- to 95-day mandatory placement time frame. Portsmouth is the only research site that has successfully placed its CWEP clients within the school system. Wise continues to work on this issue. With limited transportation in the area, the schools provide an ideal arrangement for many parents because they could ride to the schools with their children.

**d. Meeting Client Needs: CWEP as a Developmental Activity**

The sites intend for CWEP to be developmental, and they have worked hard to develop sites that can be tailored to an individual client's needs. Prince William's contractor, for example, looks for environments where recipients can build social and other marketable skills. The Wise CWEP coordinator learns about a client's skills, interests, and long-term employment goals to secure a placement that will complement the client's skills and help the client progress toward long-term goals. Consequently, instead of giving CWEP participants chiefly kitchen or janitorial placements, Wise attempts to find creative slots that could enhance a client's job skills or turn into a paid position in the future. Workers report that in many cases, CWEP positions have evolved into paid employment.

**e. Monitoring and Follow-up: Constrained by Limited Staff Resources**

Although CWEP attendance and performance are monitored by site supervisors, research site staff have not yet developed a clear system for following up on long-term CWEP performance, monitoring placements, or moving clients to the next step. Staff across the research sites indicate they would like to spend more time monitoring CWEP performance, but staffing limitations prevent them from spending as much time as they would like in this activity.

According to CWEP staff, the majority of recipients who are placed in CWEP positions have had no real exposure to the workplace. Some don't know to call their supervisor when they are sick or if they will be late. They don't have a backup plan for transportation or child care. Some have alcohol and drug problems, domestic violence or mental health issues, and learning disabilities.

**f. CWEP: A Reasonable Program Expectation**

Overall, Virginia's experience with CWEP has been very positive. While some clients naturally do not wish to "work for free," CWEP has evolved into a successful employment developmental activity. In Wise, for example, CWEP has evolved into an on-the-job training developmental activity; CWEP-participating clients who had never previously worked are now learning the skills and attitudes necessary to perform successfully in the work place. Client self-esteem benefits from CWEP interactions, and several placements have led to paid employment. In Portsmouth, CWEP positions have occasionally turned into paid positions, as several community agencies use CWEP as a trial program for prospective employees. In Prince William, staff feel they have provided positive opportunities for recipients who have experienced few successes in their lives.

While the current sequencing of job search and CWEP works for most recipients, staff do not believe it works for all. For example, CWEP contractor staff in Prince William believe that CWEP would be a better *first* step for some recipients. CWEP recipients are often those who have been on AFDC/TANF for a long period time; they are emotionally drained, are not well-educated, and have limited self-esteem. After 90 days of failure in their job search, some CWEP clients are too discouraged to accept CWEP as the positive learning experience it has been designed to be. Nevertheless, welfare agencies do not have the tools to conduct such profiling at this time. Nor does state policy provide them with the flexibility to deviate from the current sequencing of program activities.

### **3. Education and Training**

Traditional education and training have taken a back seat to employment under Virginia's new work first paradigm. Across the five research sites, only 15 percent of VIEW participants were placed in an education or training activity; rates of placement across the research sites ranged from a high of 19 percent in Petersburg to a low of 8 percent in Portsmouth (Table V.2). While JOBS focused on formal long-term education and training and on the acquisition of GED and college diplomas, VIEW emphasizes getting participants to work as quickly as possible. VIEW participants can participate in formal education and training only in conjunction with a work activity and usually only after they have completed a full 30-day job search.

The only clients exempt from this "re-sequencing" of activities are those enrolled in an education or training program that will end within one year, and in which they have been enrolled for at least two semesters and have maintained a C average. Even if a client is thus enrolled, he or she must still fulfill a work requirement of eight hours per week, which can be fulfilled through work study or other work activities related to their training.

There is not consensus among staff at the research sites about what role education and training should play in a work first environment. While some staff believe that VIEW's balance between work and education and training is the right one, others worry that clients with very low education and skill levels will never be able to make it on their own. Additional preparation might ultimately increase their chances of advancing farther and faster; lack of adequate preparation may mean they enter the workforce and then get stuck in low-paying, dead-end jobs. Some staff expressed concern that students will no longer get their GED, disqualifying them for some of the available jobs. For example, in Wise, a high school diploma is necessary to work in the new prisons, which is a high-paying employer. Some Petersburg staff would like

a client's first year on TANF to be dedicated to education and training, and that work first mandates could be met the second year. This would give VIEW workers time to bolster their clients' skills.

On the other hand, others believe that the training VIEW participants receive while working is the best preparation they can receive for moving into better jobs. In addition, the decreased emphasis on education has encouraged training agencies and community colleges to create new short-term training programs. DSS in Wise has worked closely with the local community college to help it tailor its certification and degree programs to the new requirements of welfare reform. The college has developed a number of short and more flexible degree and certification programs that can be completed at the same time as VIEW's mandatory work activities. The work first mandate also has prompted Portsmouth's community college to develop short-term training programs in nontraditional fields that have the potential to lead to jobs paying above minimum wage.

Agencies are working to find flexible solutions to VIEW participants' education and training needs. Project managers in Prince William are currently responsible for developing a self-directed career resource center and shorter training opportunities for TANF recipients. In Lynchburg, employed recipients are encouraged to participate in a program offered through a contract with the public schools. The program provides short-term education and training opportunities to clients during the evening. In Wise, VIEW workers assign many clients to education and training as their second VIEW component, following the independent job search. Because there are a number of nursing homes and medical services facilities in Wise, Certified Nursing Assistant (CNA) training has become a common VIEW component. In Petersburg, clients may also be assigned to an education and training component following an unsuccessful job search.

#### **D. VIEW PARTICIPANT CHARACTERISTICS AND EMPLOYMENT OUTCOMES**

Virginia's emphasis on work and high levels of program participation is reflected in the operation of the VIEW program. Levels of placement in a welfare-to-work activity among recipients who were referred to the VIEW program were extremely high: 93 percent of all recipients who were referred to VIEW showed a record of placement in a VIEW activity.

The data presented in Table V.3 presents a detailed analysis of the characteristics of recipients participating in various program components and examines program outcomes, focusing on levels of reported employment and average wages. These data are for household heads who were selected to be part of the experimental group for the evaluation of welfare reform in Virginia and were receiving TANF at the time the locality implemented VIEW. Families who were receiving assistance when the evaluation started (October 1995) and those who applied for assistance after that time are included in the sample. The data presented here cover the period from VIEW implementation through March 1998. Since the sites implemented VIEW at different times, the results are not completely comparable across the sites. The data for Lynchburg represents recipients' experiences over a 30-month period while the data for Portsmouth and Wise cover only six months; the observation period is 24 months for Prince William and 15 months for Petersburg.<sup>4</sup>

The characteristics of recipients placed in job readiness suggest that the research sites target their job readiness classes -- either through selective targeting or by self-selection among recipients who do not find employment quickly-- to recipients with lower levels of education. When data for all the research sites is combined, 52 percent of all recipients who were placed in a VIEW activity had completed high school

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<sup>4</sup>The data presented here represent the experiences of only a portion of the recipients who have participated in VIEW in the research sites. Thus, the numbers presented here will not mirror those contained in the monthly report prepared by the Virginia Department of Social Services.

