



**Work and Welfare Reform
in New York City During
the Giuliani Administration:
*A Study of
Program Implementation***

Demetra Smith Nightingale

Nancy Pindus

Fredrica D. Kramer

John Trutko

Kelly Mikelson

Michael Egner

July 2002



**THE URBAN INSTITUTE
LABOR AND SOCIAL
POLICY CENTER**

2100 M STREET, NW
WASHINGTON, DC 20037
www.urban.org

This report was prepared with funding from The New York Community Trust and the New York City Human Resources Administration. Opinions are those of the authors and do not represent official positions of The New York Community Trust, the New York City Human Resources Administration, the Urban Institute, its Trustees or its sponsors.

**WORK AND WELFARE IN NEW YORK CITY DURING THE GIULIANI ADMINISTRATION:
A STUDY OF PROGRAM IMPLEMENTATION
Highlights of Findings**

Welfare reform became a major priority in New York City in the 1990s. Policies were work-centered throughout, but the focus and programs evolved over time. This report describes the work components of welfare as of late 2001, but does not analyze the quality of services provided or the effect on individuals or services. Various perspectives are incorporated, including HRA administrators, managers and staff, contractors, and community representatives.

A SHIFT FROM WORKFARE TO MORE BLENDED WORK PROGRAMS

Early Giuliani years (to mid-1999): strong emphasis on work requirements and workfare through the work experience program (WEP). At the end of 1996, over 30,000 persons were in WEP—three-quarters were in “basic” workfare only (i.e., unpaid work mainly in public agencies), the rest also were in training or another activity.

Later Giuliani years (mid-1999 to 2001): continued emphasis on work and work requirements but a shift in WEP to allow and support more education and training in addition to workfare. Engaging all able-bodied adult recipients in some activity became a major priority. Only 12 percent of the 17,000 in WEP at the end of 2001 were in workfare alone; the rest were also in another activity. Several new programs provide training, treatment, and services to those with special needs (e.g., those with substance abuse problems, physical or mental health limitations, limited English, pregnant mothers, and mothers of newborns); participants often also must participate in WEP.

EMPLOYMENT-FOCUSED ORGANIZATIONAL AND ADMINISTRATIVE REFORM

Conversion of local welfare offices into Job Centers. Line staff were reclassified as Job Opportunity Specialists, responsible for eligibility and case management; and a Job Center was created to serve clients with special needs.

Contracting out for employment-related services. HRA developed performance-based contracts with 15 primary contractors, each with several subcontractors, most of which are non-profit organizations.

Improved reporting and management systems. HRA standardized case processing; improved data systems; automated tracking of work-related performance by local offices, contractors, and City-wide.

IMPLICATIONS FOR IMPROVING WORK-BASED WELFARE REFORM IN NEW YORK CITY

Communicate current priorities. The message about work was fully communicated. More recent priorities should be similarly reinforced, especially the role of blending job training and special services with work.

Streamline client pathways. HRA should examine ways to streamline the system from the client perspective (i.e., minimize travel, coordinate appointments, avoid redundant testing and other activities).

Improve skills development programs. Some programs could be strengthened—especially those serving special populations or combining education, training, or treatment with work. This study did not examine the amount, intensity, or effectiveness of services; HRA should consider formal evaluations to address these important issues.

Continue technological and staff development. HRA management and technological upgrades represent major improvements. The technology in all Job Centers should also be upgraded so staff can better manage and track their cases and services; and Center staff should receive more substantive and technological training.

IMPLICATIONS FOR NATIONAL WELFARE REFORM POLICIES

Placing emphasis on strong work requirements and on skills development need not be incompatible. Nearly all adults on welfare in New York City have work requirements. The high proportion of clients with special needs meant offering developmental services in addition to job search and basic workfare.

Flexibility in implementing policy is critical for reaching locally defined objectives and priorities. Flexibility allowed by federal and state law is important in New York City. HRA used its flexibility to define allowable activities, establish hours of participation (e.g., full time activity is defined as 30-35 hours a week), and enforce work requirements in developing a work-based system with individualized strategies.

Management information and performance-measurement systems are central to achieving institutional change and meeting policy objectives. HRA made technological improvement a high priority. This investment was critical to institutionalizing the goals and objectives of work-centered welfare reform.

CONTENTS

<u>Chapter</u>	<u>Page</u>
EXECUTIVE SUMMARY	iii
I. INTRODUCTION: WELFARE REFORM IN NEW YORK CITY	1
II. ADMINISTRATIVE CONTROL.....	7
A. ORGANIZATIONAL RESTRUCTURING.....	7
B. INCREASING INFORMATION EXCHANGE	15
C. GOAL-ORIENTED POLICY.....	17
D. SUMMARY	24
III. WORK ACTIVITIES.....	25
A. WELFARE APPLICATION	27
B. PRE-EMPLOYMENT SERVICES	28
C. WORK EXPERIENCE.....	34
D. SUMMARY	42
IV. REACHING SPECIAL POPULATIONS.....	43
A. RECIPIENTS WITH MEDICAL LIMITATIONS / DISABILITIES.....	44
B. PREGNANT RECIPIENTS / NEW MOTHERS	48
C. RECIPIENTS REQUIRING SUBSTANCE ABUSE TREATMENT	48
D. RECIPIENTS IN SCHOOL.....	49
E. RECIPIENTS UNDER SANCTION / AT RISK OF SANCTION	53
F. RECIPIENTS NEEDED AT HOME.....	54
G. RECIPIENTS WITH LIMITED ENGLISH OR BASIC SKILLS.....	54
H. SUMMARY	56
V. CONCLUSIONS AND RECOMMENDATIONS.....	58

CONTENTS (continued)

<u>Chapter</u>	<u>Page</u>
APPENDIX A: JOB CENTER DATA, NOVEMBER 2001.....	A-1
APPENDIX B: ENGAGEMENT OF THE WELFARE POPULATION	B-1
APPENDIX C: WEP AND OTHER JOB-RELATED PROGRAMS	C-1
APPENDIX D: CLIENT FLOW CHARTS	D-1

TABLES

<u>Table</u>	<u>Page</u>
TABLE II.1: JOB CENTERS IN NEW YORK CITY	9
TABLE II.2: SAP AND ESP VENDORS IN NEW YORK CITY	13
TABLE III.1: AVERAGE MONTHLY SAP AND ESP ACTIVITY LEVELS, BY VENDOR, 2001	35
TABLE III.2: WEP ASSIGNMENTS BY AGENCY, SELECTED POINTS IN TIME.....	40
TABLE IV.1: PROGRAMS SERVING SPECIAL POPULATIONS	45

CHARTS

<u>Chart</u>	<u>Page</u>
CHART I.1: AVERAGE MONTHLY WELFARE RECIPIENTS, NEW YORK CITY, 1992-2002	4
CHART II.1: ENGAGEMENT STATUS OF WELFARE RECIPIENTS, 1994-2001	19
CHART II.2: ENGAGEMENT STATUS AS PERCENTAGE OF ALL ADULTS, 1994-2001	20
CHART III.1: ILLUSTRATION OF SERVICES PROVIDED THROUGH A SAP VENDOR	31
CHART III.2: ILLUSTRATION OF SERVICES PROVIDED THROUGH AN ESP VENDOR.....	33
CHART III.3: WEP PARTICIPANTS IN BASIC AND COMBINED MODELS, 1999- 2001	38

EXECUTIVE SUMMARY

Welfare reform became a major policy priority in New York City in the 1990s. From the time Mayor Rudolph Giuliani took office in 1994 to the time Mayor Michael Bloomberg's administration began in 2002, the City's welfare system was redefined around work and organizationally restructured. As in other parts of the country, average monthly welfare caseloads under New York's Family Assistance (FA) and Safety Net Assistance (SNA) (mainly individuals without children) programs declined by over 50 percent, from about 500,000 in 1993 to about 200,000 in 2001. This report describes the system based on a review of administrative data and extensive interviews conducted between November 2001 and January 2002 with officials and line staff within the City administration and in service provider organizations.¹ The study was not designed to determine the quality or effectiveness of services on individuals' employment outcomes or well-being, nor to examine the entire welfare system in New York City, but rather to describe the overall structure of the work components under welfare reform in the City as of the end of 2001.

New York City has more welfare recipients than any other city in the nation—one out of every 13 cases nationwide receiving Temporary Assistance for Needy Families (TANF) (FA in New York) in 2001—and represents one of the strictest systems in terms of work participation requirements. As such, the operational experiences suggest lessons important to New York City and to federal welfare policy makers implementing large scale work programs—lessons about restructuring a large and entrenched bureaucracy and about adapting priorities and programs to changing policies, economic conditions, and caseload characteristics. The findings from this study suggest important implications for New York City's further reform and for national welfare reform.

Evolution of New York City's Work-Centered Welfare Reform

Welfare reform in the City was work-centered throughout this period, but the policy focus and emphasis evolved somewhat over time.

- In **the early Giuliani years** (to mid-1999), the work policies in welfare reform² were characterized mainly by:
 - ⇒ ***A strong emphasis on work requirements and imposition of sanctions*** for recipients who did not meet those requirements. Less than 60

¹ The results in this report are based on qualitative and quantitative information compiled from management information system data, reports and documents, and interviews with nearly 100 administrators and staff in the Human Resources Administration (HRA), local HRA offices, programs, and community organizations.

² There were also non-work priorities, which are not addressed in much detail in this report (e.g., diverting or deterring individuals from receiving welfare).

percent of cases with an adult in December 1994 were subject to mandatory work requirements (i.e., “engageable”), but by April-1999, 79 percent were mandatory.³ Over the same period, there was also increased emphasis on sanctioning individuals for noncompliance. The percentage of adult cases in some phase of the sanctioning process (but not yet sanctioned) went from about 8 percent in November 1996 to about 14 percent in April 1999.

- ⇒ ***Mandatory workfare jobs.*** The emphasis on workfare increased in the 1990s. Able-bodied adults receiving Home Relief in New York City (the predecessor program to SNA) have long been expected to work in unpaid jobs; and in 1996 workfare was extended to parents of dependent children receiving FA. Individual recipients not employed in the regular labor market were required to report to work experience program (WEP) jobs, mainly in public agencies. By early 1999, over 30,000 persons in a given week were in “basic” WEP workfare jobs—that is, traditional unpaid workfare assignments.
- **In the later Giuliani years**, beginning in 1999, the City’s work-centered welfare reform was characterized by:
 - ⇒ ***Continued emphasis on work requirements and sanctioning.*** Most adults on welfare continued to be subject to work requirements, and “universal engagement” became a top management priority. About 73 percent of cases with an adult on welfare in the City in the last week of November 2001 faced mandatory work requirements (i.e., were “engageable”) and 13 percent of adult cases were in the process of being sanctioned; another 9 percent had actual sanctions in effect.
 - ⇒ ***A shift in WEP, allowing and supporting more education and training rather than just basic workfare.*** In the last week of November 2000, about 25,000 persons were in WEP assignments, but only about 25 percent of those were in basic WEP. The other 75 percent were in WEP assignments that combined work experience with some other activity such as job readiness services, short-term training, or education—usually three days a week of work experience or workfare (21 hours) plus two days of some other activity (14 hours). This is often referred to as the “three-plus-two” model for full-time activity, defined as 35 hours a week. In comparison, in the first week of April 1999, nearly 90 percent of WEP assignments had been of the basic workfare type.

³ HRA weekly management reports began the first week in April 1999. The latest report used in this study was for the week of November 25, 2001. The various weekly engagement data provide point-in-time snapshots of the caseload and specific weeks are used and referred to throughout this report.

- ⇒ ***Special work experience and other work-oriented programs and initiatives for certain populations, including those with more serious barriers to work.*** In fiscal year 2001, about 70,000 individuals were involved at some point with one or more special programs; and many were also required to participate in a workfare component. Each special program includes some services designed specifically for individuals with certain needs or situations.⁴ Special programs serve persons with substance abuse problems, physical or mental health limitations, limited English ability or reading skills, persons in the sanction process, welfare recipients in college, pregnant mothers, and mothers of newborns.

Administrative and Management Changes and Performance-Based Contracting

In order to implement reform, New York City's Human Resources Administration (HRA) embarked on major organizational changes in the 1990s to centralize and standardize procedures, improve data and reporting systems, and increase accountability. All of the changes were intended to help accomplish the stated objectives of work-centered welfare reform policies.

- **Conversion of local welfare offices into Job Centers.** To change the culture and priorities within local offices and to implement the new work-centered policies, local welfare offices were renamed Job Centers, and the participant flow was changed so that individuals applying for welfare immediately were required to begin looking for work or engage in other activities. Most line staff positions were reclassified as Job Opportunity Specialists (JOS), which combined the functions of eligibility and welfare-to-work caseworker into one position. Finally, many senior level staff were recruited from outside HRA and given clear mandates about employment objectives.

- ⇒ ***Local Job Centers.*** After major opposition, court challenges, and a two-year moratorium, 30 Job Centers where individuals can apply for FA, SNA, and other benefits were operating by 2001. (Additional centers process requests for only food stamps or medical assistance.) Six new HRA regional offices were created to oversee the Job Centers. Recipients subject to mandatory work requirements are required to report to workers in their designated Job Center, who then refer clients to various HRA-contracted employment vendors. The welfare

⁴ The actual unduplicated number of individual participants across special programs was not compiled in this study. Furthermore, it was not possible in this study to determine the intensity of services offered, the number of participants who received intensive services, or the length of time for which they participated.

application process emphasizes job search before the case is actually approved for benefits (to divert some from going on welfare) and intensive verification and fraud reviews.

