

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: December 15, 2023

State: North Carolina

Fiscal Year to which credit applies: 2024

Overall Report
 Two-parent Report (check one)

Apply the overall credit to the two-parent participation rate? yes 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 2023 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 FFY2023, the effect of this policy is -2,942

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -2,942

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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 workplace 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 2023 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 FFY2023, the effect of this policy is 0.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 0

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**Date of Completion: December 15, 2023****State: North Carolina****Fiscal Year to which credit applies: 2024**

1. Name of eligibility change: **Substance Use Testing**
2. Implementation date of eligibility change: **August 1, 2015**

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.

3. 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 2023 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 FFY2023, 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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PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

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North Carolina		Fiscal Year to which credit applies:	2024
		Date of Completion:	12/15/2023
PART 2 – Estimate of Caseload Reduction Credit			
<u>Impact of All Changes</u>		<u>Caseload Reduction Calculation</u>	
Work First Benefits	-2,942	FY 2005 TANF Caseload	33,773
Job Quit	0	FY 2005 SSP Caseload	
Substance Use	-1	Total FY 2005 Caseload	33,773
		FY 2023 TANF Caseload	8,647
		FY 2023 SSP Caseload	
		Total FY 2023 Caseload	8,647
		Excess MOE Cases in FY 2023	1,206
		Adjusted FY 2023 Caseload	7,441
		Caseload Decline	26,332 78.0%
		Decline – Net Impact	23,389
		Caseload Reduction Credit =	69.3%
Net Impact	-2,943		

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North Carolina													
Work First Benefits												Date of Completion: 12/15/2023	
Impact on Each Month in FY 2023													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover	-2,854	-2,711	-2,576	-2,447	-2,325	-2,208	-2,098	-1,993	-1,893	-1,799	-1,709	-1,623	
Oct	-108	-103	-97	-93	-88	-84	-79	-75	-72	-68	-65	-61	
Nov		-120	-114	-108	-103	-98	-93	-88	-84	-80	-76	-72	
Dec			-105	-100	-95	-90	-86	-81	-77	-73	-70	-66	
Jan				-80	-76	-72	-69	-65	-62	-59	-56	-53	
Feb					-117	-111	-106	-100	-95	-91	-86	-82	
Mar						-123	-117	-111	-105	-100	-95	-90	
Apr							-93	-88	-84	-80	-76	-72	
May								-170	-162	-153	-146	-138	
Jun									-269	-256	-243	-231	
Jul										-392	-372	-354	
Aug											-247	-235	
Sep												-218	
Total	-2,962	-2,934	-2,892	-2,828	-2,803	-2,786	-2,740	-2,773	-2,903	-3,150	-3,239	-3,295	-35,306
													Grand Total
													FY 2023 monthly average
													-2,942

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North Carolina														
	Job Quit													
												Date of Completion:	12/15/2023	
Impact on Each Month in FY 2023														
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Time of Closure														
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				0	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							0	0	0	0	0	0	0	
May								0	0	0	0	0	0	
Jun									-1	0	0	0	0	
Jul										-1	0	0	0	
Aug											-1	0	0	
Sep												0	0	Grand Total
Total	0	0	0	0	0	0	0	0	-1	-1	-1	0	-3	
	FY 2023 monthly average												0	

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North Carolina														
	Substance Use													
													Date of Completion: 12/15/2023	
	Impact on Each Month in FY 2023													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Time of Closure														
Prior years carryover	0	0	0	0	0	0	0	0	0	0	0	0	0	
Oct	-1	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				0	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									-2	0	0	0	0	
Jul										-1	0	0	0	
Aug											-1	0	0	
Sep												-1	0	Grand Total
Total	-1	0	0	0	0	0	-1	0	-2	-1	-1	-1	-7	
														FY 2023 monthly average
														-1

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<u>Excess MOE Calculation Worksheet</u>				
Caseload Data		Expenditure Data		
FY 2005 TANF Caseload	33,773	Total Expenditures		
FY 2005 SSP Caseload	0	FY 2023 Total Federal Expenditures		\$304,769,092
Total FY 2005 Caseload	33,773	FY 2023 Total MOE Expenditures		\$249,990,148
FY 2023 TANF Caseload	8,647	Total Expenditures (Federal + MOE)		\$554,759,240
FY 2023 SSP Caseload	0			
Total FY 2023 Caseload	8,647	Assistance Expenditures		
		FY 2023 Federal Expenditures on Assistance		\$24,924,637
2-Parent Caseload Data		FY 2023 MOE Expenditures on Assistance		\$1
FY 2005 2-p TANF Caseload	0	Total Expenditures on Assistance (Federal + MOE)		\$24,924,638
FY 2005 2-p SSP Caseload	0	Percentage of Expenditures on Assistance		4.49%
Total FY 2005 Caseload	0			
FY 2023 2-p TANF Caseload	0	Expenditures Per Case		
FY 2023 2-p SSP Caseload	0	Average Expenditures per Case		\$64,156
Total FY 2023 Caseload	0	Average Expenditures per Case on Assistance		\$2,882
		MOE and Excess MOE		
		Required MOE (80% or 75%)		\$172,643,139
		Excess MOE Expenditures		\$77,347,009
		Excess MOE Expenditures on Assistance		\$3,475,104
Adjusted Caseload Data				
Adjusted FY 2023 Overall Caseload	7,441	Assistance Cases Funded by Excess MOE		1,206
Adjusted FY 2023 2-parent Caseload	0	2-Parent Assistance Cases Funded by Excess MOE		0

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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.

DocuSigned by:

Susan G Osborne

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(signature)

Susan Osborne

(name)

Deputy Secretary for Opportunity and Well-Being

(title)