

**NEW POLICY REQUIREMENTS EFFECTIVE OCTOBER 1, 2006**

**Work Eligible Individuals**

<b>Federal Interim Final Rule</b>	<b>Impact on NC</b>	<b>Recommendations</b>
Parent (Adult or Minor Head of Household) receiving TANF	None – Already count TANF recipients in this category.	None
Non-recipient parent living with a child receiving assistance such as parents sanctioned off the caseload or a parent that has reached the state time limit.	None at this time – NC has all family sanction policy and also does not continue to provide benefits to the child if the parent hits their time limit. Therefore, there are no “Child Only” cases in these categories.	None
Supplemental Security Income (SSI) recipient (at state option on a case by case basis)	NC has not determined whether we will take this option or not.	No changes at this time

**Individuals and Families Excluded from the Work Participation Rate**

<b>Interim Final Rule</b>	<b>Impact on NC</b>	<b>Recommendations</b>
Minor Parent who is not a head of household	None	None
An alien who is ineligible for TANF due to immigration status	None	None
Supplemental Security Income (SSI) recipient (at state option on a case by case basis)	None at this time.	Continue to exclude all SSI recipients
<i>Parent providing care for a disabled family member living in the home who does not attend school on a full-time basis (with medical documentation to support the need for the parent to remain in the home.)</i>	<i>We currently count these individuals in the Work Participation Rate. Automation changes will be needed to remove these individuals from the work participation rate.</i>	<i>Automation changes will be made to the calculation regarding these individuals in the work participation rate. Counties will be notified when these changes are made.</i>  Continue as in current policy.  <i>Require medical documentation and monitor if a temporary disability. Note: HIPPA rules apply.</i>
Tribal TANF program recipients	NA for North Carolina	None
A non-recipient relative, other than a parent, caring for a child.	None	None

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**Core Work Definitions**

<b>Interim Final Rule Definition</b>	<b>Includes</b>	<b>Excludes</b>	<b>Impact on NC</b>	<b>Recommendations</b>
<p><b>Unsubsidized Employment</b> – Full or part-time employment in the public or private sector that is not subsidized by TANF or any other public program.</p>	<p><i>Self-employed (e.g., domestic work, provision of child care, etc.) The maximum countable hours for self-employed are “gross income less business expenses divided by federal minimum wage.</i></p>	<p>Treatment of subsidies – tax credits to employers are not counted as a subsidy. Child care, transportation, and other support services are not considered subsidies.</p>	<p><i>Currently, self-employed recipients self-report hours.</i></p> <p><i>We are now allowed to document hours initially and then project out for 6 months and report the same number of hours each month. Re-evaluate at six months or when there is a change in circumstances and then project out another six months if needed.</i></p>	<p><i>Begin projecting the number of hours out 6 months for unsubsidized employment hours</i></p> <p>Supervision/documentation – Continue to use pay stubs, time cards and attendance records as we do now. <i>For self-employed individuals, begin using the formula for determining the maximum number of countable hours. Currently, workers taking the application obtain the gross income and business expenses when determining the budget. Thus, this information should be readily available when determining the countable hours.</i></p>

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<p><b>Subsidized Private and Public Sector Employment</b> – Employment in the public or private sector for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a recipient. Time – limited – 6 to 12 months and maybe longer for persons with disabilities.</p>	<p>Expectation that employer provides necessary training, guidance and direction.</p> <p>Expectation that the employer intends on retaining the TANF recipient as a regular employee after the subsidized period.</p>	<p>OJT – If “significant” training is needed for subsidized employment, then need to count those hours as OJT.</p>	<p><i>Allowed to document hours initially and then project out for 6 months and report the same number of hours each month. Re-evaluate at six months or when there is a change in circumstances and then project out another six months if needed.</i></p>	<p><i>Begin projecting the number of hours out 6 months for unsubsidized employment hours</i></p> <p>Supervision/documentation –continue to use pay stubs, time cards and attendance records as we do now.</p> <p>Subject to Fair Labor Standards – must pay individual wages that equal or exceed the Federal or State minimum wage, whichever is greater. <i>NC’s minimum wage is currently the greater.</i></p> <p><i>Three approaches to subsidized employment:</i>  <i>#1 Use TANF/MOE funds to reimburse an employer for some or all of the wages, benefits and other costs of employing a recipient.</i>  <i>#2 Use TANF/MOE funds to subsidize the wages paid through a temporary staffing agency which serves as the employer of record.</i>  <i>#3 Use TANF/MOE funds for supported work programs for individuals with disabilities. (See Rehabilitation Act of 1973.) Must be in an integrated setting where people without subsidies work side by side and wages are consistent.</i></p> <p><i>See Work First Manual 118 V. A. 2.</i></p>