TABLE V.3

VIEW PARTICIPANT CHARACTERISTICS AND EMPLOYMENT OUTCOMES  
BY PLACEMENT IN VARIOUS VIEW COMPONENTS

	Participant Characteristics					Employment Outcomes	
	Percent HS Grad/GED	Percent Female-Headed	Percent Non-White	Percent Long-term Recipient <sup>d</sup>	Average Age	Percent Employed	Average Wage
<b>Total</b>							
Ever Placed	52.2	96.9	71.5	57.8	30.8	62.9	\$5.56
Job Search	51.5	96.9	71.6	57.9	30.9	62.8	5.55
Job Readiness	43.0	98.1	68.3	59.7	30.5	64.0	5.57
CWEP	50.4	97.3	77.0	69.0	31.3	62.4	5.65
E&T	59.3	95.7	62.8	54.5	28.9	68.8	5.51
Ever Employed	54.4	98.1	72.5	57.2	30.7	100.0	5.56
<b>Lynchburg</b>							
Ever Placed	57.8	96.8	74.3	69.8	31.6	78.4	\$4.86
Job Search	56.1	96.7	75.9	70.3	31.6	77.6	4.84
Job Readiness	38.9	100.0	72.2	79.6	30.6	87.0	4.65
CWEP	54.0	100.0	84.0	78.0	31.5	76.0	5.14
E&T	66.7	98.2	64.9	68.4	30.9	89.5	4.97
Ever Employed	58.1	97.8	73.0	70.0	31.0	100.0	4.87
<b>Prince William</b>							
Ever Placed	54.2	97.7	59.6	48.8	31.3	76.0	\$6.15
Job Search	54.2	97.8	59.9	48.9	31.3	76.6	6.14
Job Readiness	49.7	98.5	57.8	50.3	30.5	71.9	6.05
CWEP	51.9	100.0	67.5	66.2	30.9	83.1	6.15
E&T	43.1	96.9	49.2	56.9	29.4	89.2	6.13
Ever Employed	54.0	98.4	62.4	48.5	31.0	100.0	6.15

TABLE V.3 (continued)

	Participant Characteristics					Employment Outcomes	
	Percent HS Grad/GED	Percent Female-Headed	Percent Non-White	Percent Long-term Recipient <sup>a</sup>	Average Age	Percent Employed	Average Wage
<b>Petersburg</b>							
Ever Placed	53.4	99.2	95.8	60.2	30.4	60.2	\$5.53
Job Search	52.6	99.2	96.4	60.1	30.4	59.3	5.54
Job Readiness	28.6	100.0	100.0	66.7	28.4	47.6	5.37
CWEP	57.1	95.9	98.0	73.5	33.0	59.2	5.29
E&T	72.7	100.0	86.4	50.0	28.4	81.8	5.42
Ever Employed	57.0	99.4	95.5	57.5	29.8	100.0	5.57
<b>Portsmouth</b>							
Ever Placed	45.4	97.1	90.0	60.4	29.6	43.4	\$5.28
Job Search	44.6	97.0	89.7	60.7	29.7	43.3	5.29
Job Readiness	38.8	97.5	91.7	65.3	29.7	51.2	5.26
CWEP	40.6	96.9	100.0	62.5	29.7	21.9	5.66
E&T	66.2	95.9	93.2	40.5	26.9	43.2	5.26
Ever Employed	47.3	97.0	89.6	61.7	30.2	100.0	5.30
<b>Wise</b>							
Ever Placed	35.2	88.5	2.5	53.3	32.0	35.2	\$5.09
Job Search	48.8	88.4	2.5	53.7	32.0	34.7	4.85
Job Readiness	29.2	91.7	0.0	58.3	35.7	25.0	4.84
CWEP	33.3	83.3	0.0	55.6	30.6	16.7	4.93
E&T	54.3	85.7	5.7	60.0	29.6	42.9	5.54
Ever Employed	56.5	97.8	2.2	43.5	31.1	100.0	5.10

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

Note: The research sample includes household heads who were on assistance at the time the evaluation sample was established in July 1995, were selected for the experimental group, and were still receiving assistance at the time VIEW was implemented. The table covers the period of VIEW implementation through April 1998. This table reads (from the first line of the table): 52.2 percent of the full research sample (five sites combined) who were placed in a VIEW component had completed high school or received a GED; 62.9 percent of those who were ever placed had a record of employment and reported an average wage of \$5.56 per hour.

<sup>a</sup>Long-term recipients have received assistance for at least 36 of the last 60 months.



or received a GED compared to only 43 percent of those participating in job readiness. This pattern is consistent across the sites, although it is more striking in some than in others. In Petersburg only 29 percent of job readiness participants had completed high school compared to 53 percent who participated in any activity. Similarly, in Wise while 35 percent of all VIEW participants had completed high school, only 29 percent of job readiness participants had done so.

CWEP participants do not have lower levels of education in the same way that job readiness participants do. Instead, except in Portsmouth and Wise where fewer recipients have had time to reach the 90-day CWEP trigger, long-term welfare receipt is the characteristic that most distinguishes recipients who are placed in CWEP. For all the research sites combined, 69 percent of those placed in CWEP received cash assistance for 36 out of the last 60 months compared to 58 percent of those placed in any component. In Lynchburg and Petersburg, about three-quarters of those placed in CWEP were long-term recipients. In Prince William, where fewer recipients have received assistance for long periods of time, two-thirds of CWEP recipients had received assistance for 36 out of the last 60 months.

Regardless of the program component, the fraction of participants who ever reported employment were relatively high for the three sites that implemented VIEW early. Not surprising, employment rates were substantially lower for the two sites that implemented later. There was some variation in employment rates by the type of program activities recipients participated in, although the patterns are not always consistent across all of the sites. Average wages varied more across the sites than by participation in various components within a site, reflecting differences in local labor markets.

Almost two-thirds of the full sample that was ever placed in a VIEW activity found employment during the follow-up period at an average wage of \$5.56 per hour. The highest rates of employment were found among recipients who participated in job readiness and education and training. The majority of CWEP

participants also eventually found unsubsidized employment. Their average wage at \$5.65 was slightly higher than for those who participated in any VIEW activity.

Lynchburg, with 78 percent of all VIEW participants reporting employment, had the highest employment rates among the research sites. However, at \$4.86 per hour, their average wage rate was the lowest. Recipients placed in job readiness and education and training had the highest rates of employment at 87 and 90 percent respectively. Recipients placed in job search and CWEP reported the highest average wages.

Prince William's employment rate of 76 percent for recipients placed in any VIEW activity was only slightly lower than the employment rate found in Lynchburg. Recipients participating in education and training also experienced high employment rates (89 percent) comparable to those found in Lynchburg. The employment rates for CWEP participants in Prince William (83 percent) were substantially higher than the employment rates for all VIEW participants; the average wage of \$6.15 for CWEP participants was equal to the average wage for all participants and for those placed in education and training.

With employment reported for 60 percent of all its VIEW participants, Petersburg lagged far behind Lynchburg and Prince William, possibly due to a much higher unemployment rate, more severe transportation problems and a shorter observation period. The difference in employment rates among participants in various VIEW components also was far greater in Petersburg than in Lynchburg and Prince William. While 82 percent of recipients placed in education and training found employment, only 48 percent of recipients participating in job readiness did so. Average wages in Petersburg were higher than the average wages in Lynchburg but lower than those in Prince William. Participants in job search, earning an average of \$5.54 per hour, had the highest hourly wages and CWEP participants, earning an average of \$5.29 per hour, had the lowest.

Portsmouth and Wise show substantially lower rates of reported employment than the other three sites. In both localities, this is probably reflective of a shorter implementation window. In Wise, it is also likely to reflect the limited economic opportunities in the community. In Portsmouth, 43 percent of all VIEW participants found employment; the highest rates of employment (51 percent) was found among job readiness participants and the lowest (22 percent) was found among CWEP participants. The employment rate for recipients placed in education and training (43 percent) was comparable to the employment rate for all VIEW participants.