- ⇒ ***Specialized Job Centers for special populations.*** The administrative reorganization included establishing a special Job Center in lower Manhattan. Some recipients with documented special needs (e.g., substance abuse problems or medical conditions) must report to the Special Needs Job Center.
- **Performance-Based Contracts for Service Delivery.** A key component of the New York City welfare reform plan involves contracting out for employment-related services rather than using local HRA office staff to provide those services, which had been the approach in the late 1980s and early 1990s.
 - ⇒ Between 1994 and 1999, ***HRA had agreements, arrangements, and contracts*** with dozens of separate programs and organizations that provided various employment-related services, agencies that sponsored welfare recipients in WEP work assignments at their facilities. There were contracts with over 80 vendors that provided employment and training services (most funded by the Job Training Partnership Act (JTPA) and the Workforce Investment Act (WIA), which replaced JTPA).
 - ⇒ In 1999 and early 2000, HRA ***consolidated service vendors under 15 primary contracts*** to provide two kinds of employment services: Skills Assessment and Job Placement (SAP) for TANF applicants, and Employment Services and Placement (ESP) for TANF recipients. The prime “super” contracts each included several subcontractors and were issued to provide services funded by a range of sources under the authority of HRA: FA, SNA, and adult programs funded by the Workforce Investment Act.
 - ⇒ ***Vendor contracts are performance-based***, with payment milestones reflecting job placement, retention, retention in higher-wage jobs, and case closings.
- **New Management Data, Performance, Case Processing, and Reporting Systems.** New automated data systems were implemented to track contractor, Job Center, program, and citywide performance against HRA-established goals, objectives, and benchmarks, most of which relate to employment—NYCWAY (case tracking), VENDORSTAT (contractor reporting), and JOBSTAT (Job Center reporting). Many case processing functions also became highly routinized or automated, including referrals to

new HRA-contracted service vendors, assignment to WEP jobs, tracking compliance with work requirements and attendance in activities, and sanctioning clients who do not comply.

Conclusions and Implications

The scope and scale of change in New York City's welfare policies in the 1990s were dramatic and wide-ranging. Without question the City's welfare reform is work-centered, with strong emphasis on ensuring that all able-bodied adults are subject to work requirements, rapid imposition of sanctions for those who do not comply, and assignment to WEP jobs for those who are not employed in the regular labor market. Over the decade, however, the types of work activities acceptable to meet the work requirements have changed, and by 2001, most WEP assignments included some type of education, training, or other interventions as well as unpaid workfare or work experience.

New York City has undertaken complex system-wide changes as part of its welfare reform strategy. As in any major systemic change, especially in a jurisdiction as large as New York, there are different perspectives on what the changes have actually been and how successful they have been. Understanding the various issues and perspectives is important because together they represent the reality of the emerging system in the City.

HRA central office administrators are generally pleased with the progress made towards implementing strong work requirements, modernizing the management information systems, restructuring local offices into Job Centers, and streamlining the vendor contracting system. Throughout the HRA bureaucracy, there is general agreement with the basic principles of work-centered welfare policies. Current vendors and providers—many of which are community- and faith-based organizations—understand HRA's work-focused policies, are committed to HRA's contract performance criteria, and welcome the opportunity for work as contractors or subcontractors.

However, there are also concerns about the work-centered policies. Some advocates and community groups continue to worry that the strict procedures and work requirements as well as the sometimes complicated logistical arrangements involved in traveling among offices, often across boroughs, may hinder some eligible individuals from receiving benefits and services. Job Center staff generally agree with the work focus of welfare reform, but several expressed concern with the effects on participants and frustration with their jobs. Some JOS workers, for example, feel that they primarily processing paperwork, impose work requirements, refer clients elsewhere, and initiate automated sanctions, rather than provide employment or related services directly (much of the employment casework function is now performed by outside vendors). A common concern expressed throughout the system is that the strict work-focused welfare reform objectives were much easier to accomplish a year ago. For example, as all adults remaining on welfare are being mandated to meet work requirements, the individual programs are serving include more who have substantial barriers to employment. And

the economy in 2002 is not as strong as in the late 1990s, so individuals may be having more difficulty finding regular jobs. Some vendor staff and a few Job Center staff indicated they are less comfortable than they were a year ago with the strict requirements, reluctant to take quick actions against individuals who appear to have more problems in their lives, and would like to be able to offer their clients more education and training options.

Active advocacy is part of the history and fabric of New York City. While much of the evolution in welfare policy and programs in the 1990s reflected deliberate plans on the part of HRA administrators, the concerns raised by the advocacy community undoubtedly maintained a focus on various issues, particularly those related to service and benefit access, health, safety, and equity; and those concerns that involved judicial action contributed to the program as it now exists.

This study suggests a few issues City administrators might wish to consider as they refine policies.

- ⇒ ***Communicate current priorities.*** It seems clear that the message about work and work requirements has been communicated throughout the HRA bureaucracy and its vendor network. The same attention should now be given to communicating and reinforcing the objectives of the next stage of welfare reform, which is necessarily focusing on alleviating barriers to work and providing special interventions to improve skills and employability—beyond workfare alone and beyond immediate job placement.
- ⇒ ***Streamline client pathways.*** The implementation of work requirements and the development and support of specialized targeted programs are key aspects of the City’s work initiatives for welfare recipients. In order for the various programs to achieve maximum effectiveness, attention should be given to the logistics of program operations that may be more complicated than necessary—such as scheduling and locating intake and various services and activities or required assignments in ways that minimize client travel time, or coordinating access to benefits by individuals in special programs who now may have multiple case workers/staff.
- ⇒ ***Improve skills development strategies.*** In the early 1990s, the top priority was to enforce work requirements. It is clear that there is now also increasing attention to skills development and special services for those with barriers to employment. If improving employability and long-term economic independence is a priority, then it will be important to consider how the various work activities and programs actually contribute to skills development. Several of the special programs are quite new, have particular expertise in providing special treatment and other services, but would benefit from developing more expertise specifically related to employment and skills. The BEGIN Managed Program, for example, has

for many years focused on employment, education, and skills training, and that experience might be helpful to other newer programs. In addition, this study did not examine the effectiveness of services or quality of programs. HRA should consider formal evaluations of the impact of various programs and services on skills development, employment, and earnings.

- ⇒ ***Continue technological and staff development.*** The automated management information and performance systems represent a major improvement in the use of technology in HRA. The next challenge may be to upgrade the technological capabilities in local Job Centers to allow all managers and staff, as well as vendors, to use the technology more efficiently—not just for case processing and tracking outcomes, but also for accessing labor market information and conducting case management, including identifying and tracking job and training opportunities and services, and coordinating benefits and services for individual clients.

The experience of New York City over the past decade also has important implications for the current national dialogue on the reauthorization of welfare reform, and to states and other jurisdictions proceeding with their own reform strategies.

- ⇒ ***Placing emphasis on strong work requirements and on skills development need not be incompatible.*** In New York City, where the clear priority is on imposing and enforcing strong work requirements, administrators have also recognized the need for initiatives that aim to improve skills and employability or alleviate particular barriers to employment. This has primarily been done by contracting with specialty vendors for targeted interventions with special needs populations, while simultaneously continuing to restructure and improve core welfare procedures in HRA offices. It is possible that over time more of those remaining on the rolls may require intensive developmental services in order to become permanently employed. The “three-plus-two” strategy is one example of how to combine work and skills development. Longer-term training can also be incorporated into that framework.
- ⇒ ***Flexibility—e.g., on work requirements and defining work activities—is critical for reaching locally defined objectives and priorities.*** What was begun in 1993 had to be modified by 1999 and HRA seems to be embarking on another modification in 2002. Once New York City’s caseload decline leveled off, administrators revamped their program approaches to allow a broader range of activities to “count” towards fulfilling the work requirement, rather than just regular employment or unpaid workfare. Similarly, while the underlying objective is to simulate full-time work, the City allows vendors and programs some flexibility around defining full-time work (i.e., 30-35 hours a week), which is often necessary to accommodate scheduling constraints as well as competing demands of parents with young children and individuals with other special

needs. Federal and state policies under TANF include important flexibility for New York City to adjust its programs within the framework of strong work-focused core policies. The City responded by implementing a highly decentralized network of special programs operated by a range of organizations, including community-based nonprofit entities, faith-based organizations, and public higher education institutions, allowing each to focus on its particular areas of expertise.

⇒ ***Management, data, and performance measurement systems are central to achieving goals.*** Like many jurisdictions, the data and management systems in New York City in the 1980s were outdated and inadequate for monitoring progress towards welfare reform goals and for managing a complex system of service contractors. HRA made technology improvement a high priority in order to track whether the agency, its local offices, and its vendors were making satisfactory progress. This was no small undertaking and required a major commitment of resources, staff, and management attention. While the information systems are still being perfected, they have allowed HRA central administrators to communicate the employment goals and priorities, and institutionalize the use of the data for ongoing regular management oversight.

I. INTRODUCTION: WELFARE REFORM IN NEW YORK CITY

Federal welfare reform legislation enacted with the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) in 1996 increased emphasis on work and work requirements and imposed lifetime limits on the receipt of welfare benefits. While PRWORA gave state governments the discretion to redefine their welfare programs, New York City, like many other jurisdictions, had already been reforming welfare for over a decade, since the late 1980s. When Mayor Rudolph Giuliani was elected in 1993, welfare reform was clearly one of his high priorities. The policies of Mayor Giuliani and the Human Resources Administration (HRA) became a rallying point for proponents of strong work requirements and mandatory workfare, as well as the subject of highly-charged criticism and lawsuits by opponents, including advocates for the poor and community activists.

The New York State Welfare Reform Act (WRA) of 1997, passed in conjunction with PRWORA, gave New York City additional flexibility to develop goals for welfare reform. The WRA, while ensuring that New York State met the requirements of PRWORA, also established provisions for welfare reform programs unique to the state. In particular, the WRA renamed and revised the cash assistance programs in New York. The Family Assistance (FA) program replaced Aid to Families with Dependent Children (AFDC). While many provisions of FA remained the same as AFDC (e.g., benefit levels of \$577 for a family of three), the law incorporated other provisions of PRWORA into the FA program including the 60-month federal time limit and stronger work requirements. Other FA provisions developed by HRA to implement welfare reform are

unique to New York City, such as requiring that applicants for welfare actively search for a job during the 30-day eligibility determination period.

The WRA also established the Safety Net Assistance program (SNA) to replace the Home Relief program (often called General Assistance in other states), which provides cash assistance and services to those not eligible for FA (mainly single individuals and childless couples, but now also including families who have exhausted their benefits under TANF/FA). Receipt of SNA cash benefits is limited to two years, after which individuals in need may continue to receive noncash benefits and services.

In the early to mid-1990s, New York City's primary work component for welfare recipients who were able-bodied and employable was workfare, through the Work Experience Program (WEP). Welfare recipients were required to work a certain number of hours in public or nonprofit WEP assignments as a condition of receiving their grant, but not for regular wages. New York City's WEP became the largest workfare initiative in the nation, with nearly 35,000 individuals in public and non-profit assignments at its peak in 1999.

By 2001, the focus of New York City's work-welfare policies had shifted dramatically. WEP was still the primary work component, and employment continued to be the ultimate objective. However, the basic WEP design—which was developed to require individuals to work off their cash grants for up to 35 hours a week—gradually evolved into a more complex system of WEP and other options. That system allowed work-mandatory recipients to participate in three days a week of work experience or workfare plus two days of some other activity, including education, training, treatment interventions, or other services.

The experiences, evolution, and lessons learned in New York City are highly relevant to national policy as well as to the continuing refinement of City policies. First, New York City represents the largest urban welfare caseload in the nation. As shown in Chart I.1 below, between 1992 and 2002, New York City's welfare population plummeted by over 50 percent, similar to the decline nationally and in most other jurisdictions. Still, over 400,000 individuals were receiving welfare in the City¹ in 2002 at a monthly cost of over \$100 million. Thus, the sheer size of this caseload—FA represented one out of every 13 TANF cases in the nation in 2001²—makes an examination of the work policies in New York City particularly important as Congress considers reauthorization of the welfare reform legislation in 2002.

In addition, the experiences in New York City in the 1990s as it attempted to revamp the entire welfare system—organizationally and philosophically—offer important lessons about the feasibility and limits of (1) implementing large scale work experience/workfare programs; (2) restructuring and modernizing a large, entrenched bureaucracy; and (3) adapting service programs to changing policy and economic conditions and caseload characteristics.

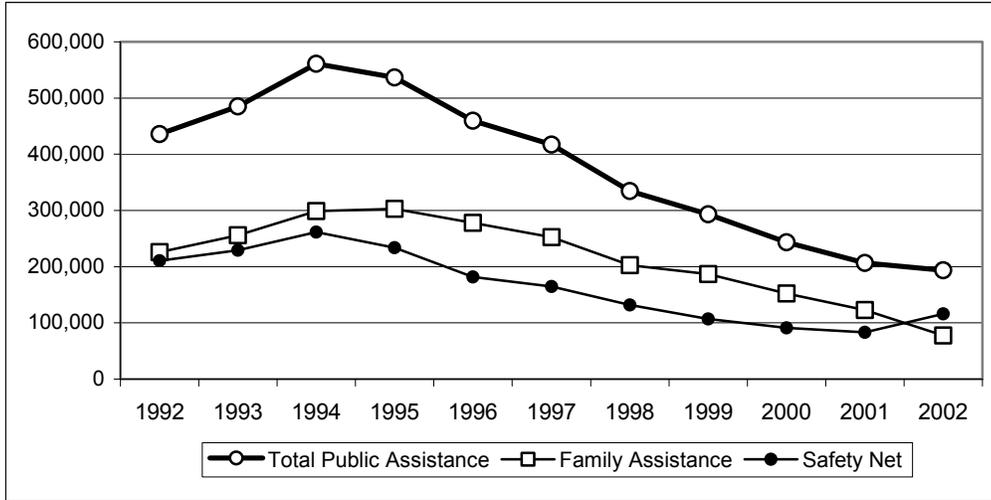
This report presents results of a study of the implementation of NYC's initiatives during the 1990s to move public assistance recipients from welfare to work. The study is based on qualitative and quantitative information from multiple sources. Between

¹ As of March 2002. This figure includes 118,000 former Family Assistance Recipients who, after reaching their 5-year TANF limit, were transferred to the Safety Net Assistance Non-Cash Program. Source: Human Resources Administration, <http://www.nyc.gov/html/hra/pdf/facts0302.pdf>.

