

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

**Date of Completion: 12/1/2020**

**State: North Carolina** **Fiscal Year to which credit applies: 2021**

|  |   |
|--|---|
| Overall Report <input checked="" type="checkbox"/> (check one)<br>Two-parent Report <input type="checkbox"/> | Apply the overall credit to the two-parent participation rate? <input checked="" type="checkbox"/> yes<br><input type="checkbox"/> no |
|--|---|

### PART 1 –Eligibility Changes Made Since FY 2005

(Complete this section for EACH change)

1. Name of eligibility change: **Work First Benefits**
2. Implementation date of eligibility change: **April 2011**
3. Description of policy, including the change from prior policy:

**September 2009 Policy:** Policy was revised to mandate that in order to receive a Work First Family Assistance (WFFA/TANF) check, all aspects of the recipients’ Mutual Responsibility Agreement (MRA) Core Requirements and the MRA Plan of Action must be met, unless there is good cause. This includes completing the required hours of work, training, education, or other activities. Work First cash assistance checks will be issued the month after completing all requirements on the MRA for the benefit month.

**Revised Policy:** If the recipient complies with his/her MRA, the administrative reopen and administrative reapplication automated processes can be used for Work First Benefits (WFB) cases that have closed without having to complete the manual application process. This change was effective April 2011.

4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

The methodology used to calculate this impact for FFY 2020 comes from the North Carolina Families Accessing Services through Technology, referred to as NC FAST case management system.

A count of the number of Work First Benefits cases closed or sanctioned each month due to non-compliance with the MRA was generated. The codes used from NC FAST to generate this data include: ‘NFCC5036’ (Client failed to meet requirements of MRA); ‘NFSR5008’ (Work First Family Assistance Employment Services Non-Compliance); ‘NFSR5010’ and ‘NFSR5018 (Failure to participate in required substance abuse treatment; Failure to participate in required Substance Use Treatment).

A 5% attrition rate was then applied (to account for cases that may have left the caseload anyway). A table was created to calculate the rate for the Work First Benefits closures and a final table was created to combine the decaying effects of the caseload returns and attrition. The results are displayed in the Part II excel spreadsheet attached.

For FFY2020, the effect of this policy is -5,325.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -5,325

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**Date of Completion: 12/1/2020**

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1. Name of eligibility change: **Job Quit Penalty**
2. Implementation date of eligibility change: **March 2010**
3. Description of policy, including the change from prior policy:

The Job Quit Penalty was implemented in March 2010. Under this policy, a family will be ineligible for Work First Family Assistance for a period of three months if the participant quits a job without good cause or is dismissed from a job due to work place behavior. The ineligible period is defined as the month of quit and the next two months (effective March 2010).

**April 2012:** A new Job Quit History tracking screen was created in the Eligibility Information System (EIS) to assist caseworkers in identifying individuals with a Job Quit penalty. Policy was also expanded to clarify the Job Quit penalty period.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

The methodology used to calculate this impact for FFY 2020 comes the North Carolina Families Accessing Services through Technology, referred to as NC FAST case management system.

The methodology used in NC FAST is the actual number of TANF cases sanctioned for Job Quit with code 'NFSR5003' which resulted in a case closure with code 'NFCC5078'. If the family is new to Work First/TANF, Job Quit is not applied at application. However, if the family has received Work First/TANF in the past and Job Quit was explained, then the Job Quit sanction may be applied at application.

For FFY2020, the effect of this policy is -5.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -5

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**Date of Completion: 12/1/2020**

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**Fiscal Year to which credit applies: 2021**

1. Name of eligibility change: **Substance Use Testing**
2. Implementation date of eligibility change: August 1, 2015
3. Description of policy, including the change from prior policy:

The North Carolina General Assembly revised North Carolina General Statute 108A-29.1, to require screening of each applicant for or recipient of Work First (TANF) program assistance whom the Department reasonably suspects is engaged in the illegal use of controlled substances. When reasonable suspicion has been established, the drug test for Work First program applicants and recipients becomes a condition of eligibility.