Facing an unemployment rate of 20 percent, it is not surprising that Wise has the lowest rate of employment among VIEW participants in the research sites. Similar to the other sites, the employment rate was highest (43 percent) for recipients placed in an education and training component. Recipients placed in CWEP had the lowest employment rate (17 percent). The average wage for recipients participating in an education and training component was, at \$5.54 per hour, substantially higher than the average wage for recipients placed in other program activities. Overall, the average wage in Wise was somewhat higher than in Lynchburg but lower than the other three sites.

The majority of the TANF recipients who were placed in a VIEW activity in the research sites that implemented VIEW early found employment. In all of the sites except Portsmouth, recipients who were placed in education and training had higher employment rates, but not necessarily higher average wages, than participants in any VIEW activity. In most of the sites, placement rates were also reasonably high for participants in CWEP, suggesting that most participants in CWEP are successful in eventually moving into the paid labor market. Employment outcomes for participants in job readiness were mixed across the sites. It is interesting to note that sites that felt they had strong job readiness programs in place showed the highest levels of employment among job readiness participants. The same is true for the sites' CWEP programs.

Average wages in all of the sites were just barely above the minimum wage. Over time, it will be important to examine whether recipients who find employment at lower wages are able to increase their wages or whether they stay in lower-paying jobs where it may be difficult for them to cover all their expenses once they exhaust their time limit and are no longer eligible for TANF benefits.

## **VI. SUPPORTING THE TRANSITION TO EMPLOYMENT**

Virginia's VIP/VIEW program includes many policies that explicitly promote and support recipients' efforts to make the transition from welfare to work. The state has sought to motivate work by: (1) making employment more financially attractive to recipients, and (2) removing barriers to employment by adequately funding supportive services such as day care, transportation, and work-related expenses. Agency staff view these financial incentives and support services positively and attribute much of welfare reform's success to date to these well-funded initiatives. Below, we describe how the research sites have implemented these provisions and the challenges they have faced in doing so.

### **A. ENHANCED DISREGARDS TO MAKE WORK PAY**

VIEW participants' efforts to work in unsubsidized employment are supported financially through earned income disregards that are more generous than those that were available to recipients who went to work under the AFDC/JOBS program. The enhanced disregards are designed to promote and reinforce recipients' work efforts by allowing them to keep their welfare check as a supplement to their earnings. Instead of a dollar-for-dollar reduction in benefits for all non-disregarded earnings, as was the case under the AFDC federal policy, recipients continue to receive their full grant so long as their total TANF grant plus net earnings do not exceed the poverty threshold, as defined by the federal poverty guidelines.

Under the pre-welfare reform AFDC rules, clients who left welfare for work usually lost their AFDC grant almost immediately. The more generous disregards available to VIEW participants allow them to keep their TANF grant as well as their earnings and make working in an unsubsidized job far more attractive than receiving TANF without working. For example, a recipient with two children living in Wise

County with monthly housing costs of \$175 and \$167 in utility costs with no earned income would be eligible for a TANF grant of \$265 and \$321 in food stamps for a total of \$586. If the same family earned \$774 (35 hours of work per week at \$5.15 per hour), her total income would increase to \$1,248 including \$265 in TANF benefits, \$96 in food stamps and \$113 in a monthly Earned Income Tax Credit payment. A family of three can earn up to the federal poverty level, \$1,070 per month, before they lose eligibility for TANF benefits.

Many other states, especially those with higher benefit levels have implemented earned income disregards that phase out the receipt of TANF benefits at higher earnings levels than in Virginia (Zedlewski 1998). However, because Virginia allows recipients to receive their full grant until their combined income reaches the poverty line, families with higher levels of earnings in Virginia are eligible to receive a larger total income package than families in most states with a higher maximum earnings level. A comparison with Massachusetts illustrates this point. In Massachusetts, a family of three can earn \$1,230 before they lose all eligibility for TANF benefits, \$160 more than a family in Virginia. However, because Virginia disregards all of a family's earned income and Massachusetts disregards only a portion of it, a family working 35 hours per week earning \$5.15 per hour would be eligible for a full TANF grant in Virginia (\$265 - \$354) but only \$149 (out of a full grant of \$540) in Massachusetts.

It is critical that clients understand the disregard policy for it to provide the desired incentive. While staff in each of the research sites indicated that clients may not fully understand the *mechanics* of the earned income disregards policy, workers feel they effectively communicate the policy by showing clients examples of their total income under different employment and unemployment scenarios. An estimated 14,503 cases

representing 85 percent of employed VIEW participants received enhanced earned income disregards during SFY 98 (Virginia Department of Social Services 1997).

In general, agency staff feel positively about this change and attribute much of the success in moving clients into work to this policy. However, staff also raised two concerns. First, the more generous disregard is so attractive to clients that it discourages them from closing their cases to save their limited months on assistance for times when they may be in greater need of assistance. Workers expect that many clients will reach the assistance time limit while holding a minimum wage job as a result. In response to this concern, workers in Petersburg encourage clients to close their case, reminding them that they will still qualify for food stamps and Medicaid and will get to keep their entire child support check if they close their cases early. Second, some site staff fear that the more generous disregards are “setting clients up to fail,” in that clients will come to count on these extra funds and removing the entire cash grant at once will be devastating to some clients. They would prefer to see the earned income disregard phased out slowly.

## **B. PROVIDING VIEW PARTICIPANTS WITH ASSISTANCE FOR WORK-RELATED EXPENSES**

When welfare reform was being designed in Virginia there was widespread support for providing additional support to recipients to help cover some of the costs associated with working. Thus, in addition to being eligible to continue to receive their cash grant once they find employment, VIEW participants who are working or participating in CWEP also are eligible to receive child care and transportation assistance. These services have been fully funded in Virginia. Thus, while all recipients may not take advantage of these services, they are available to those who need them.

## **1. Child Care**

In requiring clients to sign an Agreement of Personal Responsibility for full participation in the mandatory work requirements of VIEW, the state has assumed responsibility for making sure that child care is not a barrier to employment. The state recognizes that compliance with the stringent VIEW requirements is feasible only once child care needs have been met. Under the state's welfare reform legislation, VIEW participants are guaranteed child care, both during their 24 months of TANF receipt and during the 12 months of transition to full self-sufficiency, as long as they continue to meet the income guidelines. Currently, sufficient funding is available to provide child care assistance to all participants who need it.

In recent years, localities in the Commonwealth also have received additional funds to provide child care assistance to working poor families. As a result, most of the research sites felt that they would have resources available to address the child care needs of most families once they are no longer eligible for VIEW-related child care. This support for the child care needs of working poor families is a critical ingredient to sustaining former welfare recipients' full transition to self-sufficiency. In practice, this means that even after VIEW families have exhausted their 12 months of transitional child care, many will still have access to child care assistance. Most of the research sites felt that current funding for child care for working poor families would allow them to eliminate or significantly reduce their waiting list for child care for working poor families in the coming year. In the absence of this support, long waiting lists could potentially jeopardize the progress of those emerging from transitional assistance.

The actual implementation of assistance with child care needs varies from the perspective of the five research sites along only a couple of dimensions: (1) the extent of support for child care during different phases of VIEW, and (2) the level of assistance provided in locating care. Some of this differentiation



undoubtedly reflects differences in an agency's overall approach to welfare reform, and some probably reflects existing differences in agency organization.