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<p><b>Work Experience</b> – a work activity that is performed in return for welfare that provides an individual with an opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain employment. The purpose is to improve the employability of those who cannot find unsubsidized employment</p> <p>Requires daily supervision and documentation every 2 weeks!</p>	<p>Minimum wage provisions of the Fair Labor Standards Act (FLSA) apply.</p> <p><i>If a family falls short of the 20 hour per week core activity requirement due to FLSA, the state can count as 20 hours (<b>deem</b>) if the state has a simplified food stamp program and a food stamp workfare program.</i></p>	<p>Job Search, Job Readiness activities and Vocational Educational Training <b>CANNOT</b> be counted in this category.</p>	<p><i>NC's January 1, 2007 increase in the state minimum wage above the current federal minimum wage will mean that the state minimum wage must be used in the FLSA calculations after that date.</i></p>	<p><i>Begin Deeming up to 20 core hours by calculating Work First Benefit +Food Stamp Benefit divided by the State minimum wage to determine the number of hours the individual can be in the work experience activity per week. If they work those required hours, report (<b>deem</b>) the full 20 hours for the week.</i></p> <p><i>Supervision/documentation: Require the recipient to submit time cards, attendance records to DSS signed by a Work Experience supervisor or sponsor every two weeks. Include daily supervision requirements language in contracts/agreements with Work Experience sponsors.</i></p>

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<p><b>On the Job Training</b> - Public or Private sector training that provides knowledge and skills essential to job performance while the subsidized or unsubsidized employee is engaged in “productive” work.</p> <p>Daily supervision by an employer, work site sponsor, or other responsible person and documentation projected 6 months in advance based on actual hours.</p>	<p>Expectation that the employer will retain the participant as a regular employee after the training.</p> <p>Although included as subsidized employment, supported employment for a person with a disability would be considered OJT if it has a significant on-site training component.</p>		<p><i>Allowed to document hours initially and then project out for 6 months and report the same number of hours each month. Re-evaluate at six months or when there is a change in circumstances and then project out another six months if needed.</i></p>	<p><i>Begin projecting the number of hours out 6 months for unsubsidized employment hours</i></p> <p>Supervision/documentation –Continue to use pay stubs, time cards and attendance records as we do now. <i>Document that the employer provides daily supervision.</i></p> <p><i>Document that the employer intends to retain the participant as an employee after the training process, as is in current policy.</i></p>

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<p><b>Job Search</b> – The act of seeking or obtaining employment, including making contact with potential employers either by phone or in-person to learn and/or apply for job openings and interview for jobs.</p> <p>Daily Supervision and documentation required.</p>	<p>Time Limit- Cannot count more than six weeks (12 weeks for “needy states”) per federal fiscal year, with no more than four consecutive weeks for both Job Search and Job Readiness. A week is counted as seven consecutive days. Whether the individual’s participation begins on a Monday, a Wednesday or any other day, a week ends seven days later for the federal participation rate, regardless of how many hours the individual participated in the course of those seven days.</p>	<p>Remedial education, ESL, activities essential to the health, safety and welfare of families, parenting skills, participating in Head Start, recovery from a medical problem, bed rest, hospitalization, activities that promote a healthier lifestyle.</p>	<p><i>Documentation of supervision has to show how the agency has guided the recipient &amp; provided instruction to the recipient.</i></p>	<p><i>NC is considered a “needy state” and should increase the time limit to 12 weeks (still no more than 4 consecutive) for Job Search/Job Readiness Activities.</i></p> <p><i>If the activities are not conducted through a structured provider, other sources of documentation will be needed. Require the recipient to record each activity individually and report to the worker to sign off on that every 2 weeks with a copy for the record. The worker will review the work products and document progress and any guidance and instruction provided.</i></p> <p><i>Where we can, use Career Start, WIA or other providers to assist recipients with these activities and to provide daily supervision and documentation. Use sign-in sheets verified by the provider each day that there is participation and the provider supplies to the DSS</i></p>

Note: NCGS 108A-29(d) requires that adults not exempt from registering with First Stop, to register for First Stop through ESC. With this registration, job search activities are mandated to be recorded on a job search record. The job search record is defined as a written list of dates, times, places, addresses, telephone numbers, names, and circumstances of job interviews. The job search component shall include at least one weekly contact with ESC.