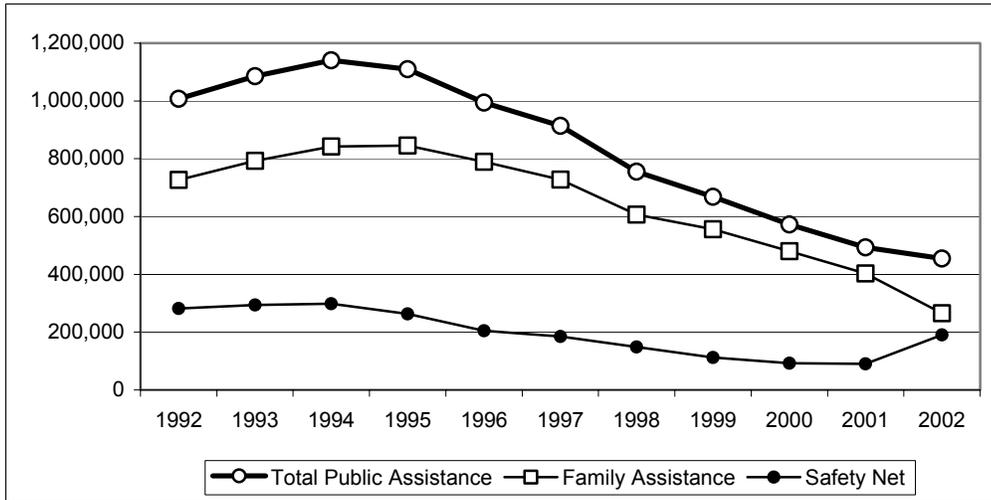
² The average monthly TANF caseload nationally in FY 2001 was 2.12 million, and the average monthly NYC Family Assistance caseload in that year was approximately 161,000. Sources: U.S. Department of Health and Human Services, <http://www.acf.dhhs.gov/news/stats/familiesL.htm>; New York Human Resources Administration, <http://www.nyc.gov/html/hra/html/hrafacts.html>.

**CHART I.1
AVERAGE MONTHLY WELFARE RECIPIENTS, NEW YORK CITY,
1992-2002**

Adult Recipients



All Recipients (Adults & Children)



Source: 1994-2002: HRA Fact Sheets, <http://www.nyc.gov/html/hra/html/hrafacts.html>.
 1992-1993: Sorted PA eligibility files. 2002 values are an average of January through March only.
 Note: The SNA caseload increase after 2001 reflects FA cases reaching the federal time limit and converted to SNA-non cash.

November 2001 and January 2002, the team of researchers visited 8 local welfare offices in the City (called Job Centers), 12 programs operated by HRA-contracted vendors, the central and regional HRA offices and HRA special programs, and spoke with community advocacy and nonprofit organizations. Structured confidential interviews were conducted

with selected officials, administrators, and line staff at all levels and in all agencies. In addition to the office interviews, HRA computerized program data were analyzed for the City as a whole and for each region, all local Job Centers, all vendors, and all special work programs. Finally, key HRA reports and policy manuals and the annual Mayor's Management Reports were reviewed, as well as reports published by non-HRA organizations, researchers, and agencies. Together, these sources provided a rich source of information about the work programs and policies.

Despite the volume of information and data collected and analyzed, there are some important limitations to this study. First, HRA developed a new data and performance tracking management system that became operational beginning in 1999. It was not always possible to compare data from the pre-1999 era to the post-1999 period. Second, while the research team visited dozens of offices and programs and interviewed nearly 100 administrators and staff, it was not possible to interview individual welfare recipients, and their perspective may differ from that of program and agency staff. Similarly, although local office operations and service delivery were observed, it is not possible to attest to the detailed characteristics of agency and client interactions or the intensity or quality of services delivered. Finally, key policy changes, especially those instituted in the late 1990s, are described in the following chapters, but given that many policy changes were made in the City beginning in 1993, not all could be addressed in detail. In addition, some policy changes were very recent at the time of this study, meaning researchers were not able to observe their full implementation. The overall analysis does, however, provide an understanding of how HRA approached welfare reform and how it operated at the end of 2001.

The following chapters describe New York City's work initiatives implemented as part of welfare reform. Chapter II discusses the structure of administrative policies and systems that created the framework and infrastructure for welfare reform. Chapter III addresses the work requirements, work activities, and principal work programs, and Chapter IV focuses on the implementation of certain work programs developed to serve special populations, particularly those previously not subject to work requirements. The final chapter summarizes the overall implementation of the City's work programs in the 1990s and discusses key implications for national and local policies and programs.

II. ADMINISTRATIVE CONTROL

An important part of New York City's welfare reform involved extensive administrative efforts to centralize policies, program guidelines, and information systems, and to increase accountability of welfare offices and service contractors. The effort included a major organizational restructuring of HRA to focus on employment and enforcement of strict work requirements, and the creation of a sophisticated and complex information system for tracking clients and program performance. The organizational restructuring has taken place over a three to four year period, meaning at the time of this study some changes were quite recent and some were still unfolding.

A. ORGANIZATIONAL RESTRUCTURING

Structural reorganization. HRA was reorganized in the late 1990s at both the administrative level and at the service delivery level specifically to increase the emphasis on employment. Six regional director positions were created to oversee six regional welfare offices—one for each of New York City's five boroughs, and one to oversee services delivered citywide to clients with special needs, such as a mild disability. While regional directors are permitted some discretion in tailoring services to meet the needs of clients within their jurisdictions, HRA relied on this centralized structure as a way of communicating its changing mission to all HRA staff, reinforcing the priority placed on employment, and ensuring that new policies were adhered to.

In order to make the emphasis on employment unequivocal, welfare offices (in the prior administration, already renamed Income Support and Begin Employment Gain

Independence Now, or BEGIN, Employment Centers) were converted gradually to Job Centers. The conversion began in March 1998, was halted by court injunction for two years, and was completed by May 2001.¹ Individuals apply for public assistance benefits at Job Centers and must participate in activities and services designed to move them into work prior to being approved for cash benefits. Staff in the Job Centers both determine eligibility for benefits and provide access to employment and training services, generally through vendors located on site. Table II.1 lists the 30 Job Centers currently in operation, indicates whether the Job Center was converted before or after the injunction, and identifies the employment service vendors that are present on site.²

While Income Support Centers in the past had focused primarily on determining eligibility for benefits, Job Centers increased emphasis on achieving self-sufficiency through work, especially by moving individuals as quickly as possible into employment. To the extent possible, cash benefits are considered temporary to meet a crisis. With the help of employment services vendors, staff are expected to try to divert applicants from receiving FA or SNA altogether, by helping them find immediate employment through the use of up-front job search, child care and other support services, and referral to other community-based services.

¹ The conversion process was interrupted in January 1999 by a federal court order ruling that it illegally deterred applicants and denied benefits, contrary to federal law governing the Food Stamp Program. Conversions resumed after a two-year hiatus and modification in eligibility procedures to conform to federal requirements for food stamps.

² The role of vendors is discussed in detail in the next section. The three Job Centers without on-site vendors still used the same approach to encourage employment.

**TABLE II.1
JOB CENTERS IN NEW YORK CITY**

Job Center	Center Conversion³	SAP Vendor
BRONX REGION		
Bergen JC	Early	FEGS
Concourse JC	Early	Goodwill
Crotona JC	Early	Goodwill
Fordham JC	Late	Goodwill
Melrose JC	Late	FEGS
Rider JC	Late	Goodwill
BROOKLYN REGION		
Bayridge JC	Early	Curtis
Brownsville JC ⁴	Late	FEGS
Bushwick JC	Early	Curtis
Coney Island JC	Late	Goodwill
Dekalb JC	Early	FEGS
Euclid JC	Late	Curtis
Fulton JC	Late	Curtis
Greenwood JC	Early	Curtis
Linden JC	Early	Goodwill
MANHATTAN REGION		
Dyckman JC	Early	ARBOR
East End JC	Late	Curtis
Hamilton JC	Early	ARBOR
Refugee JC	Late	—
Seaport JC	Late	ARBOR
St. Nicholas JC	Late	ARBOR
Waverly JC	Early	Curtis
Yorkville JC	Early	ARBOR
QUEENS REGION		
Jamaica JC	Early	Goodwill
Queens JC	Early	Goodwill
Queensboro JC	Late	Goodwill
Rockaway JC	Late	Curtis
SPECIAL NEEDS REGION		
Riverview JC	Late	FEGS
Union Square JC	Late	—
Residential Treatment Service Center (RTSC)	Late	—
STATEN ISLAND REGION		
Richmond JC	Early	ARBOR

Source: HRA JOBSTAT and Engagement Reports.

³ “Early” represents a conversion completed before the January 1999 federal injunction halting Job Center conversions; “Late” conversions took place afterwards.

⁴ Brownsville JC was merged into the Dekalb JC in September 2001.

Staff reorganization. In addition to converting local offices into Job Centers, front line welfare workers were converted into Job Opportunity Specialists (JOS). HRA integrated the duties of the eligibility and employment staff in the Job Centers into the new JOS position. JOS workers thus were responsible for intake as well as employment-focused case management, with much smaller caseloads than had been the case for line staff under the prior system. Conversion to the JOS position began in Spring 2001, and most conversions were completed by the end of the year.

Staff had the choice of converting to the JOS classification or retaining their old classification. The majority of HRA staff agreed to the JOS conversion, although there was some lingering concern (as of late 2001) related to job security since the new classification had not yet been incorporated into the collective bargaining union contract. In some offices, workers who opted not to convert to JOS faced involuntary transfer to another Job Center.

Discussions with line staff suggest that most agree with the general shift in policy and programs toward employment. But the shifts in job responsibilities represented by the JOS conversion and the increased use of contractors for employment assistance, described below, may actually have diminished the role of some workers in assisting clients to find employment. For example, many of the JOS workers in the past had been responsible for providing employment assistance, beginning with the Work Incentive Program in the early 1980s and continuing through the BEGIN program into the early 1990s. Several former BEGIN workers expressed frustration that their new assignments involve less counseling of clients and more routinized administrative functions around case processing. Some JOS workers that had previously been responsible for intake and

eligibility determination explained that they had been excited about becoming JOS workers because they thought they would be actively involved in providing employment services, and were disappointed that their primary role in this area is to make sure clients know they have to work and then refer them elsewhere for services. JOS workers in several offices noted that they have limited access to computers and to employment-oriented data files and other resources that could help them provide employment assistance to clients.

Expanded program responsibility. At about the same time that HRA was restructuring its offices, its administrative responsibilities in the area of employment also expanded beyond those directly related to TANF. In early 1999, the Mayor transferred authority for about \$80 million a year in adult training and employment programs funded under the Workforce Investment Act (formerly the Job Training Partnership Act) from the City Department of Employment to HRA. (Youth programs and funds were not transferred.) HRA was also designated by the Governor to administer the federal Welfare-to-Work (WtW) grant funds available to the City through a resource allocation formula established by Congress (about \$45 million in each of two years, fiscal years 1998 and 1999). In addition, HRA applied for and received directly a federal competitive WtW grant in the amount of \$2.9 million from the U.S. Department of Labor in 1999 (to be used over a five-year period). Thus, HRA directly controlled virtually all funds that could be used to provide employment services to welfare recipients: the TANF block grant funds, WIA/JTPA adult funds, the WtW formula grant, and a WtW competitive grant.

Contracting of services. The organizational restructuring was accompanied by a shift in the way employment services (especially those funded through the various HRA funding sources) are provided to public assistance recipients and other disadvantaged persons, mainly by contracting out employment services specifically funded by the TANF block grant and consolidating other employment service provider contracts.

Previously, HRA (and the Department of Employment before 1999) had contracted with 80 to 100 vendors to deliver employment services to economically-disadvantaged adults with funds under the Job Training Partnership Act which preceded WIA, and to welfare recipients through the HRA special needs programs. Some providers had multiple contracts. Like several other jurisdictions around the country, the Giuliani Administration encouraged agencies to expand the use of contractors, managed competition, and performance standards for various public services, but also wanted to streamline the system. HRA designed a comprehensive multi-source funding solicitation that resulted in 15 “super” service provider contracts for TANF, SNA, food stamps, and WIA-adult prgrams. Each of the 15 primary contractors (including both private for-profit companies and non-profit organizations) were required to have several subcontractors (many of which are non-profit community based organizations). Many of the prime contractors and subcontractors had in the past received their own direct contracts from the Department of Employment.⁵

⁵ Several also had their own competitive WtW grants directly from the U.S. Department of Labor. This study did not closely examine the interaction of these separate non-HRA funded WtW grants programs with the HRA-funded programs and activities, although some reference is made as appropriate in subsequent chapters.

The HRA “super” contract approach was, thus, intended to both (a) streamline and consolidate the prior WIA/JTPA practice of having dozens of contracts and (b) for the first time contract out nearly all TANF-funded employment services instead of retaining that responsibility with local HRA staff. Table II.2 shows the structure of vendor contracts for Skills Assessment and Job Placement (SAJP or SAP) and Employment Services Placement (ESP) as it existed in late 2001.

**TABLE II.2
SAP AND ESP VENDORS IN NEW YORK CITY**

Vendor	SAP Contract	ESP Contract
America Works of New York		X
Arbor	X	
Career & Educational Consultants		X
Curtis & Associates	X	X
Consortium for Worker Education		X
Federation Employment and Guidance Services (FECS)	X	X
Goodwill Industries of Greater New York	X	X
Non-Profit Assistance Corporation		X
New York Urban League		X
New York Association for New Americans		X
Research Foundation		X
Wildcat Services Corporation		X

Source: HRA VENDORSTAT Reports.