If the applicant or recipient does not complete either the Alcohol Use Disorder Identification Test (AUDIT) or the Drug Abuse Screening Test (DAST-10), refuses testing, or has a confirmed positive test result, the applicant or recipient is ineligible for Work First cash assistance. The remaining household members may be eligible to receive Work First.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:  
(attach supporting materials to this form)

The methodology used to calculate this impact for FFY 2020 comes from the case management system, North Carolina Families Accessing Services through Technology (NC FAST). The actual number of TANF cases closed due to Substance Use related sanctions when no remaining household members are eligible were calculated. The Substance Use related sanction codes include:

NFSR5019 – Refused AUDIT/DAST-10 Assessment;  
NFSR5010 – Failure to participate in required substance use treatment;  
NFSR5016 – Positive Substance Use Test;  
NFSR5017 – Failure to attend QPSA Appointment/Substance Use Test;  
NFSR5018 – Failure to participate in required Substance Use Treatment.

For FFY2019, the effect of this policy is -1

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -1

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**State: North Carolina**

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**PART 2 – Estimate of Caseload Reduction Credit**

(Complete Part 2 using Excel Workbook provided.)

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**  
**Overall Credit**

|    | A   | B             | C | D   | E             | F            |
|----|---|---------------|---|---|---------------|--------------|
| 1  | <b>North Carolina</b>                                 |               |   | <b>Fiscal Year to which credit applies:</b> |               | <b>2021</b>  |
| 2  |   |               |   | <b>Date of Completion:</b>                  | 12/3/2020     |              |
| 3  | <b>PART 2 – Estimate of Caseload Reduction Credit</b> |               |   |   |               |              |
| 4  |   |               |   |   |               |              |
| 5  | <u>Impact of All Changes</u>                          |               |   | <u>Caseload Reduction Calculation</u>       |               |              |
| 6  | Work First Benefits                                   | -5325         |   | FY 2005 TANF Caseload                       | 33,773        |              |
| 7  | Job Quit Penalty                                      | -5            |   | FY 2005 SSP Caseload                        |               |              |
| 8  | Substance Use Testing                                 | -1            |   | <b>Total FY 2005 Caseload</b>               | <b>33,773</b> |              |
| 9  |   |               |   | FY 2020 TANF Caseload                       | 13,697        |              |
| 10 |   |               |   | FY 2020 SSP Caseload                        |               |              |
| 11 |   |               |   | <b>Total FY 2020 Caseload</b>               | <b>13,697</b> |              |
| 12 |   |               |   | Excess MOE Cases in FY 2020                 | 1,887         |              |
| 13 |   |               |   | <b>Adjusted FY 2020 Caseload</b>            | <b>11,810</b> |              |
| 14 |   |               |   | Caseload Decline                            | 21,963        | 65.0%        |
| 15 |   |               |   | Decline – Net Impact                        | 16,632        |              |
| 16 |   |               |   |   |               |              |
| 17 |   |               |   | Caseload Reduction Credit =                 |               | <b>49.2%</b> |
| 18 |   |               |   |   |               |              |
| 19 |   |               |   |   |               |              |
| 20 |   |               |   |   |               |              |
| 21 |   |               |   |   |               |              |
| 22 |   |               |   |   |               |              |
| 23 |   |               |   |   |               |              |
| 24 |   |               |   |   |               |              |
| 25 |   |               |   |   |               |              |
| 26 | <b>Net Impact</b>                                     | <b>-5,331</b> |   |   |               |              |
| 27 |   |               |   |   |               |              |
| 28 |   |               |   |   |               |              |