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<p><b>Job Readiness Assistance</b> – this activity is bifurcated into two types of activities – job preparation and treatment towards employment: 1.) Activities such as preparing a resume or job application, instruction in work place expectations and training in interviewing skills, effective job seeking, and life skills. 2.) Substance abuse and mental health treatment and rehabilitation activities for those who are otherwise employable. Treatment or therapy must be certified as necessary by a qualified medical or mental health professional.</p> <p>Daily supervision and daily documentation.</p>	<p>Time Limit- Cannot count more than six weeks (12 weeks for “needy states”) per federal fiscal year, with no more than four consecutive weeks for both Job Search and Job Readiness. A week is counted as seven consecutive days. Whether the individual’s participation begins on a Monday, a Wednesday or any other day, a week ends seven days later for the federal participation rate, regardless of how many hours the individual participated in the course of those seven days.</p>	<p><i>Remedial education, ESL, activities essential to the health, safety and welfare of families, parenting skills, participating in Head Start, recovery from a medical problem, bed rest, hospitalization, activities that promote a healthier lifestyle.</i></p>	<p><i>Documentation of supervision has to show how the agency has guided the recipient &amp; provided instruction to the recipient.</i></p>	<p><i>NC is considered a “needy state” and will increase the time limit to 12 weeks (still no more than 4 consecutive) for Job Search/Job Readiness Activities.</i></p> <p><i>If the activities are not conducted through a structured provider, other sources of documentation will be needed. Require the recipient to record each activity individually and report to the worker to sign off on that every 2 weeks with a copy for the record. The worker will review the work products and document progress and any guidance and instruction provided.</i></p> <p><i>Where we can, use Career Start, WIA or other providers to assist recipients with these activities and to provide daily supervision and documentation. Use sign-in sheets verified by the provider each day that there is participation and the provider supplies to the DSS</i></p>

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### Core Work Definitions

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<p><b>Community Service Programs</b> – Structured programs in which TANF recipients perform work for the direct benefit of the community under the auspices of public or nonprofit organizations AND are designed to improve employability of recipients not otherwise able to obtain employment.</p> <p>Short Term training or similar activities allowed to count as community service as long as they are time-limited and are a necessary or regular part of the community service.</p> <p>Daily supervision and documentation every 2 weeks</p>	<p>Fields such as health, social services, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety and child care.</p> <p>Minimum age requirements of the Fair Labor Standards Act (FLSA) apply.</p> <p><i>If a family falls short of the 20 hour per week core activity requirement due to FLSA, the state can count as 20 hours (deem) if the state has a simplified food stamp program and a food stamp workfare program.</i></p>	<p>Participation in a substance abuse treatment program, mental health, family violence counseling, caring for a disabled household member, life skills and parenting classes, job search and job readiness.</p>	<p><i>NC's January 1, 2007 increase in the state minimum wage above the current federal minimum wage will mean that the state minimum wage must be used in the FLSA calculations.</i></p> <p><i>Documentation of supervision has to show how the agency has guided the recipient &amp; provided instruction to the recipient.</i></p> <p><i>The new definition is broader than in current NC policy, which limits CS to "work ordered by the court".</i></p>	<p><i>Begin using the new definition for Community Service activities.</i></p> <p><i>Documentation and Supervision: Daily Time cards/ attendance records submitted to DSS every two weeks by the Community Service Program. Agreements with Community Services Programs need to spell out the expectation of daily supervision.</i></p> <p><i>Begin Deeming up to 20 core hours by calculating Work First Benefit + Food Stamp Benefit divided by the State minimum wage to determine the number of hours the individual can be in the community service activity per week. If they work those required hours, report (deem) the full 20 hours for the week.</i></p>