**a. Child Care Assistance During Different Phases of View**

Sites exhibit some differences in their provision of child care support during different phases of VIEW- -most notably, on the extent to which they encourage families to utilize the child care assistance available to them while they are looking for employment. Wise does not encourage families to rely on child care assistance during job search activities (largely in response to the irregular hours and scheduling difficulty job search poses), and Petersburg is also reluctant to do so. The other three sites, Lynchburg, Portsmouth, and Prince William, however, all encourage participants to use the subsidized child care available to them during job search, though most commonly only on a part-time basis. In Prince William, where provision for child care in any phase of VIEW is authorized on a case-by-case basis, clients are encouraged to have family or friends provide care during job search activities, though they may be authorized for either part-time care or full-time care if job search is combined with another VIEW component such as job readiness. In all sites, child care assistance can be terminated after 14 days if a client loses a job, but several sites indicate that authorization may be maintained if a caseworker believes the client is likely to find other employment in a reasonably short time. This is done to help reduce the enormous amount of paperwork required to process and authorize each client's child care arrangements and to keep the client from having to find a new child care provider.

## **b. Level of Assistance in Locating Care**

Sites vary on the level of assistance provided to clients in locating care, including how much effort is made to educate clients about their options and how to select a provider. Sites range from a very hands-off approach that leaves most of the process largely in the hands of the parent, to an involved approach that entails reasonably in-depth conversations about needs and schedules and results in a specific list of providers from which to select a care provider.

Both Wise and Petersburg are examples of the former approach. In these two sites, staff provide clients with a list of area providers, a checklist of what to look for in selecting a provider, and then encourage clients to select their own provider. In comparison, Portsmouth and Prince William talk at length with clients about their needs and circumstances. In Prince William, where VIEW workers have assumed responsibility for child care assistance, staff have received training specifically on how to provide this type of support; in Portsmouth, staff reported spending 45 to 90 minutes with each client to identify at least three options for care providers. In Lynchburg, the level of assistance provided to clients falls somewhere in between. Clients are provided with referrals from VIEW staff, and they can also receive additional assistance from staff in the child care unit. In addition, they have access to a child care hotline which will provide further assistance in locating providers.

Differences in the timing of implementation and strategies for helping recipients locate child care appear to result in different levels of use of child care. As the data in Table VI.1 shows, use of child care among families participating in VIEW ranged from a high of 47 percent in Prince William to a low of 16 percent in Wise. The utilization rates in all of the sites except Wise were highest among recipients who found employment. For example, in Prince William 57 percent of recipients who ever reported employment

TABLE VI.1

## USE OF SUBSIDIZED DAY CARE: CASES REFERRED TO VIEW

	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
Ever used subsidized day care	34.7	41.1	47.4	31.3	20.7	16.0
<b>VIEW Participation status</b>						
VIEW participation (including work)	35.7	42.8	48.8	32.1	21.2	16.1
VIEW participation (excluding work)	33.8	35.8	47.1	30.8	22.1	17.1
<b>Employment status</b>						
Ever employed	44.5	49.3	57.0	40.8	21.9	10.9
Never employed	18.2	13.8	19.5	15.6	19.8	19.0
<b>Number of children</b>						
1 child	34.9	41.5	45.4	35.7	21.3	22.4
2 children	33.7	42.3	47.8	28.4	19.4	9.3
3 or more children	37.5	40.3	52.9	27.9	21.6	13.0
<b>Marital Status of Case Head</b>						
Unmarried	37.2	43.1	52.0	31.0	22.0	26.8
Married	26.8	36.1	37.4	25.5	12.7	10.8
<b>JOBS Target Group</b>						
Not in target group	34.2	37.1	42.7	36.0	22.0	14.6
Received AFDC in 36 of the last 60 months	33.1	39.8	48.8	28.4	18.3	16.4
Custodial parent under 24	48.2	66.7	61.4	35.7	32.2	25.0
<b>Educational Attainment</b>						
Less than high school	30.1	43.2	45.3	25.4	17.6	6.4
High school graduate	38.9	38.4	49.2	36.4	24.5	25.8
<b>Sample size</b>	<b>1,794</b>	<b>350</b>	<b>582</b>	<b>288</b>	<b>449</b>	<b>125</b>

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

received child care assistance compared with just 20 percent of recipients who never reported employment. Similarly, in Petersburg, 41 percent of recipients reporting employment and 16 percent of recipients not reporting employment received child care assistance. In Wise, child care utilization was higher among families who had not found employment, possibly due to higher rates of child care utilization among participants in CWEP or education and training. Portsmouth shows almost equal rates of utilization among families with and without a record of employment, thus, it is also possible that this pattern reflects an earlier stage of implementation.

Child care utilization rates vary not only between the research sites but also among families with different characteristics within the individual sites. For example, Prince William and Lynchburg both show exceptionally high rates of utilization among families with a parent under the age of 24. All of the sites show higher rates of utilization among unmarried mothers. Prince William is the only site to show higher utilization rates among larger families. All of the sites except Lynchburg show higher utilization rates among participants who have not completed high school.

### **c. Implementation Challenges**

Though all five sites currently appear to be providing child care to families who need it, the child care workload does not yet appear to have stabilized. Petersburg and Wise, the two sites that are hesitant to encourage families to utilize child care assistance during job search and that place the bulk of responsibility for locating care in the hands of the client, have seen a rise in the number of cases needing child care assistance, but not to the extent expected and not in a way that has substantially changed the staff workload. Wise, however, had just started to have clients reach the 90-day work requirement and was preparing for an increase in its child care workload. Portsmouth does not face a current backlog of cases

needing assistance, primarily because the site met the anticipated need for increased child care with additional staff. In Prince William, where child care is handled by VIEW workers and human services aides as an addition to their VIEW responsibilities, the child care caseload is growing rapidly and is making up an increasing share of the staff's overall workload. Prince William hopes to reduce the workload for individual workers by adding human service aides to each service team. Lynchburg's child care caseload has been increasing over time, resulting in long lags before child care authorizations are processed. Lynchburg had plans for hiring an additional worker to handle the increasing workload.

A contributing factor to the relative ease or difficulty workers face in providing child care assistance is the number of child care providers in a local area. Sites differ in the extent to which they must struggle with a limited supply of child care providers in their respective areas. Clients in Petersburg and Wise are encouraged to rely heavily on family child care providers, which are in good supply in these two areas. In Lynchburg and Portsmouth, where fewer clients exercise the option for family child care providers, staff from the welfare agencies are working to expand the number of available providers (particularly during non-traditional hours, when clients often rely on family members who staff feel are often not reliable). Sites vary on the gaps they face in the supply of care, but most report at least some limitations in supply for either third-shift care, weekend care, evening care, or sick care.

Although the sites have faced some challenges in providing child care assistance to VIEW clients, most of those challenges have been felt by workers rather than clients. There is widespread acceptance that child care is necessary for VIEW clients to work or participate in CWEP. Consequently, workers will generally do whatever is necessary to make sure that child care assistance is available to clients who need

it. Waiting periods generally affect the payment of providers rather than the actual authorization of child care assistance.

## **2. Transportation Assistance**

Four of the five research sites identified transportation as a major barrier to employment and participation in VIEW activities. In Wise there is no public transportation, and the rural, mountainous county is large and spread out. Fewer than half of Wise's TANF clients own cars, and most cars owned are substandard and unreliable. In Prince William, the bus system is insufficient, and many families do not own cars. In Petersburg, most minimum wage jobs are inaccessible by public transportation. The buses also do not run to neighboring towns where the computer or retail jobs are located, and most buses stop running at 6:30 p.m.—too early for retail and service jobs. Likewise, in Portsmouth, the local bus system shuts down at 7:00 p.m. Of the five research sites, only Lynchburg has an adequate transportation system and even there, recipients' employment opportunities are constrained if they need to rely on public transportation.