These vendors provide welfare applicants and recipients with assessments, job search and placement assistance, and some limited training and other pre-employment support services intended to lead quickly to employment. In general, participants referred to SAP and ESP are placed into work experience program (WEP) assignments (also called workfare), often concurrently with participation in other job search or other work-related activities. For those individuals not in full-time WEP, ESP vendors continue to

provide job readiness, search, and placement activities for two days a week, while individuals work in WEP assignments the other three days to meet the 35 hours of mandated work participation. The “three-plus-two” model has largely replaced the prior “basic” WEP where individuals worked five days a week, in often long-lasting WEP assignments. Work-related activities and sequencing are described in detail in Chapter III.

In addition to the superstructure for contracting, HRA, which prior to welfare reform had contracted for services primarily on a cost reimbursement basis, instituted performance-based contracting with all SAP and ESP vendors. Contracts are awarded on a fixed-price basis that includes significant built-in performance incentives for the contractor. Payments to contractors are contingent upon meeting performance criteria, with payment closely tied to placement and job retention. Vendors are paid at several points for specific services, and payment amounts reflect level of work (e.g., full or part-time), job retention, and case closure. Higher payment levels are provided to ESP vendors for retention in higher paying jobs and for assisting individuals to leave and remain off public assistance entirely. Hence, payment is intended to reward contractors for moving welfare participants into jobs, off welfare, and for promoting self-sufficiency. As shown in the chart above, HRA has entered into performance-based contracts for employment preparation and employment services with four SAP providers and 11 ESP vendors.

B. INCREASING INFORMATION EXCHANGE

HRA has placed a high priority on information flow and upgrading information technology in order to communicate policy changes to line staff, monitor Job Center and vendor performance, and track participants through the system.

Top-down communication. In order to implement welfare reform, philosophical shifts and broad policies must be understood by line staff and translated into day-to-day service delivery. The broad outlines and philosophical underpinnings of New York City's welfare reform initiatives were aggressively disseminated through several mechanisms. Agency-wide meetings, some Town Hall sessions, as well as monthly training sessions, were arranged to convey how policies and program directives fit together. Weekly meetings, called JOBSTAT meetings, continue to be held with Job Center directors to review center-specific statistical reports from JOBSTAT data, described below, on caseload management, employment-related activities, sanctions, and fair hearings. In addition, frequent and numerous directives on policy and procedure continue to be e-mailed to administrators at Job Centers across the city.

Based on discussions with HRA line staff, the new policies have been widely endorsed. The strength of that endorsement was dampened to some extent by the degree to which some staff are worried about whether there are adequate resources to provide the types of long-term services they feel clients need to achieve lasting economic independence. Concern was also voiced about the effects of the recent economic downturn on newly employed low-wage, low-skilled workers, and HRA's ability to sustain needed supports over time.

Bottom-up information: tracking clients and job assignments. Implemented in 1999, the New York City Work, Accountability, and You (NYCWAY) client tracking system provides HRA and vendors with the capability to assign individuals to ESP and SAP vendors and to track the status of public assistance recipients on an individual basis throughout their course on public assistance. HRA workers and SAP and ESP vendors record each client's activities and status directly into the NYCWAY system every day. Clients' attendance in workfare assignments, other assigned work activities, special programs, appointments and absences—both excused and unexcused—are tracked, and their progress is monitored. NYCWAY can be used to access information about current public sector jobs participating in the HRA wage-subsidy component for those individuals reaching their time limit.⁶ Through an interactive link to other state and local labor market information, staff in some SAP and ESP vendor locations also receive immediate access to job openings and other resources. While this was observed in some locations, not all workers were aware of or able to access labor market information at the time of our visits.

Bottom-up information: increasing accountability. The NYCWAY data system is linked to several other reporting systems, permitting HRA and vendors to track performance of Job Centers and vendors, track individuals and submit information needed for payment, assess performance of service providers, and verify payment claims and process invoices in a timely manner.

⁶Private sector jobs are not currently linked into NYCWAY.

The JOBSTAT system provides HRA with performance data to monitor each Job Center's performance across a set of standardized measures. Monthly JOBSTAT reports highlight the performance of each Job Center. HRA senior staff meet with management from two or more Job Centers weekly on a rotating basis and use these reports to evaluate the strengths and weaknesses of each Job Center. Thus, JOBSTAT both aids Job Center managers in tracking their office's progress and planning future goals, and is a tracking and evaluative tool used by HRA's central Office of Policy and Program Analysis. HRA has also recently implemented the CENTERSTAT system, which tracks performance of individual workers within a Job Center, thus refining even further the accountability for performance according to program objectives.

The VENDORSTAT system enables HRA, as well as each ESP and SAP prime contractor, to monitor vendor performance across a set of agreed-upon performance indicators. VENDORSTAT reports are generated monthly for each site location of every vendor in the city. The performance indicators are calculated for each site, for the vendor as a whole, and for all vendors in the system. HRA administrators hold weekly meetings with vendor representatives to review VENDORSTAT reports.

C. GOAL-ORIENTED POLICY

As HRA developed more sophisticated performance measurement systems for vendors and Job Centers, it also developed a series of performance goals. HRA set goals for outcomes ranging from case closures and client recidivism to administrative errors and wins at court hearings. However, HRA promoted two goals – “full engagement,” described below, and then job placement – above all others, both internally and publicly.

HRA framed the achievement of these two goals as major steps in the welfare reform process.

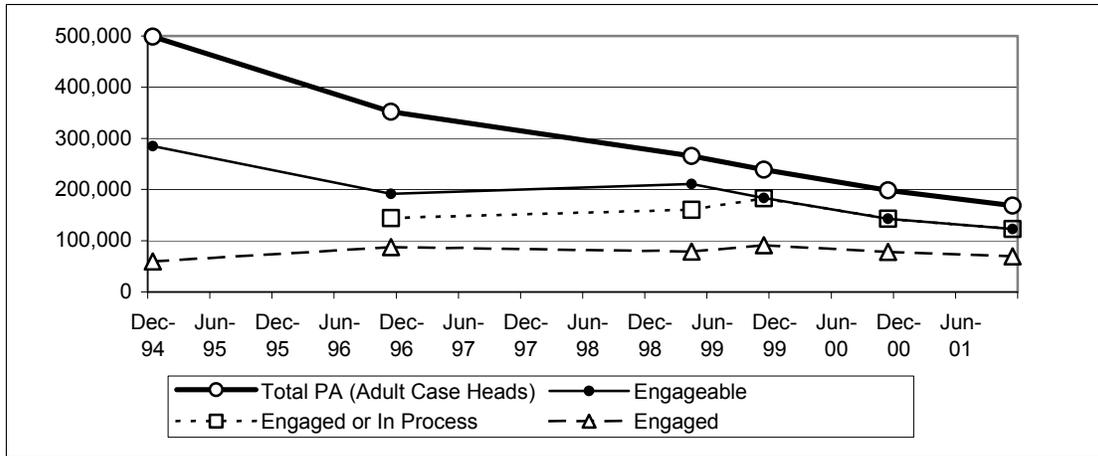
Full Engagement. The key step in mandating a strict work requirement was first to identify and locate every adult recipient on the caseload and assess his or her status with regard to employability. Client tracking allowed HRA to call each recipient in for assessment and assignment, and determine the precise status of all individuals receiving assistance benefits (e.g., the existence and nature of medical and other exemptions).

HRA reached this goal – termed “full engagement” – in December 1999. Full engagement represented a major step towards work implementation. As matter of practice, however, full engagement does not mean that all public assistance recipients are engaged in activities. Instead, full engagement means that all recipients are accounted for, and are either engaged in employment or work activities, in the assignment or assessment process, sanctioned for noncompliance, or appropriately classified as exempt from work activity. In other words, full engagement is a milestone of administration, not participation.

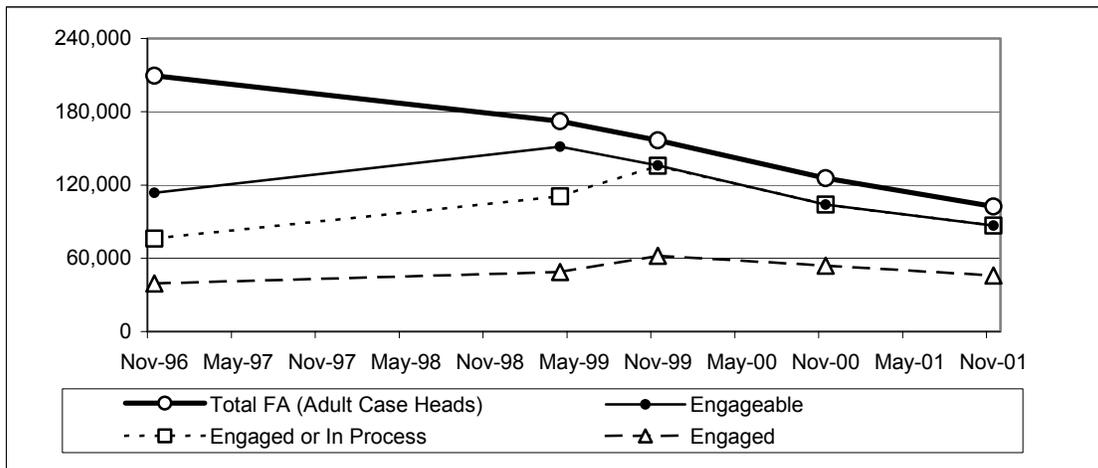
Charts II.1 and II.2 show engagement levels of adult cases (cases with at least one adult present) over time, in actual numbers and as a percent of all adult cases, respectively. Several trends are evident. First, the proportion of adult cases required to participate in a work activity (“engageable”) rose sharply as work requirements were broadened to include previously work-exempt populations (populations which will be discussed in Chapter IV). Second, the proportion of engageable adult cases accounted for by the system (“engaged or in process”) also rose sharply, reaching 100 percent (full engagement) at the end of 1999. Third, the number of adult PA cases actually engaged in

**CHART II.1
NUMBER OF WELFARE ADULTS, BY ENGAGEMENT STATUS 1994-2001**

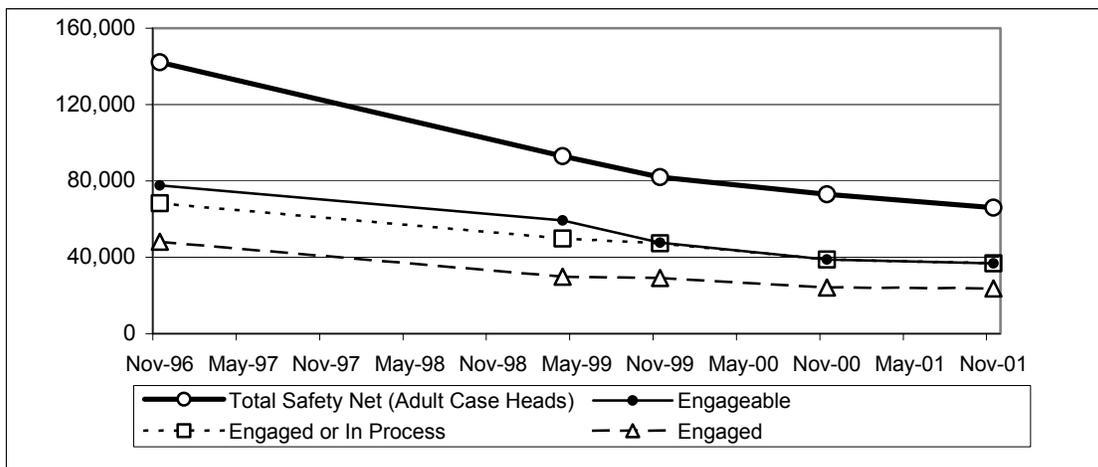
Combined Public Assistance Population (FA plus SNA)



Family Assistance Adults



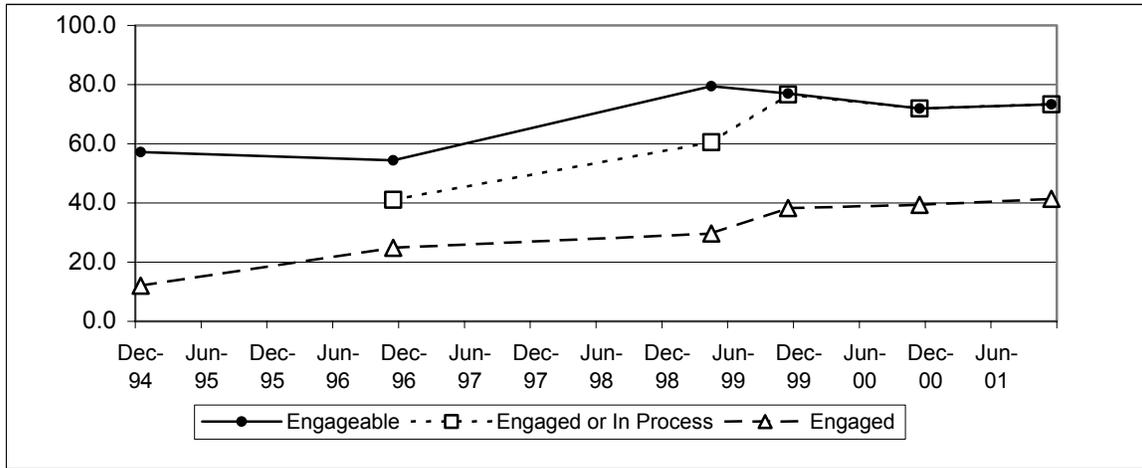
Safety Net Assistance Adults



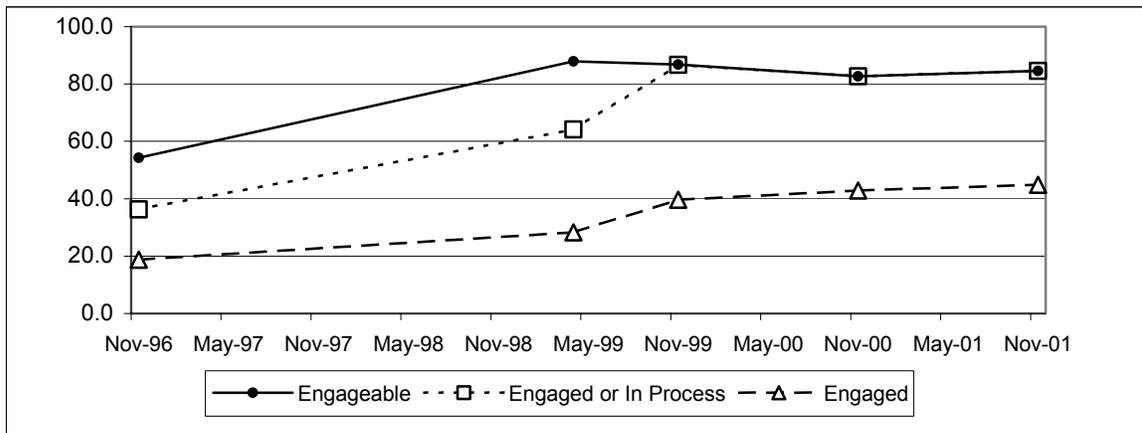
Source: PA Eligibility File, HRA Engagement Reports. Figures are snapshots from selected weekly reports.