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT  
Two-Parent Credit**

|    | A  | B | C        | D                                      | E         | F    |
|----|--|---|----------|--|-----------|------|
| 1  | North Carolina   |   |          | Fiscal Year to which credit applies:   |           | 2021 |
| 2  |  |   |          | Date of Completion:                    | 12/3/2020 |      |
| 3  | <b>PART 2 – Estimate of Caseload Reduction Credit -- 2-Parent Caseload</b> |   |          |  |           |      |
| 4  |  |   |          |  |           |      |
| 5  | <u>Impact of All Changes</u>   |   |          | <u>Caseload Reduction Calculation</u>  |           |      |
| 6  |  |   |          | FY 2005 TANF 2-Parent Caseload         |           |      |
| 7  |  |   |          | FY 2005 SSP 2-Parent Caseload          |           |      |
| 8  |  |   |          | <b>Total FY 2005 Caseload</b>          | <b>0</b>  |      |
| 9  |  |   |          | FY 2020 TANF 2-Parent Caseload         |           |      |
| 10 |  |   |          | FY 2020 SSP 2-Parent Caseload          |           |      |
| 11 |  |   |          | <b>Total FY 2020 2-Parent Caseload</b> | <b>0</b>  |      |
| 12 |  |   |          | Excess MOE 2-Parent Cases in FY 2020   | 0         |      |
| 13 |  |   |          | <b>Adjusted FY 2020 Caseload</b>       | <b>0</b>  |      |
| 14 |  |   |          | Caseload Decline                       | 0         | 0.0% |
| 15 |  |   |          | Decline – Net Impact                   | 0         |      |
| 16 |  |   |          |  |           |      |
| 17 |  |   |          |  |           |      |
| 18 |  |   |          |  |           |      |
| 19 |  |   |          |  |           |      |
| 20 |  |   |          |  |           |      |
| 21 |  |   |          |  |           |      |
| 22 |  |   |          |  |           |      |
| 23 |  |   |          |  |           |      |
| 24 |  |   |          |  |           |      |
| 25 |  |   |          |  |           |      |
| 26 | <b>Net Impact</b>  |   | <b>0</b> |  |           |      |
| 27 |  |   |          |  |           |      |
| 28 |  |   |          |  |           |      |

**North Carolina**

Work First Benefits

Date of Completion: 12/3/2020

|                         | Impact on Each Month in FY 2020 |               |               |               |               |               |               |               |               |               |               |               | Grand Total    |
|-------------------------|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
|                         | Oct                             | Nov           | Dec           | Jan           | Feb           | Mar           | Apr           | May           | Jun           | Jul           | Aug           | Sep           |                |
| <b>Time of Closure</b>  |                                 |               |               |               |               |               |               |               |               |               |               |               |                |
| Prior years carryover   | -5,676                          | -5,392        | -5,123        | -4,866        | -4,623        | -4,392        | -4,172        | -3,964        | -3,766        | -3,577        | -3,398        | -3,229        |                |
| Oct                     | -261                            | -248          | -236          | -224          | -213          | -202          | -192          | -182          | -173          | -164          | -156          | -148          |                |
| Nov                     |                                 | -250          | -238          | -226          | -214          | -204          | -193          | -184          | -175          | -166          | -158          | -150          |                |
| Dec                     |                                 |               | -249          | -237          | -225          | -213          | -203          | -193          | -183          | -174          | -165          | -157          |                |
| Jan                     |                                 |               |               | -277          | -263          | -250          | -237          | -226          | -214          | -204          | -193          | -184          |                |
| Feb                     |                                 |               |               |               | -230          | -219          | -208          | -197          | -187          | -178          | -169          | -161          |                |
| Mar                     |                                 |               |               |               |               | -118          | -112          | -106          | -101          | -96           | -91           | -87           |                |
| Apr                     |                                 |               |               |               |               |               | -44           | -42           | -40           | -38           | -36           | -34           |                |
| May                     |                                 |               |               |               |               |               |               | -37           | -35           | -33           | -32           | -30           |                |
| Jun                     |                                 |               |               |               |               |               |               |               | -37           | -35           | -33           | -32           |                |
| Jul                     |                                 |               |               |               |               |               |               |               |               | -65           | -62           | -59           |                |
| Aug                     |                                 |               |               |               |               |               |               |               |               |               | -50           | -48           |                |
| Sep                     |                                 |               |               |               |               |               |               |               |               |               |               | -44           |                |
| <b>Total</b>            | <b>-5,937</b>                   | <b>-5,890</b> | <b>-5,845</b> | <b>-5,829</b> | <b>-5,768</b> | <b>-5,598</b> | <b>-5,362</b> | <b>-5,131</b> | <b>-4,911</b> | <b>-4,731</b> | <b>-4,544</b> | <b>-4,361</b> | <b>-63,905</b> |
| FY 2020 monthly average |                                 |               |               |               |               |               |               |               |               |               |               | -5,325        |                |