Under VIEW, workers may use VIEW funds to provide transportation services enabling participants to travel to and from VIEW activities or employment. Transportation assistance can be provided in the form of mileage reimbursements, gas vouchers for clients or their car pools, bus vouchers, car repairs (up to one-third of the vehicle's fair market value), or in some cases, car insurance premiums. Workers in all sites cite transportation assistance as a critical component of the VIEW program; all believe that without transportation assistance, VIEW would not be successful.

All the research sites provided transportation assistance to VIEW participants. However, the sites structured this assistance slightly differently. In all cases, a client's need for transportation is determined

during the initial assessment. In Lynchburg, Prince William, and Portsmouth, clients are automatically eligible for transportation benefits for all VIEW activities, including job search and job readiness classes. Portsmouth clients are encouraged to find and pay for their own transportation before assistance is offered, but once offered it is available for all VIEW activities. In Wise and Petersburg, transportation support services are available to clients who find a job or enter CWEP; transportation assistance is generally not available to clients participating in job search or job readiness activities. Wise and Petersburg also have used VIEW funds to contract with van services to serve as commuter shuttles and to provide transportation to CWEP job sites.

In all sites, VIEW staff believe the transportation supportive services funds to be more than adequate to meet current and future needs. In the future, Wise County hopes to also provide funds to working TANF recipients for a down payment on a car. Petersburg hopes to use some of their future VIEW funding to purchase a van to transport recipients to program activities.

In the research sites facing the most extensive transportation issues, workers are aware that funding to meet individuals' transportation needs in the short term will not solve what they view as a bigger structural problem. Transportation supportive services may temporarily solve an individual's transportation deficiencies, but they cannot permanently fill the gaps in a community's transportation infrastructure. In Prince William, transportation was discussed as one of the five issues that need to be addressed in a community forum held a year following VIEW implementation. Portsmouth has participated in a regional welfare reform group, whose primary effort has been a coordinated approach to an improved transportation system. This regional planning group applied for a grant for additional transportation funding, which was not approved; however, they plan to continue to pursue other avenues to address the

transportation issues in the region. Lynchburg, working with other social service agencies in the region, has developed the Family Loan Program, which will provide employed TANF recipients with the opportunity to obtain low interest loans to purchase a car or for a down payment. Petersburg and Wise, with the most severe transportation problems, are continually working to identify ways to develop long-term solutions to clients' transportation problems.

### **C. REMOVING BARRIERS TO EMPLOYMENT AND PROVIDING ONGOING SUPPORT**

Additional supportive services are provided to remove a broad range of barriers to employment or program participation. These include medical and dental services that directly relate to VIEW activities, such as medical verifications, dentures, glasses, and orthopedic shoes; and program participation and work-related expenses such as license fees, uniforms, work boots or other shoes, safety equipment, and tools. All of the research sites provided these support services to clients who need them once they find a job or enter CWEP. The need for these services is determined during the initial assessment, and redetermined as necessary when clients move into different VIEW components.

Staff members in each of the research sites reported that substance abuse is a major problem among VIEW participants. Mental health issues are also barriers to employment and VIEW participation. None of the research sites, however, have any procedures or programs in place to address substance abuse, mental health, domestic violence, or other personal or family challenges in any systematic way. Prince William and Portsmouth do report that they have identified agencies within the community where they can refer VIEW clients if these problems are identified. However, referrals for substance abuse or mental health counseling are rare.



The research sites have been most successful in addressing one-time needs or ongoing needs that primarily involve financial assistance (e.g., child care and transportation). Primarily because of staffing constraints, they have been able to provide only minimal case management support to VIEW clients once they find employment or are placed in a CWEP slot. Workers, especially in Wise and Petersburg, felt that they did not have any time for more than the required once-a-month telephone contact with employed or CWEP clients. Wise and Petersburg supervisors report they plan to enhance these activities in future versions of their program; however, given all of the demands on workers' time, follow-up with employed clients is likely to remain a relatively low priority. In Portsmouth, employed clients are sent a letter and card encouraging them to contact the agency if they need any further assistance. Caseworkers are also encouraged to call clients and make personal contact within the first 30 days of their employment, but this is only feasible for those staff who work flex hours, as it is difficult to reach clients who are also at work during traditional business hours. Staff in Lynchburg report that they see most of their clients once a month because they must come into the office to receive their transportation assistance. However, contact is generally brief.

Agencies that contract out job readiness activities provide more post-employment follow-up, in that the contractors tend to serve as case managers. In Lynchburg, for example, while there are no specific post-employment services available through the welfare office, through a contractual arrangement with the public schools, clients do have the opportunity to participate in a career advancement program. However, even with child care and transportation provided, few clients have taken advantage of this opportunity. In Portsmouth, the job readiness contractor provides case management to recipients who find employment without regard to whether the VIEW client is still receiving TANF benefits.

#### **D. SUPPORTING EMPLOYMENT FOR VIEW and NON-VIEW PARTICIPANTS**

The majority of employment supports are available only to recipients participating in VIEW. However, two VIP provisions were designed to support employment among all TANF applicants or recipients. First, all applicants or recipients are allowed to accumulate \$5,000 in savings, provided the money will be used for education, home ownership, or starting a business. Workers report that this affects few applicants or recipients as few families they see have been able to accumulate this level of resources. Second, working families who face a temporary loss of income are able to receive a one-time cash payment (known as a diversion payment) as long as they agree to forgo receipt of welfare benefits for up to 160 days. Workers in the five sites report that the regulations on this provision are defined very narrowly, making most families ineligible. Thus, like the savings incentive, it has been used rarely. A total of 853 TANF applicants received Diversion Assistance during SFY 98, up from 618 in SFY 97. For SFY 96, 97 and 98 combined, a total of 1,857 TANF applicants received this assistance. About 80 percent of the cases who were past their period of ineligibility had remained off assistance (Virginia Department of Social Services 1998).

#### **E. SUMMARY AND CONCLUSION**

Clearly, efforts to support employment have been an important element of the implementation of VIEW. Generous earned income disregards provide recipients with additional financial resources after they find employment. However, while receipt of the earned income disregard provides additional assistance in the short term, it encourages recipients to stay on assistance, using up months on their lifetime limit. In the areas of child care and transportation, full funding has been available and services have been made easy for clients to access. The transportation and child care issues that remain are structural in nature and are

likely to require resources beyond those available for the implementation of welfare reform. The sites report difficulties finding child care for recipients who work second and third shifts or variable hours. Sick child care is also in limited supply. However, these issues are not unique to welfare recipients; they are important gaps in the overall supply of child care. Similarly, while sufficient funding is available to cover recipients' transportation costs, the transportation options available to recipients in some of the sites are clearly quite limited. The research sites primarily have focused their efforts on helping recipients find employment, leaving workers with limited time to provide support to recipients once they find employment or are placed in CWEP. In addition, few resources are available to recipients who face personal and family challenges such as substance abuse, mental health problems or domestic violence.

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## **VII. CREATING BOUNDARIES TO SUPPORT: IMPLEMENTING SANCTIONS AND TIME LIMITS**

Welfare reform in Virginia was designed to send a very strong message that receipt of public benefits comes with a set of behavioral expectations. Parents are expected to immunize their children and make sure they attend school. Mothers are expected to name the fathers of their children and provide information to help locate them. Able-bodied parents who are not caring for young children are expected to work. Families who do not meet these expectations are subject to financial penalties ranging from \$50 to the loss of all TANF benefits and food stamps. (See Table VII.1 for a description of all potential financial penalties for VIP/VIEW.) In addition, in an effort to encourage families to make it on their own, families are only eligible to receive cash assistance for 24 months and child care, medical and transportation assistance for an additional 12 months. Depending on their use of transitional benefits, families are then ineligible for assistance for 24 to 36 months. Since TANF was implemented in February 1997, families also face a lifetime limit of 60 months on assistance.