**CHART II.2
PERCENTAGE OF WELFARE ADULTS BY ENGAGEMENT STATUS, 1994-2001**

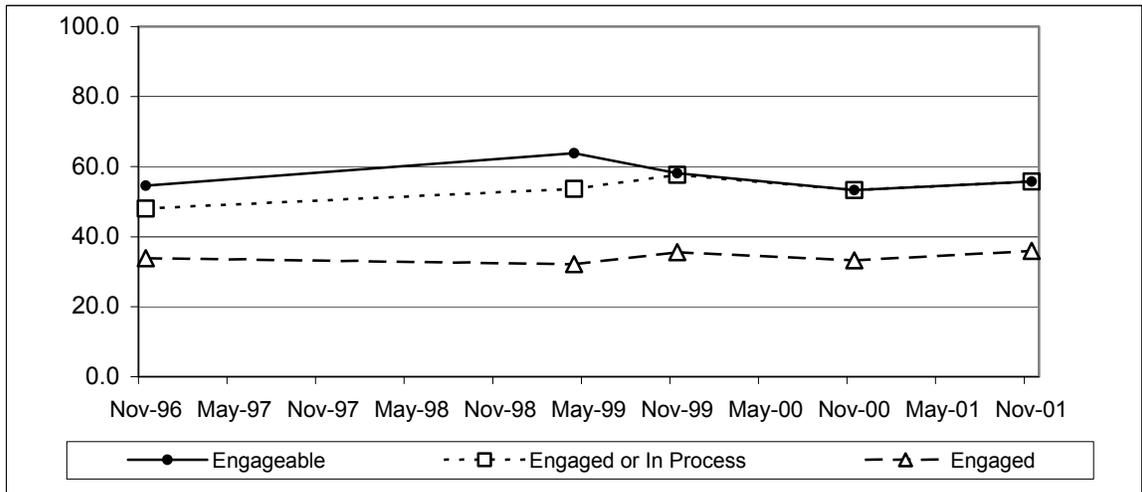
Combined Public Assistance Adults (FA plus SNA)



Family Assistance Adults



Safety Net Assistance Adults



Source: PA Eligibility File, HRA Engagement Reports. Figures are snapshots from selected weekly reports.

employment or work activities (the lowest line on the charts) remained relatively constant over the entire period, but increased proportionately with the decline in the overall caseload.

Participation in employment and work activities might be increasingly difficult for some individuals remaining on the caseload, particularly on the SNA caseload, which includes single and childless couples who have historically had poor employment histories and former FA households who have been transferred to SNA after reaching their time limits for benefits and not becoming self-sufficient. This last point is easier to observe in Chart II.2. While the proportion of adult cases actually engaged continues to rise for the FA caseload, the numbers are virtually flat for the SNA caseload, who characteristically have more challenges to employment.

Sanctioning. The concept of full engagement requires a strictly enforced sanction policy – all noncompliant recipients must be “engaged” in the sanctioning process, which includes fair hearings and conciliation. Adults on welfare in New York lose their portion of their household’s grant if they fail to comply with work requirements (i.e., there is no “full family” sanction). Sanctions for individuals in families who have a first offense remain until the individual complies; for the second offense, the sanction is in effect at least 90 days or until compliance, and for the third offense the sanction is for at least 180 days or until compliance. As of late November 2001, 15,000 FA cases were under sanction and another 15,000 were in the sanctioning process. While the sanction rate (percentage of adult cases under sanction or in the sanction process) for SNA has remained at approximately 10 percent since at least 1996, the sanction rate for FA adult

cases has remained at approximately 30 percent for the past several years.⁷ The number of fair hearings requested rose though the decade, although a larger percentage of these requests in 2001 (53 percent)⁸ did not actually lead to fair hearings compared to prior years. HRA attributes the decline in the number of fair hearings to new mediation policies implemented in 2001 that were intended to resolve appeals and conflicts before a fair hearing, meaning the client withdraws the fair hearing request.

Job Placement Goals. In keeping with the overall employment objectives of welfare reform, a main HRA objective is to encourage welfare applicants and recipients to work rather than receive welfare. To measure progress towards that objective, HRA tracks the number of individuals each year who begin employment. New York City had been setting job placement goals for public assistance recipients since at least 1995, but after the achievement of full engagement these goals became more publicized and more ambitious. After approximately 67,000 work-ready cash assistance and food stamp recipients entered employment during 1999, HRA set a goal of 100,000 recipients in jobs in 2000 and 150,000 in 2001. Each year's total goal was divided into sub-goals for each Job Center. The year 2000 was also to "...focus on preventing recidivism, ensuring that participants' employment provides opportunities for self-reliance."

In 2000, 132,000 job placements were documented, and in 2001, there were 135,000 job placements. Just as HRA's definition of "engagement" includes more than just those who are actually engaged in a work activity, the definition of "job placement" includes more than just those welfare recipients who are placed in a job. The job

⁷ Sources: PA Eligibility File, Engagement Reports. Figures are snapshots from selected weekly reports.

⁸ Source: 2001 Mayor's Management Report.

placement number includes all public assistance beneficiaries, including (1) those on food stamps who are not receiving FA or SNA; (2) individuals placed during the FA or SNA application process, who are diverted from the rolls altogether; and (3) placements of individuals who started a job and received any welfare assistance during the same year, who are identified through quarterly employer reports filed with the state for unemployment insurance purposes (HRA refers to these as “employer-reported” placements). In other words, for citywide purposes, there is a total numeric employment goal in terms of numbers of clients applying for or receiving benefits who go to work—not a job placement rate in terms of a percentage of clients or recipients in any one program who enter employment.

Of the 135,000 job placements in 2000, about half (68,000) were documented by vendors or by Job Center staff using clients’ self-reported employment or records of direct job placement through a vendor program. Another 16 percent (21,000) were self-reported non-public assistance food stamp recipients, and the rest—34 percent (46,000)—were employer-reported placements. Two other qualifications apply to the job placement measure. First, an individual is counted as employed only once in any given year. Second, job placements are counted only if they raise an individual’s earnings to at least \$100 a week.

Of the vendor-reported and Job Center-reported placements, about 11,000 (or about 16 percent of the 2001 placements) occurred while the individual was in an ESP or SAP vendor program (split fairly evenly between the two). The SAP component is intended not only to provide assessment and job search assistance, but also to divert, if possible, the applicant from needing public assistance in the first place. Of the

approximately 38,000 applicants referred to SAP in 2001, about 15 percent obtained employment; and approximately 20 percent of those applicants who entered a job did not open a public assistance case.⁹ Of the approximately 42,000 individuals referred to ESP vendors in 2001, about 13 percent entered employment.

D. SUMMARY

The conversion of welfare offices to Job Centers, beginning in 1998, reinforced the goal of reducing the welfare caseload overall and the goal of requiring or encouraging employment of those considered employable. Citywide client tracking through the NYCWAY management information system made monitoring the stated goals possible—both those goals set for the HRA system and its vendors and those mandated for individuals applying for or receiving welfare. Changes in policy and client processing were made, and the infusion of new top management, the centralized management information system, and central control of work assignments helped to create that uniformity.

⁹ As discussed in the next chapter, about one-quarter of applicants referred to SAP do not show up, and therefore probably are not approved for welfare and do not result in an open case.

III. WORK ACTIVITIES

A primary goal of welfare reform in New York City in the 1990s, as detailed in *Ladders to Success: Innovations in City Government*, published in June 2000, was “...to make work central in the lives of every able-bodied New Yorker now receiving public assistance.”¹ Thus, HRA’s welfare reform approach is based on strong work requirements, immediate job search during the application process, and cash assistance as a temporary measure. Every applicant and recipient of cash assistance, whether in FA or SNA, is expected to engage in activities organized around work. Like many other welfare agencies across the country, HRA has embraced a “work-first” philosophy, which emphasizes moving a large percentage of TANF recipients into work and work-related activities as quickly as possible.

The basic goals and structure of the welfare reform program under Mayor Giuliani were described in the *Ladders* report, which delineated four rungs on the “ladder” leading from welfare dependency to economic self-sufficiency: *assisting participants to find alternatives to dependence*, identifying individual circumstances and alternative resources to welfare receipt; *labor force attachment*, through structured job search while applicants are awaiting approval for cash benefits; the *simulated workweek*, in which recipients are engaged full-time in work plus other activities to start “...developing the skills and attitudes that lead to economic independence...to address the problems that led to long-term dependence;” and *work* in full-time unsubsidized

¹ City of New York, Human Resources Administration. 2000. *Ladders to Success*. New York, NY: New York City Human Resources Administration.

employment, subsidized employment, or a community service job. The program envisioned in the document is to be flexible and adaptable, permitting the creation of a customized package of activities and services that facilitate the transition to work and self-reliance. At the same time, though, the system continued to emphasize intensive verification of information for eligibility determination, up front job search for applicants, and mandatory work assignments for recipients.

This chapter examines the principal employment activities, which begin at the point of application and are intended to attach the individual quickly to the labor force and lead to termination of cash benefits.² Another set of activities, discussed in chapter 4, are available for smaller numbers of special populations, such as recipients with medical limitations or those who are already working and require skill-upgrading services. For most of the caseload, including most in special programs, emphasis is placed on three components: (1) Skills Assessment and Placement (SAP) activities, provided during eligibility determination; (2) Employment Services Placement (ESP) activities; and (3) Work Experience Program (WEP) assignments, which occur once individuals are receiving benefits, and generally in combination with each other.

Simplified HRA client flow charts appear in Appendix D, but the movement of clients through the system is not as standardized as these flow charts might suggest. Clients may have to appear at local offices at several points during the intake and application process, may be referred to special programs at any point in the process, and may be reassigned to service vendors after an initial assignment. Some issues (e.g., the

²We did not, however, fully examine the entire intake, application and eligibility determination procedures.

number of individuals diverted from welfare due to the upfront job search requirements, and the extent to which individuals are served by multiple ESP vendors) cannot be addressed in this report because of data limitations, but this chapter describes each of the major parts of the employment system and reports data on participation and activity levels when possible.

A. WELFARE APPLICATION

The program operating at the end of 2001 was intended to sort out those truly in need of assistance and to divert others into jobs or other alternatives to cash assistance, through the use of up-front job search and an intensive eligibility verification process.

An individual applies for welfare benefits at a local Job Center in the zip code of his or her residence. A receptionist logs identifying information into HRA's automated client information system to determine past benefit receipt, check emergency needs (e.g., food, utilities cut off, imminent risk of homelessness) and schedules an interview, often the same day, with an HRA worker who identifies participant needs, including emergency needs (e.g., same-day expedited food stamps), and potential barriers to self-sufficiency. The worker also explains public assistance eligibility requirements and the basics of HRA's welfare reform initiative, including participant responsibilities, self-sufficiency goals, work requirements, payment levels, time limits, and types of emergency assistance available that might allow the individual to avoid FA/SNA assistance altogether.

First-time applicants and re-applicants (i.e., applicants whose cases have been closed for more than 30 days) are required to appear for another in-person interview, held

generally within three to four days, at a special Eligibility Verification Review (EVR) unit in Brooklyn. The EVR process, initiated in 1994, involves an in-depth eligibility examination, including a home visit for all applicants. Applicants who fail to comply with the EVR process – either not reporting to EVR or refusing to cooperate with the home visit – are automatically denied public assistance benefits.

Eligibility is determined within 30 days for FA cases and 45 days for SNA cases from the date of the original application for assistance. At any point during the application process or once on the rolls, individuals may be referred for specialized services, such medical/disability services, childcare, and domestic violence services. Individuals demonstrating substance abuse at any point can be referred to a Credentialed Alcoholism and Substance Abuse Counselor (CASAC) for assessment and/or referral to inpatient or outpatient treatment.³ Individuals with a medical limitation or disability are referred to specialized units under contract with Health Services Systems, located in multiple boroughs, for further assessment and referral for treatment or other types of assistance (e.g., Supplemental Security Income (SSI) or Social Security Disability Income (SSDI)).

B. PRE-EMPLOYMENT SERVICES

Concurrent with the application activities described above, individuals are also required to participate in employment search while their application for cash assistance is being processed. HRA has entered into performance-based contracts with four SAP

³ Services for participants who are deemed unable to work due to the severity of their substance abuse or other problems are discussed in Chapter IV.

providers and 11 ESP vendors for employment preparation and employment services.⁴ SAP and ESP vendors provide assessment services to determine each participant's background, capabilities, and interests, and to work with applicants and participants to assist with a combination of work, limited training, work experience, job search and placement activities, and other support services intended to lead quickly to employment.