**North Carolina**

Job Quit

**Job Quit**

Date of Completion: 12/1/2020

|                                | Impact on Each Month in FY 2020 |     |     |     |     |     |     |     |     |     |     |     | Grand Total |    |
|--------------------------------|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|----|
|                                | Oct                             | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |             |    |
| <b>Time of Closure</b>         |                                 |     |     |     |     |     |     |     |     |     |     |     |             |    |
| Prior years carryover          | 0                               | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Oct                            | 6                               | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Nov                            |                                 | 9   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Dec                            |                                 |     | 7   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Jan                            |                                 |     |     | 9   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Feb                            |                                 |     |     |     | 8   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Mar                            |                                 |     |     |     |     | 11  | 0   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| Apr                            |                                 |     |     |     |     |     | 1   | 0   | 0   | 0   | 0   | 0   | 0           |    |
| May                            |                                 |     |     |     |     |     |     | 2   | 0   | 0   | 0   | 0   | 0           |    |
| Jun                            |                                 |     |     |     |     |     |     |     | 1   | 0   | 0   | 0   | 0           |    |
| Jul                            |                                 |     |     |     |     |     |     |     |     | 4   | 0   | 0   | 0           |    |
| Aug                            |                                 |     |     |     |     |     |     |     |     |     | 3   | 0   | 0           |    |
| Sep                            |                                 |     |     |     |     |     |     |     |     |     |     | 0   | 0           |    |
| <b>Total</b>                   | 6                               | 9   | 7   | 9   | 8   | 11  | 1   | 2   | 1   | 4   | 3   | 0   | 0           | 61 |
| <b>FY 2020 monthly average</b> |                                 |     |     |     |     |     |     |     |     |     |     |     | 5           |    |



**North Carolina**

Policy Name

**Substance Use Testing**

Date of Completion: 12/1/2020

|                                | Impact on Each Month in FY 2020 |     |     |     |     |     |     |     |     |     |     |     | Grand Total |   |
|--------------------------------|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-------------|---|
|                                | Oct                             | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |             |   |
| <b>Time of Closure</b>         |                                 |     |     |     |     |     |     |     |     |     |     |     |             |   |
| Prior years carryover          | 0                               | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Oct                            | 0                               | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Nov                            |                                 | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Dec                            |                                 |     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Jan                            |                                 |     |     | 1   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Feb                            |                                 |     |     |     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Mar                            |                                 |     |     |     |     | 0   | 0   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Apr                            |                                 |     |     |     |     |     | 1   | 0   | 0   | 0   | 0   | 0   | 0           |   |
| May                            |                                 |     |     |     |     |     |     | 0   | 0   | 0   | 0   | 0   | 0           |   |
| Jun                            |                                 |     |     |     |     |     |     |     | 0   | 0   | 0   | 0   | 0           |   |
| Jul                            |                                 |     |     |     |     |     |     |     |     | 2   | 0   | 0   | 0           |   |
| Aug                            |                                 |     |     |     |     |     |     |     |     |     | 0   | 0   | 0           |   |
| Sep                            |                                 |     |     |     |     |     |     |     |     |     |     | 1   | 0           |   |
| <b>Total</b>                   | 0                               | 0   | 0   | 1   | 0   | 0   | 1   | 0   | 0   | 2   | 0   | 1   |             | 5 |
| <b>FY 2020 monthly average</b> |                                 |     |     |     |     |     |     |     |     |     |     |     | 1           |   |