Although sanctions and time limits both create boundaries on the support families can receive, they do so in different ways, and, therefore, they pose different implementation challenges. Sanctions are attached to specific behaviors and impose almost immediate consequences for failure to comply with expected actions. Time limits, on the other hand, only have an impact far into the future and are based on calendar time rather than being directly linked to recipients' behaviors in the way that sanctions are. In fact, given the structure of Virginia's time limit and sanctions, the families who will eventually lose benefits as a result of time limits will be families who have failed to find employment and are participating in CWEP or those who find employment but do not earn enough

TABLE VII.1

VIP/VIEW REQUIREMENTS WITH PENALTIES FOR NON-COMPLIANCE

Policy	Description	Penalty for Non-Compliance	Impact on Food Stamps and Medicaid	Action Required for Benefits to Be Restored
Immunizations:	Children must be receive age appropriate immunizations	\$50 for the first child not immunized and \$25 for each subsequent child	Penalty amount is counted in determining the Food Stamp allotment	Produce immunization record
School Attendance	Children must comply with compulsory school attendance policies	The non-compliant child is removed from the grant	Penalty amount is counted in determining the Food Stamp allotment	The child must comply with the attendance plan
Paternity Establishment	Mothers must name the fathers of their children and provide at least three pieces of identifying information to help locate the father	Removal of the adult from the grant for six months; if non-compliance continues the case is closed	Medicaid continues for the children but not the non-compliant adult.	Provide required information and cooperate with DCSE
Agreement of Personal Responsibility	Mandatory VIEW recipients must sign the Agreement of Personal Responsibility	The case is closed	The family can reapply for Medicaid and Food Stamps separately from TANF but will be subject to any Food Stamp work requirements that apply	Families who reapply must sign the APR before their case is approved
VIEW Participation	Mandatory recipients are required to follow the plan developed with their VIEW worker, usually job search for 90 days followed by CWEP	The case is suspended. For the first instance of non-compliance, the case must be suspended for a minimum of one month. For the second and third instance of non-compliance, the case must remain closed for three and six months, respectively. While the case is suspended, the time limit clock continues to tick	If the household includes children under the age of six, food stamps continue, otherwise the food stamp case is also suspended	To come into compliance the non-compliant adult must meet the requirements of their VIEW plan for two consecutive weeks. If recipients close their cases they must serve the minimum sanction period before their cases are reopened.

to push them above the federal poverty line. The time limit clock also ticks for families who have been sanctioned for non-compliance with the work requirement and have not asked to have their case closed. If they remain non-compliant they will not be receiving cash assistance when the time limit hits, and they will primarily be affected by their inability to receive assistance in the event that their circumstances change.

## **A. SANCTIONS**

As the information presented in Table VII.1 shows, compliance for many of the key VIP/VIEW provisions is enforced by imposing sanctions on non-compliant families. Workers report that they spend substantial time explaining each of these provisions to clients, trying to make sure they understand that their check will be reduced or eliminated if they do not comply with the program requirements. Workers believe overall they may be imposing more sanctions simply because more is expected of families. Prior to reform, families could only be sanctioned for failure to cooperate with child support and failure to participate in the JOBS program. When they were sanctioned for failure to comply with these two requirements, their grant was reduced, not eliminated as it is now.

Workers in each of the five sites believe that sanctions are a critical component of Virginia's welfare reform efforts. In fact, workers believe that welfare reform would not be successful without sanctions in place. For the first time, workers feel they have some authority through which to encourage families to behave responsibly. Workers feel that sanctions have been especially important in getting long-term cases to comply with program requirements. Workers' high level of support for sanctions does not, however, mean that they necessarily impose sanctions on large numbers of recipients. Workers report that the threat of a sanction often is sufficient to encourage recipients to comply with program mandates.

As the data presented in Table VII.2 show, during the first two years of implementation, the research sites imposed relatively few sanctions for non-compliance with the various VIP provisions. It is interesting to note that with the exception of penalties for non-compliance with the paternity establishment, the number of sanctions in the five localities appears to have little relationship to the number of cases receiving assistance in the locality. The two localities that report the most active involvement with monitoring and promoting school attendance, Lynchburg and Portsmouth, have the highest rates of sanctioning for non-compliance with the school attendance requirement. Even when taking into account its larger caseload size, the number of sanctions for non-compliance with the immunization requirement is far greater in Portsmouth than any of the other sites. The variation found in the number of VIEW sanctions that have been imposed reflects differences in the length of time VIEW has been in operation.

TABLE VII.2  
NUMBER OF SANCTIONS  
(State Fiscal Years 1996 and 1997)

	Statewide	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
Immunization	1,040	13	19	6	77	2
School Attendance	2,228	122	31	91	71	7
Paternity Establishment	3,752	38	56	111	132	21
VIEW Participation	2,355	145	154	34	N/A	N/A
Failure to Sign APR	1,422	38	95	17	N/A	N/A
Caseload over Three-Year Period	126,323	1,766	4,144	2,151	5,141	1,682

SOURCE: Virginia Department of Social Services, Virginia Independence Program Annual Report, Appendix, Fiscal Years 1996, 1997, 1998.



Although the sites are in general agreement that sanctions are important, they report differences in their philosophy and approaches to sanctions for the VIEW program. Lynchburg and Petersburg illustrate two extremes, with the other three sites falling in the middle. Lynchburg considers itself a “therapeutic sanctioning agency.” Workers believe they have been successful because the rules are tough and they enforce them with public support. Most of the sanctions levied in Lynchburg are for non-compliance with the school attendance requirement and participation in VIEW. Lynchburg’s sanctions are approved by a supervisor and only are approved when minimum requirements are not being met.

Petersburg reports a different approach to sanctions. VIEW workers in Petersburg report they are reluctant to sanction clients. They see sanctions as a way to get clients’ attention, not a stick or a club to make them participate. All sanction referrals are reviewed by a supervisor to ensure that the penalty is fair. Staff worry that sanctioning can be too punitive and too easy. They believe it should be used only as a last resort.

Although the sites approach sanctions somewhat differently, they are all careful to follow established procedures regarding client notification and good cause. Over time workers believe it has been easier to convince recipients that sanctions are for real. Initially, recipients tested workers more because they did not believe the sanctions really would be imposed. Although workers are loathe to impose sanctions, they believe sanctions have helped to remove families who really do not need assistance from the rolls.

The data presented in Table VII.3 on VIEW sanctions suggests that rates of sanctioning are more similar across the sites than workers’ perceptions suggest. In the three sites that implemented VIEW early, between 31 and 35 percent of recipients who were referred to VIEW were sanctioned for non-compliance with VIEW. Lynchburg’s sanction rates are higher than Prince William and

TABLE VII.3

SANCTION RATES AMONG CASES REFERRED TO VIEW  
(Percentages)

	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
<b>Ever Sanctioned</b>	25.6	35.1	30.8	31.6	10.9	13.6
<b>VIEW Participation Status</b>						
Ever Participated in VIEW Activity	26.9	37.8	31.9	33.3	11.4	13.9
<b>Employment Status</b>						
Ever employed	21.7	30.4	25.6	25.1	3.5	0
Never employed	32.2	51.3	45.6	42.2	16.9	2.15
<b>Number of Children</b>						
1 child	23.1	32.7	27.9	29.4	11.6	8.6
2 children	25.1	34.2	31.1	27.4	11.1	16.3
3 or more children	31.8	42.9	35.3	41.0	9.5	21.7
<b>Marital Status of Case Head</b>						
Never Married	27.6	39.1	34.4	32.3	11.4	12.5
Ever Married	23.6	30.2	25.5	33.7	13.2	14.4
<b>Target Group</b>						
Not in target group	25.5	34.3	26.7	29.2	18.4	16.7
Received AFDC in 36 of the last 60 months	26.2	37.0	33.3	33.7	7.7	13.4
Custodial parent under 24	23.1	26.7	32.9	25.0	11.9	0
<b>Educational Attainment</b>						
Less than high school	27.2	40.4	36.1	31.3	9.8	17.5
High school graduate	24.1	31.2	26.3	31.8	12.3	9.7
<b>Sample Size</b>	1,794	350	582	288	449	125

SOURCE: MPR analysis of Virginia Department of Social Services VIP/VIEW case record data.