Overview of SAP Services. Every new welfare applicant, unless otherwise diverted to a special program, must go through the skills assessment and placement process provided by a SAP vendor while his or her application for benefits is being processed—that is, prior to receiving benefits. SAP vendor services last from four to six weeks or until a client is approved for TANF benefits. The services are aimed at quickly assessing individual needs and interests, providing job readiness skills, and attempting to attach applicants to jobs as quickly as possible to avoid the need for welfare receipt at all. Each SAP provider is assigned to serve specific Job Centers (and each Job Center is served by just one SAP vendor). SAP providers locate staff directly at Job Centers for purposes of intake and initial assessment. While service details vary by vendor, SAP activities generally include a group orientation and assessment session, testing (including the TABE test), development of an individual service strategy, workshops on work preparedness and job search skills, and initiation of self-directed job search. SAP vendors (as well as ESP vendors) may also offer to a small number of participants, directly or by referral, very short occupational courses (from one day to three weeks, depending on the curriculum and the vendor) for certification in security, customer

⁴ Three of the SAP contractors are also contractors for ESP, as discussed in the following section – Curtis and Associates, Federation Employment and Guidance Services (FEGS), and Goodwill Industries.

service, computer, and home health aid work. SAP vendors may also refer applicants to classes in English as a Second Language or for GED preparation or to BEGIN for more remedial services (called BEGIN Managed Programs). Chart III.1 illustrates the services provided through one of the SAP vendors.

Overview of ESP Services. Once applicants become active recipients, most are reassigned, this time to ESP vendors, for employment and job placement services. There are 11 ESP vendors contracted to serve FA and SNA recipients across the City's five boroughs. Job Center staff assign new recipients to ESP contractors based on an automated computerized assignment system (randomly, but generally in the borough where they live).⁵ In addition to new cases, ESP contractors receive some on-going FA and SNA recipients who are re-assigned from other ESP contractors. Each ESP contractor also provides services under their contract with HRA to non-public assistance food stamp recipients and to some individuals who receive no public assistance but have low income and qualify for services under the Workforce Investment Act.

FA and SNA recipients are assigned to an ESP provider for up to six months, at which time their status is to be re-assessed by HRA, and a decision is made to keep the individual with the ESP provider or move the individual to another ESP provider or special program. In reality, according to several ESP staff, within about three months, most individuals assigned to an ESP provider are reportedly either placed into jobs or the case is returned to Job Centers for sanctioning (e.g., for failure to report for services or to

⁵ Individuals with other barriers to employment are assigned to other units within HRA and to other contractors. See Chapter 4 for additional details on programs targeted on the special needs of participants.

CHART III.1: ILLUSTRATION OF SERVICES PROVIDED THROUGH A SAP VENDOR

- **Referral from Job Centers.** Each day, several Job Centers refer new FA/SNA clients to the SAP vendor—about 100 new applicants are referred each week to this particular vendor, though the flow varies week to week.
 - **Assessment Activities.** During the first week, participants attend a group orientation (2-3 hours) and a 3-day group assessment, held at the Job Center, which includes taking the Test of Adult Basic Education (TABE), completing an interest inventory test, and developing an employability plan.
 - **Job Readiness Activities.** During the second week, participants attend a job readiness workshop at the SAP vendor’s principal office. The workshop, which runs for 3½ hours a day for five days, provides instruction and interactive group activities focusing on goal setting, resume development, job search skills, and interviewing skills. During the other hours (to meet the 35-hour simulated workweek), participants are given varying assignments to facilitate job search and placement (e.g., obtaining identification, spending time researching and identifying skills needed to enter occupations of interest, and preparing and submitting job applications).
 - **Job Search and Placement Activities.** At the end of the second week, participants are referred to the vendor’s Job Search Unit. On the following Monday, participants receive an orientation to job search and a booklet to help organize their job search activities. Each day, they attend a half-day workshop to assist with job search techniques; the other half-day is spent searching for a job with the help of a job developer who may provide job leads and do whatever is necessary to eliminate barriers to successful job search. These job search activities continue for about 2 to 4 more weeks (until the individual obtains a job or begins to receive FA/SNA benefits).
 - **Job Retention Activities.** If an individual is placed in a job, a job retention specialist tracks the client and provides retention help. This retention specialist talks with participants during the first week of employment, encourages them to keep in contact, and periodically contacts them during the first 180 days of employment. During the first 3 months, participants are given a weekly subway card; at the 90-day benchmark, the vendor provides a monthly subway card to the participant and makes the participant aware that an individual training account (ITA) voucher is available for upgrading skills. The vendor also operates a “Call Before You Quit” 24-hour hotline to assist with job retention.
-

comply with work requirements) or for re-assignment to another vendor or special HRA program.

The mix of services varies by vendor, though in all cases there is a clear emphasis on rapid work attachment and relatively few individuals are engaged in job training activities (typically very short-term training). If an individual has not yet been placed into a job after an initial period of about two weeks, he or she receives a WEP assignment, again handled through an automated computerized assignment process. The WEP assignment typically is for three days a week. The remaining two days a week the individual is to report to the ESP provider for job readiness, search, and placement activities. Some ESP programs also offer various other pre-employment services including some limited occupational preparation. This blended approach – three days of WEP and two days of ESP activity, often referred to as “three-plus-two” – is designed so that recipients are engaged in ongoing activities essentially full time (i.e., 30 to 35 hours a week). Typical services delivered through ESP are illustrated in Chart III.2 (based on one of the several vendor programs visited as part of this study).

SAP and ESP Activity Levels. Job Centers began to refer FA and SNA participants to SAP and ESP vendors in Fiscal Year (FY) 2000 (July 1999 – June 2000). The number of individuals citywide enrolled with SAP vendors increased from 8,137 participants in FY 2000 to 37,331 participants in FY 2001; the number of individuals enrolled with ESP vendors similarly increased from 11,470 participants in FY 2000 to 44,530 in FY 2001.⁶

⁶ Preliminary data for the first four months of FY 2002 (when annualized) indicate that ESP and SAP participation levels are slightly above those recorded for FY 2001 (about a 15 percent increase in SAP

CHART III.2: ILLUSTRATION OF SERVICES PROVIDED THROUGH AN ESP VENDOR

- **Referral from HRA.** On a bi-weekly basis, HRA provides the vendor with a referral list of about 150 FA/SNA clients for ESP services (about 60 percent of which show up for orientation at the vendor). About one-fourth of FA/SNA referrals are passed on to one of the ESP vendor's seven subcontractors (based primarily on the expertise of the subcontractor).
 - **Orientation/Assessment Activities.** On the first day, the participant attends an orientation session about the program, completes various intake and assessment forms, and takes the TABE test. On the second day, the individual returns for an in-depth interview with one of the vendor's case managers. During this session, the case manager assesses the individual's capabilities and interests, and comes up with a service plan and goals.
 - **Job Readiness Activities.** The next eight days (days 3 through 10), the individual attends an all-day pre-employment job readiness workshop. This workshop focuses on effective job search techniques, completing job applications, interviewing skills, resume preparation, and generally preparing the individual for the world of work.
 - **WEP Assignment and Job Search Activities.** HRA assigns participants to WEP assignments about two weeks after assignment to the ESP provider. So, following the job readiness workshop, the participant is shifted to a "simulated" workweek, which generally involves attending a WEP assignment for three days each week and then going to the ESP vendor the other two days each week for job search/placement assistance, short-term training, and an array of other services to facilitate transition from welfare into work.
 - **Training Activities.** Short-term training is offered to a small proportion of those assigned to the ESP vendor where training is needed and leads directly to a job. Example of the limited types of training offered are: training for home health care aide, security guard, food service worker, copy machine repair worker, medical billing/records worker, and emergency medical services worker.
 - **Job Retention.** When individuals are placed in jobs, case managers periodically check with the participant on how work is going and provide retention services as needed to reduce chances of job loss. Employed participants are also eligible to receive transportation vouchers (bus/subway passes) and ITAs to upgrade skills (while working).
-

and a 25 percent increase in ESP participation when compared with participation levels recorded in FY 2001).

Table III.1 shows the activity levels by SAP and ESP vendor, based on HRA's vendor management reports. In general, about one-quarter to one-third of the individuals referred to either an SAP or ESP vendor do not show up, and of those who do appear about one-third are placed into jobs. In 2001, an average of about 3,000 welfare *applicants* (FA and SNA) a month citywide were referred to SAP vendors. Of all individuals referred to SAP vendors in 2001, about 25 percent did not appear or did not return, possibly because their welfare application was not approved.⁷ It is not possible in this study to determine how many of these individuals who did not show up entered employment instead or turned to other sources of non-HRA assistance. However, of those seen by an SAP vendor across two years (2000 and 2001), 33 percent were placed into regular unsubsidized jobs (representing 21 percent of all individuals referred).

About 3,000 welfare *recipients* a month in 2001 citywide were similarly referred to ESP vendors, as also shown on Table III.1. Of the recipients referred to an ESP vendor in 2000 and 2001, about 26 percent did not appear or return. And 29 percent of those seen by ESP programs across those two years were placed into jobs.

C. WORK EXPERIENCE

Overview of WEP. Some form of workfare has existed for many years in New York City for single and childless couples on public assistance (the former Home Relief population). Known in the early 1990s as the Public Works Program (PWP), workfare was expanded to include AFDC recipients, as part of the early welfare reform efforts of

⁷ It is possible some reapplied later, complied with SAP requirements and subsequently received welfare, but that information is not reported separately.

**TABLE III.1.
AVERAGE MONTHLY SAP AND ESP ACTIVITY LEVELS BY VENDOR, 2001**

SAP Vendor	# of referrals	% of referrals who fail to report	% of referrals seen by SAP	% of referrals placed into jobs*	% of referrals seen who are placed into jobs*
Arbor	440	25%	74%	26%	40%
Curtis & Associates	943	30%	68%	20%	33%
Federation Employment & Guidance Services	781	20%	78%	18%	29%
Goodwill Industries of Greater N.Y.	1,007	22%	75%	23%	34%
TOTAL	3,171	24%	73%	21%	33%

ESP Vendor	# of referrals	% of referrals who fail to report	% of referrals seen by ESP	% of referrals placed into jobs	% of referrals seen who are placed into jobs
America Works of New York	205	22%	77%	21%	27%
Career & Educational Consultants	229	42%	58%	22%	38%
Curtis & Associates	220	44%	56%	21%	37%
Consortium for Worker Education	297	34%	65%	21%	32%
Federation Employment and Guidance Services	200	39%	60%	20%	34%
Goodwill Industries of Greater New York	612	23%	77%	18%	23%
Non-Profit Assistance Corporation	230	26%	73%	20%	27%
New York Urban League	151	26%	74%	15%	20%
New York Association for New Americans	91	33%	67%	20%	30%
Research Foundation	388	25%	75%	20%	27%
Wildcat Services Corporation	839	14%	86%	26%	30%
TOTAL	3,460	26%	74%	21%	29%

Source: HRA VENDORSTAT Reports.

* Average monthly percentage for 2000-2001

the Giuliani Administration. Although the policy initially was to place every able-bodied individual receiving cash assistance into a WEP assignment, WEP itself has gone through several iterations in the course of implementing welfare reform, with increasing attention to various strategies, including the three-day/two-day model, to move individuals out of WEP into unsubsidized employment as well as to enforce work requirements.

For example, historically WEP assignments could continue indefinitely, but there are now several factors that mitigate against long duration. First, there is conscious attention to individuals timing out of federal cash benefits. There are some new options for temporary employment, discussed below, and five-day WEP assignments per week have largely been replaced by assignments that combine work experience with other activities such as job search assistance or other job-preparation services. In anticipation of recipients timing out of TANF benefits, HRA in the summer of 2001 surveyed WEP participants to obtain information about participants' goals that could help worksite supervisors in their attempts to transition individuals to regular jobs. Some WEP supervisors interviewed for this study also explained that they became more diligent about reminding participants that these jobs were not permanent, and that they needed to try to find permanent unsubsidized employment. Second, the FA population is generally considered by providers to be more employable than the SNA population of mostly single adults with more problems that can interfere with work. In fact, though, there is reportedly a high no-show rate for WEP assignments, just as there is for SAP and ESP.

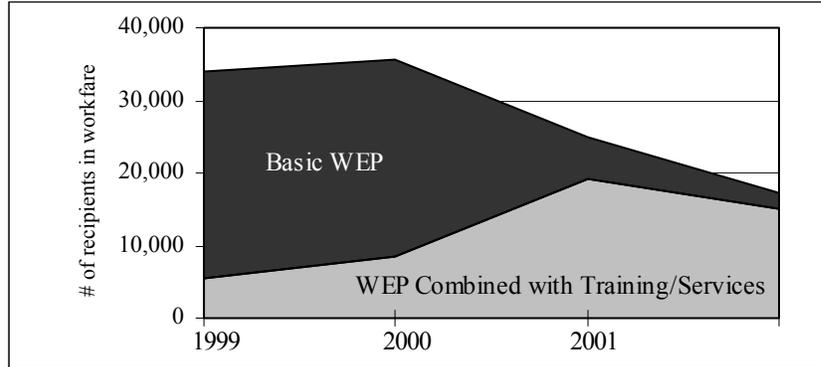
Administrators in WEP programs visited also noted their interest in making WEP more responsive to the needs of participants. For example, the Parks Department has adjusted the work hours for WEP assignments (changed from 7 am to 3:30 pm to 9 to

5:30) in order to accommodate women with children, tries to make assignments close to participants' homes or children's schools, and assigns some individuals to recreation centers and after school programs. However, most available slots are still in outdoor maintenance. HRA also grants four weeks of excused absence from workfare if no childcare is available, and up to two days absence without a doctor's note for illness or to care for a sick child.