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**  
**Excess MOE Worksheet**

|    | A  | B             | C | D   | E | F             |
|----|--|---------------|---|---|---|---------------|
| 1  | <b>North Carolina</b>                          |               |   | <b>Fiscal Year to which credit applies:</b>             |   | <b>2021</b>   |
| 2  |  |               |   | <b>Date of Completion:</b>                              |   | 12/3/2020     |
| 3  | <b><u>Excess MOE Calculation Worksheet</u></b> |               |   |   |   |               |
| 4  |  |               |   |   |   |               |
| 5  | <b>Caseload Data</b>                           |               |   | <b>Expenditure Data</b>                                 |   |               |
| 6  | FY 2005 TANF Caseload                          | 33,773        |   | <b>Total Expenditures</b>                               |   |               |
| 7  | FY 2005 SSP Caseload                           | 0             |   | FY 2020 Total Federal Expenditures                      |   | \$304,874,087 |
| 8  | <b>Total FY 2005 Caseload</b>                  | <b>33,773</b> |   | FY 2020 Total MOE Expenditures                          |   | \$238,948,353 |
| 9  | FY 2020 TANF Caseload                          | 13,697        |   | <b>Total Expenditures (Federal + MOE)</b>               |   | \$543,822,440 |
| 10 | FY 2020 SSP Caseload                           | 0             |   |   |   |               |
| 11 | <b>Total FY 2020 Caseload</b>                  | <b>13,697</b> |   | <b>Assistance Expenditures</b>                          |   |               |
| 12 |  |               |   | FY 2020 Federal Expenditures on Assistance              |   | \$34,721,580  |
| 13 | <b>2-Parent Caseload Data</b>                  |               |   | FY 2020 MOE Expenditures on Assistance                  |   | \$1           |
| 14 | FY 2005 2-p TANF Caseload                      | 0             |   | <b>Total Expenditures on Assistance (Federal + MOE)</b> |   | \$34,721,581  |
| 15 | FY 2005 2-p SSP Caseload                       | 0             |   | Percentage of Expenditures on Assistance                |   | 6.38%         |
| 16 | <b>Total FY 2005 Caseload</b>                  | <b>0</b>      |   |   |   |               |
| 17 | FY 2020 2-p TANF Caseload                      | 0             |   | <b>Expenditures Per Case</b>                            |   |               |
| 18 | FY 2020 2-p SSP Caseload                       | 0             |   | Average Expenditures per Case                           |   | \$39,704      |
| 19 | <b>Total FY 2020 Caseload</b>                  | <b>0</b>      |   | Average Expenditures per Case on Assistance             |   | \$2,535       |
| 20 |  |               |   |   |   |               |
| 21 |  |               |   | <b>MOE and Excess MOE</b>                               |   |               |
| 22 |  |               |   | Required MOE (80% or 75%)                               |   | \$164,014,910 |
| 23 |  |               |   | Excess MOE Expenditures                                 |   | \$74,933,443  |
| 24 |  |               |   | Excess MOE Expenditures on Assistance                   |   | \$4,784,296   |
| 25 | <b>Adjusted Caseload Data</b>                  |               |   |   |   |               |
| 26 | Adjusted FY 2020 Overall Caseload              | <b>11,810</b> |   | <b>Assistance Cases Funded by Excess MOE</b>            |   | <b>1,887</b>  |
| 27 | Adjusted FY 2020 2-parent Caseload             | <b>0</b>      |   | <b>2-Parent Assistance Cases Funded by Excess MOE</b>   |   | <b>0</b>      |
| 28 |  |               |   |   |   |               |
| 29 |  |               |   |   |   |               |
| 30 |  |               |   |   |   |               |
| 31 |  |               |   |   |   |               |
| 32 |  |               |   |   |   |               |

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**Date of Completion: 12/1/2020**

**State: North Carolina**

**Fiscal Year to which credit applies: 2021**

**PART 3 -- Certification**

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.



\_\_\_\_\_  
\_\_\_\_\_  
(signature)

\_\_\_\_\_  
Susan G. Osborne  
(name)

\_\_\_\_\_  
Assistant Secretary for County Operations  
(title)