NOTE: The research sample includes household heads who were on assistance at the time the evaluation sample was established in July 1995, were selected for the experimental group, and were still receiving assistance at the time VIEW was implemented. The table covers the period of VIEW implementation through April 1998. These data refer to VIEW-related sanctions only.

Petersburg but only by a small amount. In Portsmouth and Wise, the sanction rates, at 11 and 14 percent respectively, were much lower, reflecting the fact that they implemented VIEW much later than the other three sites. Given the emphasis on work, it is not surprising that sanction rates are highest among recipients with no record of employment. Recipients with more children had higher than average sanction rates in all of the sites except Portsmouth. Never married mothers in Lynchburg and Prince William also had higher rates of sanctions. Recipients who had not completed high school had higher sanction rates in Lynchburg, Prince William and Wise.

## **B. TIME LIMITS**

At the time of our site visits, only Lynchburg had any families who had hit the two-year time limit. Nonetheless, time limits have had a substantial impact on the way eligibility and VIEW workers approach their jobs in all of the sites. Workers remind clients about the time limit and tell them how many months of assistance they have left every time they meet with them. In Portsmouth, periodically, workers even have clients sign a form indicating their awareness of the number of months they have left to receive cash assistance. Several of the agencies started telling clients about the time limit during the public forums they held when welfare reform was first being implemented. In some of the research sites, this means clients were apprised of the time limit long before the clock actually started ticking. But no matter how much they emphasize the time limit, workers do not feel most clients take the time limit seriously. For some clients, time limits have provided them with the push they needed but disbelief is a far more common reaction. Consequently, time limits create a sense of urgency for workers but not necessarily for clients. Workers feel they must make every interaction count because assistance will not always be available for recipients.

In general, line staff are far more ambivalent about time limits than about sanctions. They believe time limits are important because they have created a sense of urgency that has not existed in the past. Workers feel they know their clients well and that for some, two years is not enough time to change years of dependence. Those who remain on assistance and reach the time limit either will be in CWEP because they have not been able to find employment or will be working part-time and/or for low pay. For some clients, workers believe because of limited cognitive abilities or low job skills they are doing the best they can. Workers think that it is critical to prepare recipients for the end of the 24 months but they are not quite sure how to do it. Workers expect that some recipients who reach the time limit will not fare well when their benefits end.

Virginia's time limit allows for exemptions in the case of extreme hardship. However, workers did not believe that the hardship exemption would help many of the clients they are most concerned about. The exception is Wise where recipients are likely to be eligible for a hardship exemption because of the unfavorable labor market conditions. According to Virginia's hardship exemption policy, job unavailability is defined as an unemployment rate of 10 percent or greater in the participant's locality. Given that Wise's unemployment rate is currently close to 20 percent, all families who have complied with the VIEW program requirements by looking for work or participating in CWEP are likely to qualify for an automatic hardship exemption. The hardship exemption is granted for a year but can be extended if unfavorable economic conditions persist. Time limits are a long way off in Wise. Staff hope that before time limits hit some of their efforts to spur economic development in the area will take hold and more recipients will find employment.

### **C. SUMMARY AND CONCLUSION**

Sanctions and time limits have played a critical role in changing the culture of the welfare office. By raising the stakes, they have dramatically altered the way workers approach their jobs. Workers know that they need to make every interaction count because soon their clients will be expected to make it on their own. Although workers find it difficult to impose sanctions on families for non-compliance with program mandates, they believe that sanctions encourage families to act responsibly and are fair: families in need of assistance always have the option to comply with program requirements and eventually have their benefits restored. They are much more concerned, however, about the long-term impacts of time limits. Families exert no control over time limits. Even if they comply with program mandates, the clock keeps ticking, and one day in the not-so-distant future their benefits will stop. Workers can only do so much and, for some recipients, they are not quite certain that even their best work will make a difference. Workers believe that some families simply face barriers to obtaining ongoing, full-time employment that cannot be fixed in two years.

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## **VIII. NEXT STEPS**

Welfare reform in Virginia was implemented three years ago. Nonetheless, state and local program staff still describe it as a “work in progress.” Now that VIEW has been implemented statewide, state staff feel they finally can chart the progress to date and begin to plan for what is ahead. Because the research sites implemented VIEW at different times, they are at different stages in planning for the future. Lynchburg, Prince William, and Petersburg have had time to fully phase in VIEW, while Portsmouth and Wise are still in the early stages of implementation.

Although there is a general perception that welfare reform has been implemented as it was intended, staff at the state and in the research sites still see many challenges ahead. Everyone agrees that, to date, welfare reform has focused primarily on getting welfare recipients employed without regard to their total earnings or prospects for the future. However, state staff and the localities would like to expand the focus of VIEW to address three key issues: (1) job retention, (2) job advancement, and (3) the needs of harder-to-employ populations. In addition, in several of the sites limited public transportation is a significant barrier to work for recipients.

### **A. JOB RETENTION**

Staff reported that in the current economy it is relatively easy for recipients to find jobs but far more difficult for them to keep them. Many recipients quickly find a new job only to lose it. In June 1998, 73 percent of recipients who had ever been employed since VIEW was first implemented were employed after three months; by six months, the percentage still employed fell to 52 percent (Virginia Department of Social Services 1998).

TABLE VIII.1

PATTERNS OF EMPLOYMENT  
(Percentages)

	Total	Lynchburg	Prince William	Petersburg	Portsmouth	Wise
<b>Employment Experience</b>						
Ever Employed (Percent)	71.6	83.9	78.7	79.9	66.4	28.8
Average number of quarters employed (if ever employed)	4.5	5.2	4.8	4.3	3.9	3.1
<b>Sample Size</b>	<b>2,682</b>	<b>430</b>	<b>645</b>	<b>305</b>	<b>980</b>	<b>542</b>
<b>Pattern of Starting Employment, if ever Employed (percent)</b>						
Immediate (Q1)	37.5	33.0	36.0	43.1	39.8	35.6
Early (Q2 to Q3)	25.1	30.4	25.5	18.5	24.8	17.8
Medium (Q4 to Q6)	25.7	28.1	27.8	23.1	23.8	20.0
Slow (Q7 to Q9)	11.7	8.6	10.8	15.4	11.6	26.7
<b>Employment Pattern, if ever employed (percent)</b>						
Continual (9 Quarters)	5.9	7.9	6.5	7.1	3.8	0.0
Steady (6-8 Quarters)	18.4	25.1	19.6	15.4	14.6	15.6
Medium 3-5 Quarters)	35.3	39.3	41.0	31.8	31.0	13.2
Limited (1-2 Quarters)	40.5	27.8	33.0	45.7	50.6	71.2
<b>Sample Size</b>	<b>1,920</b>	<b>361</b>	<b>508</b>	<b>244</b>	<b>651</b>	<b>156</b>

Source: Mathematica Policy Research tabulations of VACIS monthly extracts, AFDC/TANF benefit payments file, and VEC wage data.