Chart III.3 shows that overall WEP activity has declined since 1999, and that basic WEP as a share of all WEP declined sharply. "Basic" WEP (that is, five days a week of workfare with no accompanying job search, education or training) was no longer the dominant work activity for either the SNA or FA cases in work activities in New York City as of the end of 2001. In the last week of November in 1999, 39 percent of all adult public assistance cases engaged in an activity were in WEP; by the last week of November in 2001, about 25 percent of these adults were in WEP. Similarly, in the last week of November 1999, there were over 27,000 adult public assistance cases involved in basic WEP assignments, representing about one in three engaged adult cases. As of the last week of November 2001, the number of adult cases participating in basic WEP was just over 2,000, representing about 3 percent of engaged adult cases. Participation in basic WEP has declined substantially because more participants are in part-time WEP assignments. About three-quarters of the WEP participants in 2001, both FA and SNA, were in the combined "three-plus two" WEP model, spending three days a week in WEP

and engaging in other activities two days a week, including job search, training, substance abuse treatment, or education, rather than in basic WEP for five days a week.⁸

CHART III.3
WEP PARTICIPANTS IN BASIC AND COMBINED MODELS, 1999-2001
(based on snapshot counts)



Nature of WEP Assignments. The number of hours of work experience per week a FA or SNA recipient can participate in WEP is limited by the federal Fair Labor Standards Act to the combined value of a family’s public assistance and food stamp benefits, divided by the minimum wage. Engagement in other HRA-authorized activities, such as job search, basic education or GED preparation, and job training, are required of participants to supplement WEP hours to meet the 35-hour simulated workweek requirement. The most typical arrangement currently, as noted earlier, is for the workweek to consist of three days (20 hours) of work – either regular employment or, characteristically, a WEP assignment – and two days (15 hours) of other activities, such as job preparedness and job search, provided by an ESP vendor, which are deemed necessary to achieve independence.

⁸ This is a snapshot figure of whether or not a WEP participant was in the combined WEP model at a specific date in time; most likely, more than three-quarters of WEP participants were in the combined model at some point during their WEP assignment.

WEP assignments are principally in city agencies, but many are also in private non-profit agencies. Table III.2 lists the number of WEP assignments at three different points in time over the past few years (both basic WEP and WEP plus other activities are included), which gives a sense of the major agencies with WEP participants.

Assignments are clustered around three main functions—clerical, custodial/maintenance, and human services (such as work at day care and senior centers). The program has always been administered centrally, with rosters of WEP slots and WEP assignees issued biweekly to agencies and organizations hosting WEP workers. Agencies, vendors, and worksite supervisors have no control over when assignments are made or who is assigned to their worksite, or when a participant may be transferred from one site to another.⁹

Attendance is reported biweekly from worksites, affording worksite supervisors some discretion in mediating compliance with attendance and work requirements. If a participant does not work all scheduled hours for which he or she is not excused, the individual is to be dropped from the WEP assignment and a conciliation notice issued. Individuals assigned to WEP are expected to continue to seek paid employment and are granted excused absence from work assignments for hours involved in job interviews (but such interviews must be documented).

WEP slots represent an important portion of the workforce of several of the City's agencies. For example, a Parks Department administrator indicated that participants in

⁹ Parks Department staff, for example, noted that although they operated two job assistance programs as an ESP vendor, their own WEP participants frequently could not take advantage of these opportunities because they had already been assigned to other ESP vendors.

TABLE III.2
WEP ASSIGNMENTS BY AGENCY, SELECTED POINTS IN TIME

Agency	03/26/96	06/30/99	06/30/00	12/31/00
WEP: Admin. For Children's Services	.	466	423	284
WEP: BEGIN	.	5,770	5,387	4,193
WEP: Board of Education	275	518	258	388
WEP: Bronx County Clerk's Office	.	11	31	5
WEP: Business Improvement Districts	28	30	9	11
WEP: City Commission on Human Rights	.	2	2	0
WEP: Community Boards	.	11	17	25
WEP: Community Based Organizations	.	1,662	1,846	1,336
WEP: Comptroller's Office	.	2	2	0
WEP: CUNY	242	132	397	211
WEP: Dept. for the Aging	418	968	685	570
WEP: Dept. of Citywide Administration	2,611	3,151	2,672	1,209
WEP: Dept. of Consumer Affairs	.	25	22	13
WEP: Dept. of Design and Construction	.	10	9	5
WEP: Dept. of Environmental Protection	52	100	24	4
WEP: Dept. of Finance	.	52	43	41
WEP: Dept. of Health	209	305	218	180
WEP: Dept. of Housing and Preservation	1,499	384	373	239
WEP: Dept. of Parks and Recreation	6,259	6,154	4,259	3,852
WEP: Dept. of Probation	.	10	6	0
WEP: Dept. of Records and Information	.	25	19	26
WEP: Dept. of Sanitation	4,263	2,912	1,748	1,249
WEP: Dept. of Transportation	517	656	425	89
WEP: Employment Services & Placement	.	.	.	59
WEP: Enhanced	.	.	.	4,450
WEP: Financial Information Services	.	7	0	0
WEP: Fire Dept.	.	41	96	101
WEP: Health and Hospitals Corporation	743	.	.	.
WEP: HRA	2,135	4,891	8,940	1,434
WEP: Landmarks Preservation Commission	.	9	3	0
WEP: Mayor's Office	.	10	1	1
WEP: Metropolitan Transit Authority	.	319	678	340
WEP: Museo del Barrio	.	27	18	24
WEP: Non-profits	1,686	.	.	.
WEP: NY Housing Authority	453	1,861	1,550	535
WEP: Other Non-city Agencies	.	132	180	120
WEP: Police Dept.	280	411	350	207
WEP: State Agencies	318	197	165	76
WEP: Taxi and Limousine Commission	.	66	32	44
WEP: Welfare-to-Work	.	.	.	447
WEP: Uncategorized	0	0	0	0
WEP: TOTAL	21,988	31,327	30,888	21,768

Source: New York Mayor's Management Reports.

WEP have accounted for up to about 20 percent of that agency's maintenance staff. The Parks Department credits, in part, the presence of the WEP workers for marked improvement in its internal ratings for the cleanliness of the City's public parks. WEP participants work side-by-side with regular Parks Department maintenance staff, although WEP workers are distinguishable by their uniforms.

The reliance on WEP workers can pose challenges for both the host agency and the workers. Because WEP workers perform useful tasks for the agency, especially tasks that may be critical but burdensome or undesirable to regular staff (e.g., clerical filing, picking up trash in public parks), there is a potential conflict between the interests of the host agency to keep participants engaged in productive WEP assignments versus transitioning participants into permanent wage-paying employment. As one administrator noted, "...it is a really good supervisor who can look beyond (his) own needs." WEP workers can also become resentful that they are working alongside regular employees, and yet not receiving regular pay or fringe benefits. On the other hand, some participants might get too comfortable in work assignments, particularly if they have little or no prior work experience and see no other options. Guidelines for the maximum duration of WEP assignments vary across WEP sites – typically ranging from six months to one year (though worksite staff also report that the limitation is not consistently monitored or enforced).

There has been some movement within HRA to reduce reliance on WEP in favor of paid short-term employment and to encourage the transition to work through temporary paid assignments, particularly for individuals timing off of welfare. For

example, the Job Opportunities Program¹⁰ was an arrangement with three city agencies, Parks, Transportation and the Housing Authority, to hire individuals off of the WEP rolls into city jobs. The Wage Subsidy or Temporary Work Program uses a vendor, Temp Force, to refer individuals to one-year clerical, custodial and other temporary jobs (offering no fringe benefits) in city agencies and private sector companies. Participants work four days a week and spend the fifth in job search activities. Between March 2001 and October 2001, the program had served 3,500 participants, mostly in the Parks and Transportation departments.

D. SUMMARY

A key focus of welfare reform in New York City has been its strong emphasis on work-first principles to transition welfare applicants and participants as quickly as possible into unsubsidized jobs. HRA has contracted with four SAP and 11 ESP vendors to provide a range of employment-related and support services to either divert applicants from receiving welfare in the first place or to direct recipients as quickly as possible toward self-sustaining employment. With the introduction of services provided through the network of ESP vendors, HRA has also been able to diversify work-related activities for FA/SNA recipients. In particular, there has been a significant shift toward mixing work experience with a range of other activities (especially work readiness and job placement activities provided through ESP vendors) to enhance employability and to encourage movement off the welfare rolls and into unsubsidized employment.

¹⁰ The program was suspended at the time of this fieldwork, but since March 2001 had served about 3,500 individuals.

IV. REACHING SPECIAL POPULATIONS

In 1999, HRA broadened its welfare-to-work initiatives to include recipients with special needs, many of whom were work-exempt prior to that year. This policy reflected the underlying philosophy of welfare reform in New York City that “...barring permanent or severe disability, every adult is capable of some kind of work.”¹ If an individual faces a barrier to immediate employment, he or she can still be engaged in structured work activities with specialized services and assistance.

Several work initiatives serve recipients with special needs. Some programs operate in conjunction with HRA’s ESP and WEP programs, and some operate separately with funding from other sources. Some of the programs have been operating for over a decade, while others were only recently developed. They all, however, maintain the same HRA work-centered policies, although blending work with education, special services, or treatment. Due in part to these initiatives, the proportion of adult FA and SNA recipients subject to mandatory work requirements rose from about half of all recipients in 1996 to about 80 percent in 1999 (and nearly 90 percent for FA alone).

A special HRA Resource Development (RD) office receives funding from city, state, and federal agencies to design and implement initiatives to serve some special populations, such as students in college. Parallel to the administrative reorganization discussed in Chapter II, offices serving specialized populations were brought under regional management and included within the goal-oriented and work-focused

¹ City of New York, Human Resources Administration. 2000. *Ladders to Success: Innovations in City Government*. New York, NY: New York City Human Resources Administration.

administrative structure serving the general public assistance population. Services were centralized, administratively and operationally, at a Special Needs Job Center in lower Manhattan (though some Job Centers are dedicated for particular populations, such as immigrants and residentially-treated substance abusers). Recipients with special needs are instructed by letter to report to the Special Needs Job Center, or are referred to the center by workers at other Job Centers.

The effectiveness of these various programs in terms of employment outcomes is not yet known. Several of them are very recently developed, and none have been formally evaluated. According to HRA management data, over 70,000 individuals in 2001 were expected to receive some service through one of these programs, which as described below could range from assessment (such as for substance abuse) to referral back to the regular employment programs to more specialized services and treatment. Each of the special population programs are described in the following sections. Table IV.1 gives an overview of the type and size of several of the special programs. Other services for special populations with which HRA works are provided through designated Job Centers (e.g., homeless, veterans, victims of domestic violence, SSI recipients, and senior citizens).

A. RECIPIENTS WITH MEDICAL LIMITATIONS / DISABILITIES

The PRIDE (Personal Roads to Individual Development and Employment) program, which began in July 1999, was created to provide case management, education, work experience, and employment to individuals who were formerly exempt from work requirements due to physical limitations or medical conditions. Employment services

**TABLE IV.1
PROGRAMS SERVING SPECIAL POPULATIONS**

Special Population	Program	Approximate Number of Participants		
		Fiscal Year 2000	Fiscal Year 2001	First 4 Mos., Fiscal Year 2002
Medical Condition / Disability	PRIDE			
	Received Case Management	13,478	12,060	3,698
	Referred to Work Activity Provider	8,769	7,985	3,071
Pregnant / New Mother	POISED			
	Enrollments	941	1,796	470
	Job Placements	-	386	186
Substance Abuse Problem	SASC, RTSC			
	Total Assessed	27,327	36,549	12,086
	Intensive (Treatment Only) (%)	9,485 (35%)	16,593 (45%)	5,734 (47%)
	Non-Intensive (Treatment + WEP) (%)	13,163 (48%)	15,176 (42%)	3,000 (25%)
	No Treatment Needed (%)	3,804 (14%)	4,108 (11%)	3,324 (28%)
Student, Two-Year College	CUNY WEP			
	Enrollments	-	1,154	-
	Job Placements	-	160	-
College-Level Work Study	COPE			
	Average Monthly Enrollment	-	400-500	-
Already Employed	CUNY In-VEST			
	Total Participation	269	222	119
	Found Better Jobs (%)	99 (37%)	63 (28%)	8 (7%)
	Closed PA Cases (%)	-	42 (19%)	15 (13%)
Under Sanction / Risk of Sanction	Charitable Choice Initiative			
	Total Assessed	-	4,000-5,000	-
	Sanctions Lifted	-	900	-
Caretaker, Asthmatic Child	The Asthma Project	-	(starting in 2002)	-
Limited English / Basic Skills	BEGIN-Managed Programs			
	Total Participation	-	11,699	-

Source: Mayor's Management Reports, HRA administrator information.

available to this population used to be limited to the WEP Medical Limitations program, which has had enrollees since at least 1994. At the beginning of FY 2000, the PRIDE program began offering education and training along with work experience — although PRIDE did not become a mandatory program until March 2001.

The State Office of Vocational and Educational Services for Individuals with Disabilities (VESID) provides case management and contracts with five vendors (Brooklyn Bureau of Community Service (BBCS), National Center for Disability Services (NCDS), Goodwill, FEGS, and Fedcap Rehabilitation Services), separate from the SAP and ESP contracts, to provide PRIDE participants with such services as secondary assessments, work activities (including educational and office skills instruction), and job placement.