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<p><b>Child Care for Community Services</b> – providing supervised child care services to a TANF recipient participating in a community service program</p> <p>Daily Supervision and documentation every 2 weeks.</p>	<p>State must ensure that the activity is effective in helping move the participant toward self-sufficiency and make the activity meaningful through training, certification or mentoring.</p>	<p>Child care to TANF recipients in other work activities.</p>		<p><i>At this time, NC does not plan to include this activity in its plan. Those interested in the field of child care could be involved with a licensed program through Subsidized Employment, Community Service or Work Experience.</i></p>
<p><b>Vocational Educational Training</b> – Organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations that require training other than a baccalaureate or advanced degree. Basic skills education may be counted as long as it is time limited and a necessary or regular part of the vocational education training.</p> <p>Daily supervision and documentation every 2 weeks.</p>	<p>Time limit – This activity cannot exceed a lifetime of 12 months with respect to any individual. Only 30% of clients counted in the work participation rate can be involved in this activity including teens attending school.</p> <p>Vocational Educational training must be provided by education and training organizations, including (but not limited to) vocational-technical schools. Community colleges, , non-profit organizations, etc.</p>	<p><i>Basic and remedial education, education in English proficiency (unless time limited and necessary) education leading to a high school diploma, postsecondary education and unsupervised homework time</i></p>	<p>Documentation of Supervision has to show how the agency has guided and provided instruction to the participant.</p>	<p>Continue to use time cards with the instructor’s signature and have the participant submit every 2 weeks.</p> <p><i>Study time must be supervised to be countable. Counties may want to develop agreements with community colleges, libraries, or other community organizations to provide supervised study opportunities and to provide the documentation to DSS every two weeks.</i></p> <p><i>Note that post secondary education programs that result in a baccalaureate degree or an advanced degree cannot be considered vocational educational training for reporting federal work activity hours.</i></p>

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**Non-Core Work Definitions**

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<p><b>Job Skills Training Directly Related to Employment</b> – Only with 20 core hours. Training and education for job skills required by an employer to provide an individual with the ability to obtain employment or to advance or adapt to the changing demands of the workplace.</p> <p>Daily supervision and documentation every 2 weeks.</p>	<p>Customized training to meet an employer’s needs or general training that prepares a TANF recipient for employment. Literacy instruction or language instruction when it is explicitly focused on skills needed for employment are countable.</p>	<p>Substance abuse and mental health treatment unless it can be shown that the activities fit with a focus on education and training.</p>	<p>Documentation of supervision has to show how the agency has guided and provided instruction to the recipient.</p>	<p>Continue to use time cards with the provider’s signature and have the participant submit every two weeks.</p>

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**Non-Core Work Definitions Continued**

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<p><b>Education Directly Related to Employment, in the case of a recipient who has not received a high school diploma or GED</b>                      – Only with 20 core hours.                      Education related to a specific occupation, job or job offer.                       Daily supervision and documentation every 2 weeks.</p>	<p>Adult basic education, ESL, and other courses designed to provide knowledge and skills for specific occupations or work settings.</p> <p>Satisfactory progress such as grade point average in order for the hours to count</p> <p>Requires demonstrated progress using a quantitative measure such as a time frame within which a person is expected to complete such education based on the institution’s standards.</p>	<p><i>GED cannot be counted if it is not required as a prerequisite for employers or an occupation.</i></p> <p><i>Unsupervised homework time</i></p>		<p><i>Time cards, attendance records, etc. by the educational provider should be submitted to DSS every two weeks.</i></p> <p><i>Contracts/agreements with providers should include the expectation for daily supervision.</i></p> <p><i>Study time must be supervised to be countable. Counties may want to develop agreements with community colleges, libraries, or other community organizations to provide supervised study opportunities and to provide the documentation to DSS every two weeks.</i></p>

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<p><b>Satisfactory Attendance at Secondary School or in a Course of Study Leading to a certificate of General Equivalence, in the Case of a Recipient who has not Completed Secondary School or Received such a Certificate</b> - regular attendance in accordance with the requirements of the secondary school or course of study (primarily for minor parents in high school), or course of study that leads to a GED (could apply to all ages), regardless if it is a prerequisite for employment.</p> <p>Daily Supervision and documentation every 2 weeks.</p>	<p>Demonstrated progress using a qualitative measure such as grade point average.</p> <p><i>Time limit – There must be demonstrated progress using a quantitative measure such as a time frame within which a person is expected to complete such education based on the institution’s standards.</i></p>	<p><i>Unsupervised homework time</i></p>		<p><i>Time cards, attendance records, etc. must be submitted to DSS every two weeks.</i></p> <p><i>Study time must be supervised to be countable. Counties may want to develop agreements with community colleges, libraries, or other community organizations to provide supervised study opportunities and to provide the documentation to DSS every two weeks.</i></p>

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