NOTE: Sample includes all families who were randomly assigned to the experimental group and had either participated in or were referred to the JOBS or VIEW programs during the period of observation, which is nine quarters beginning with Random Assignment.



The data presented in Table VIII.1 further illustrate the extent to which unsteady employment is an issue in the five research sites. Over the nine quarters starting with random assignment (July 1995 - September 1997), with the exception of Wise, the vast majority of recipients who were referred to or participated in JOBS/VIEW found employment. In the four sites where the majority of recipients found employment, the percentage of recipients with a record of employment ranged from 84 percent in Lynchburg to 66 percent in Portsmouth. Because of its high unemployment rate, only 29 percent of recipients in Wise found employment. In all of the sites including Wise, recipients who found employment did so quickly. At least half of the recipients who found employment did so within three quarters after random assignment began; more than one-third found employment immediately or were already employed when random assignment occurred. In spite of this rapid entry into the labor market, few recipients showed steady or continual patterns of employment. The percentage of recipients working in at least six of the nine quarters ranged from a high of 33 percent in Lynchburg to a low of 16 percent in Wise. Higher levels of continual or steady employment are reported in the sites where VIEW was first implemented, suggesting that VIEW policies might have already encouraged steadier employment among the recipients subject to these policies.

Staff believe that many factors lead to job loss, including unreliable child care and transportation, substance abuse, inability to do the job, and difficulties getting along with supervisors and co-workers. For some, problems occur simply because they have never been required to maintain a regular schedule. Although staff would like to work with recipients to help them address the issues that lead to job loss, they have not had enough time to do so.

Virginia is currently in the process of designing a demonstration project that is an expansion of VIEW, called VIEW-PLUS, to address the issues that lead to job loss. VIEW-PLUS will initially be implemented

in the research sites and then possibly expanded to the rest of the state if it proves successful. Although evidence has been available for some time that job loss is common among welfare recipients, few programs have been designed specifically to address this issue (Hershey and Pavetti 1997). Thus, it is likely to take substantial time and effort to identify and implement strategies that will promote job retention, especially in an environment where rapid employment and re-employment is already expected of recipients.

## **B. JOB ADVANCEMENT**

In June 1998, 10,315 VIEW participants were employed statewide, working at an average hourly wage of \$5.76, generating monthly earnings of \$807 (Virginia Department of Social Services 1998). Given that recipients can only receive assistance for a limited period of time, staff in the sites expressed widespread concern that recipients would never be able to make it on their own at this earnings level. For example, in Prince William, where recipients earn an average of \$6.67 per hour, staff estimate that it takes \$9 to \$11 per hour to be able to live in the county.

While there is widespread agreement that the state needs to find ways to help currently employed recipients move into better jobs, only Lynchburg has implemented a program to encourage employed recipients to increase their skills to qualify for better jobs. Through a contract with the public schools, Lynchburg currently offers recipients the opportunity to participate in a short-term occupational training program in the evening. Child care and bus transportation are provided to all participants. However, attendance has been low. Staff are considering providing dinner to encourage more recipients to participate. Staff in Lynchburg fear that once recipients are working they will never attend a program on their own even if its purpose is to provide them with the additional skills they need to move into better jobs.

Expanding VIEW to create opportunities for employed recipients to move into better jobs is likely to pose several challenges. Because VIEW is primarily a work program, few resources have been dedicated to creating education and training opportunities for VIEW participants. Consequently, the localities may need additional financial resources to spur the development of these services. It is also likely that they will need to develop new or expanded partnerships with organizations within the community that have the capacity to provide these services. In addition, because workers already are having difficulties managing an expanded workload, it is unlikely that they will be able to develop advancement opportunities without some incentive and/or additional staff resources to do so. Employment and training resources for the poor and disadvantaged traditionally have been geared towards the unemployed rather than the underemployed, thus successful development of career advancement opportunities also will require changes within the broader workforce development system.

### **C. REACHING THE HARDER-TO-SERVE**

Staff reported that, as their caseloads have gone down, more and more of the families they see face serious personal and family challenges. Issues commonly raised include substance abuse, mental health problems, domestic violence, learning disabilities and low intelligence and skill levels. Although nearly everyone expressed a need for more attention to be directed to this group of recipients, the localities and the state are only beginning to work on a plan for doing so. Some of the localities were hopeful that they would be able to work with their local Private Industry Councils (PICs) to develop programs and/or services using Welfare-to-Work funds to provide these services. However, strained relationships and/or limited coordination with the PICs in some of the communities left some of the research sites feeling that they would benefit very little from these additional resources.

Other states and localities that have addressed this issue have done so in a number of ways (Pavetti et al. 1997). A common strategy is to provide more intensive case management, primarily by having at least a few workers carry substantially reduced caseloads. States with the most experience working with the harder-to-serve also have defined their participation mandates more broadly than Virginia, allowing activities such as substance abuse treatment to count as a mandatory program activity. A few states are experimenting with supported work models that initially provide recipients with additional supervision or job coaching and then gradually help them make the transition to regular employment and/or are developing employee assistance programs that recipients can turn to if they face personal or family challenges once they are employed (National Governor's Association 1998).

Virginia is likely to face some difficult policy and programmatic issues as it begins to develop alternatives for harder-to-serve recipients. The state's efforts to reform the welfare system have emphasized personal responsibility and independence. Thus, it will require a significant shift in attitude and philosophy to identify and provide more intensive services to recipients facing significant barriers to employment, as other states have done. Supported work models and employee assistance models, while potentially more costly to implement, may be more consistent with Virginia's approach to reform. Studies in a few other states that examine the characteristics of sanctioned families suggest that the combination of a stringent work requirement and full family sanctions may have discouraged some families with more serious problems from applying for assistance or participating in the VIEW program (Michigan and Minnesota studies). If true in Virginia, this would suggest that some of the families who may benefit most from more intensive services or a more supported work environment may have no current attachment to the welfare system, although some may still be receiving food stamps or Medicaid. Additional research

to examine the circumstances of sanctioned families may be necessary to develop a comprehensive strategy for reaching the hard-to-employ.

#### **D. TRANSPORTATION**

Transportation assistance is a key component of Virginia's efforts to help recipients find and keep employment. However, the transportation assistance available is primarily designed to offset the costs of going to work. For example, recipients can receive bus passes, reimbursement for mileage and assistance with car repairs. However, few options are currently available for recipients without cars who live where public transportation is limited. Wise, Petersburg, and Portsmouth all face serious transportation barriers. While they are all working to identify solutions to the transportation problems faced by their recipients, they see this as an issue that extends beyond welfare reform. Nonetheless, they see the development of better transportation systems or identification of strategies to help recipients purchase cars as critical to the long-term success of their VIEW programs

#### **E. CONCLUSION**

Virginia's efforts to garner widespread community support for welfare reform generated intense enthusiasm for creating a new system that would provide families with more hope and more opportunities to improve their lives over the long term. Staff at all levels feel proud of their accomplishments thus far, but they also know that they are still in the early stages of developing a new approach to welfare that will improve the well-being of families over the long-term. Staff are well aware that they have benefitted enormously from a healthy economy and that they will face a new set of challenges when employment opportunities are not as readily available. But because not all of Virginia has benefitted from the current economic boom, the state has some knowledge of what it takes to make welfare reform work in a less-

than-favorable economy. Although there are still many challenges ahead, VIP/VIEW are nearing the stage when they will be perceived as “business as usual,” rather than as a novel reform effort. Thus, one of the key challenges ahead will be to sustain the interest and enthusiasm with which welfare reform in Virginia began.

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