Initially, letters were sent to recipients who had been coded as work exempt because of medical conditions, requiring that they come in to a Job Center to be assessed for employability. A client who alleged an inability to work was required to produce documentation from a doctor. Since 2001, PRIDE has become a mandatory program and medical assessments have been contracted out to Health Services Systems, Inc., which conducts a five-day assessment. Depending on the results of the assessment, clients may be exempted from work activities entirely; begin a 30- to 90-day “wellness program” designed to get a medical condition under control and under the supervision of the client’s doctor; be determined employable with limitations and assigned to PRIDE; or be determined employable without limitations and assigned to WEP. According to HRA staff, since the inception of PRIDE, approximately 40 percent of clients undergoing this

assessment have been found employable with limitations, and presumably without the program would have been considered unemployable.

If a client is deemed employable with limitations, a PRIDE caseworker conducts a short interview, about 45 minutes, to determine education and employment background and child care needs. Clients are then assigned to a vendor based on their residential zip code. A second assessment, which must be completed in 60 days, is conducted by the vendor. That assessment includes reading level, education, and medical history. A state VESID counselor is on site at each vendor, and clients are assigned to special WEP assignments developed by PRIDE vendors and separate from the citywide pool, to Work-Based Education (WBE) for GED or other educational activities, or more commonly to Work, Employment, and Training (WET). Vendors are encouraged to make WEP assignments within 10 days. PRIDE WEP follows the same three-day work/two-day training structure as other WEP assignments, and assignments are designed to last for not more than six months in order to encourage job placement. Clients may be assigned to an additional six months of involvement in PRIDE WEP if no placement is made. According to HRA staff, about ten percent of clients in PRIDE have been placed in jobs. The program was not fully operational until well into 2000 and in 2001 nearly 20,000 were served, and staff report that there have been substantial difficulties placing this population into jobs. It was also reported that the program has experienced high staff turnover and been continually short staffed both at the caseworker and supervisory level.

B. PREGNANT RECIPIENTS / NEW MOTHERS

The POISED (Perfect Opportunity for Individual Skills and Educational Development) program started in FY2000 and serves public assistance recipients who are pregnant or new mothers. In the first year, enrollment was lower than expected, due to the difficulty in identifying and enrolling pregnant recipients, but grew in FY2001 when the program expanded to include mothers with young children (up to 3 years).

Pregnant women participate in POISED 1, which combines classroom instruction and job preparation; mothers of young children participate in POISED 2, which requires three days a week of WEP and two days of job search. In January 2002, HRA implemented POISED-At-Home, which provides health, academic, computer, and parenting training to women who are exempt from work activities due to high-risk or advanced pregnancy or children under 13 weeks of age. Work activities, when required for POISED, tend to be office assignments rather than more physically demanding work (e.g., working for the Parks Department). Despite the small size of POISED, it represents a philosophical change from the mid-1990's, when both pregnant women and mothers of young children were exempt from work requirements.

C. RECIPIENTS REQUIRING SUBSTANCE ABUSE TREATMENT

Services and programs for substance abusers are coordinated through the Substance Abuse Treatment Tracking and Review Services (STTARS). The Substance Abuse Service Center (SASC) provides substance abuse treatment concurrently with employment activities, while residential treatment programs are managed by the Residential Treatment Service Center (RTSC).

When a recipient is identified as having a substance abuse problem – either during the application process or later (e.g., by a WEP supervisor) – he or she is referred to a Credentialed Alcohol and Substance Abuse Counselor (CASAC) for further assessment. Similar to the medical assessments conducted for PRIDE, the CASAC assessment finds the recipient’s case either “intensive,” leading to full-time (presumably in-patient) treatment for at least 90 days; “non-intensive,” in which less than 15 hours of treatment a week (presumably out-patient) is required, and the client is referred to WEP for assignment; or “no treatment needed,” where the individual is deemed not to require any special service, meaning he or she is expected to comply with the work requirements.

In 2000, the SASC assessment concluded that 11 percent of individuals did not require any special services (that number increased to 14 percent in 2001). The rest received either intensive or non-intensive services (with a higher percentage receiving intensive services in 2001). Compared to 1999, non-intensive clients in 2002 have a greater variety of activities to combine with WEP, including job search assistance and training.

D. RECIPIENTS IN SCHOOL

City University of New York Work Experience Program (CUNY WEP). CUNY WEP was created in October 2000 to accommodate TANF recipients matriculating in two-year college programs. State welfare law allows Work Study and internship programs to qualify as primary work activities for public assistance recipients subject to work requirements, and these programs are not subject to the 12-month training limit, but New York State law does not permit enrollment non-vocational training, such

as a liberal arts curricula, whether in two-year or four-year degree program. In New York City, prior to the expansion of workfare to TANF recipients in 1996, welfare recipients who were full-time students were exempt from work requirements.² When workfare became mandatory, a number of schools reported that many individuals were dropping out of college. To allow individuals who are enrolled in degree programs to complete their education, HRA and CUNY developed a separate WEP program for welfare recipients subject to work requirements and enrolled in school.

The CUNY WEP program places students into WEP assignments for the necessary number of hours each week to meet the 35-hour requirement. CUNY WEP operates at 17 colleges (on-site at four community colleges) and in collaboration with many non-profit organizations. Approximately 300 individuals are on the CUNY WEP roster at any one time. The Jewish Community Council of Greater Coney Island assesses client interests, develops and places individuals in appropriate WEP assignments, and monitors and reports attendance (and hours) to HRA. Assignments are reportedly made near home or school to accommodate the schedules of students who are also caring for children. The program also attempts to create assignments that reflect the student's educational concentrations. Thus, an individual majoring in nursing might be assigned to a senior care or rehabilitation facility, or someone majoring in education might be assigned to an after-school, tutoring or day care program. Further, assignments at non-profits require a minimum three consecutive hours, which is deliberately intended to enable sufficient time for meaningful, productive work. Although CUNY WEP

² In 1995, for example, there were reportedly 28,000 CUNY students on public assistance. In 2001, there were about 7,000.

participants are expected to be completing degree programs, and the program does not routinely track employment outcomes, of the 1,154 CUNY WEP enrollments in 2001, 30 rolled over into permanent hires at their WEP assignment, and 130 found other full-time employment.

College Opportunity to Prepare for Employment (COPE). COPE is a work-study option at the college level. Students who are enrolled in vocational training at the time of their application to welfare, and have received less than 12 months of job training, are permitted to continue in their programs full-time while receiving public assistance. For those students who have reached the 12-month training limit, COPE provides internships, job search, and job placement activities that count as the first 30 hours of work activity. CUNY is the contractor for COPE, and COPE is available to students at the 17 CUNY campuses (10 of which have COPE offices on the campus). COPE developed procedures that enable the university to monitor attendance in class, work-study assignments, and internships to ensure that enrolled TANF recipients maintain 35 hours of school plus work activity. The COPE office also provides case management services, information about and referral to support services, help with navigating the HRA system, help in identifying and negotiating internships, assistance with securing financial assistance, and help in keeping up with academics and remaining in school. CUNY has job development staff to help with job placement and retention. Between 400 and 500 CUNY students are enrolled in COPE each month. Reimbursement to CUNY is tied to placement and retention in jobs, with payment milestones for: placement into non-subsidized employment, verification of 30-day job

retention, verification of 90-day job retention, and a bonus for jobs that provide a salary of \$25,000 or above per year and/or documented health benefits.

Individual Vocational Education and Skills Training (CUNY-InVest).

InVest—a collaboration of CUNY, the New York State Department of Labor, the Higher Education Services Corporation, and the Human Resources Administration—is an initiative designed to help upgrade skills and obtain higher wages for those TANF recipients who are already employed at least 20 hours a week, but who are still in receipt of public assistance. The InVest program provides short-term (up to one year) vocational training at CUNY colleges (for example, training to become nurses' aides, medical billing clerks, or administrative assistants). Under the program, training costs and instructional materials are paid for, and participants may receive case management, childcare referral assistance, and help with job development and placement.

Participants of CUNY InVest may be referred to the program by a Job Center worker, SAP/ESP vendor, or may simply self-refer into a participating program. CUNY has also done some of its own recruitment for the program (e.g., flyers about the program were sent to employed TANF recipients). Reimbursement to CUNY is performance-based and not to exceed \$5,250 per participant, based on the following four payment milestones: 4 weeks of 100 percent attendance in the program; program completion; job entry into a new unsubsidized job or another job within 60 days of completion of training; and earnings increased by a minimum of 10 percent or case closure. As shown in Table IV.1, the number of participants in InVest is small, and the proportion succeeding in finding better jobs declined in 2001.

E. RECIPIENTS UNDER SANCTION / AT RISK OF SANCTION

One effort designed to attempt mediation with those clients in sanction status, and presumably prevent legal appeals and fair hearing procedures, is the Charitable Choice initiative. Faith-based organizations contract with HRA to work with TANF families who have been sanctioned or are at risk of being sanctioned. Contractors assess the reasons for participants' non-compliance and provide support and case management necessary for participants to cure their sanctions, enroll in job readiness training, and obtain employment. The project is a collaboration of HRA, the State University of New York Research Foundation, and four consortia of faith-based and non-profit organizations, which cover the five boroughs.

The HRA Resource Development office provides names, phone numbers, and addresses of those who have been sanctioned, and the contracted organizations send out letters to those identified and follow-up with client interviews. One of the four organizations contracted under this initiative is faith-based (the Mission of Mercy in Brooklyn), and each of the other prime contractors have several subcontractors, many of which are faith-based, to provide various services. Each Job Center has a liaison with one of the contracted organizations. Sanctioned clients are scheduled for interviews with a vendor at a Job Center. During the interview, the staff person from the faith-based organization tries to determine the reason that an individual is still in sanction and identify what the individual needs to do to have the sanction lifted. Payment to contracted agencies is cost-based. The Charitable Choice Initiative was started as a pilot project with total funding of \$6.3 million. HRA is in the process of developing a Request for Proposals (RFP) to select a total of six contractors to continue this project.

F. RECIPIENTS NEEDED AT HOME

The Asthma Project is a new (late 2001) work initiative targeting TANF participants who are the head of the household caring for an asthmatic child five years of age or older. The project, with total funding of \$485,000 from TANF block grant funds, is being conducted under an HRA contract with City University Hunter College Center for Occupational and Environmental Hazards (COEH). The project involves outreach to TANF participants who are currently unengaged due to home care responsibilities for school-age children who suffer from asthma. The program begins with an assessment and development of an individualized action plan, which identifies the services needed by the family to facilitate engagement in training and employment activities. Program staff provide case management and help with locating appropriate and convenient services, such as specialized child care and/or school settings for asthmatic children. The program also provides a job readiness workshop to prepare participants for enrollment in employment activities. The contract with Hunter College is performance-based, with maximum payment per participant of \$2,000, based on completion of three milestones: completion of assessment, provision of case management, and engagement as job-ready.

G. RECIPIENTS WITH LIMITED ENGLISH OR BASIC SKILLS

BEGIN (Begin Employment Gain Independence Now) Managed Programs started in 1989 under the AFDC/JOBS program as a pilot partnership between the City's Board of Education, HRA, and CUNY to serve clients with language and/or reading barriers to employment. When New York City's welfare reform policies went into effect in 1994, the BEGIN program was gradually replaced by new work components (currently

SAP, ESP, and WEP) and former BEGIN offices or units were merged into the restructured Job Centers. BEGIN Managed Programs, though, have continued, and provide a range of services, including comprehensive case management, educational instruction, and job readiness services, designed to serve TANF parents (or those who were previously on TANF and have incomes below 200 percent of the poverty level) who require more intensive employment preparation due to limited English language or low basic skills. Eighty percent of those served by BEGIN Managed Programs have limited English language skills and/or a reading level below 6th grade.

BEGIN Managed Programs have also expanded beyond language and literacy skills and generally include a combination of basic education, occupational/vocational training, and work site experience. Programs generally follow the HRA 35 hours per week model (three days in a work-based activity such as WEP and two days in a classroom activity such as ESL instruction). Services are provided by contractors which include CUNY and community based organizations. Some contractors operate learning labs at Job Centers. Training offered through BEGIN Managed Programs is of longer duration than what is available in conjunction with WEP, to accommodate the limited language/reading skills of participants.

Participants are referred to BEGIN Managed Programs by staff in HRA Job Centers, outstationed HRA workers at SAP vendors, or sometimes by ESP vendors. According to the Program Director, enrollment in BEGIN Managed Programs declined during the period when HRA emphasis was on implementing the SAP and ESP contracts and services, but referrals to BEGIN started to increase again in 2001, when 11,699 participants were served.

H. SUMMARY

Since late 1999, special programs have become a more substantial portion of the overall HRA work policy. In part, this is due to caseload declines that meant a higher proportion of the work-mandatory recipients remaining on the rolls had special needs or serious barriers to work. The shift to special programs also reflects a desire on the part of HRA administrators to expand the underlying work-centered focus of welfare reform to a broader group of recipients, especially those receiving FA. In addition, more emphasis has been placed on attempting to work with those in the sanction and conciliation process, presumably to mediate the case without having to proceed to legal fair hearings. The special population programs are funded using a combination of TANF, WtW, WIA, and special state funds.

The special programs have been designed to combine the strong work-requirement aspects of welfare reform with the recognition that some specific groups are likely to require substantial services and special interventions if they are to become employable. The same “three-plus-two” model is used in nearly all the programs—three days of work or WEP plus two days of some other service or intervention. In discussions with HRA staff, Job Center staff, vendor staff, and community representatives, there is general support for special programs. The main concerns raised related to the distance some individuals had to travel to the lower-Manhattan Special Needs Job Center, where many of the programs are housed, and the difficulty some contractors have had reconciling the work requirement procedures and sanctioning process with their mainstream activities such as education or substance abuse treatment. There is no doubt that employment and compliance with the work requirements are HRA’s top priority in

these programs, just as it is in the HRA local Job Centers and the regular SAP and ESP programs.

V. CONCLUSIONS AND RECOMMENDATIONS

The welfare reform story in New York City can be told from several different perspectives, and welfare policy elicits strong, often emotionally charged, opinions. The preceding chapters address the system from an organizational perspective, describing it as it operated in late 2001 and early 2002. New York City has undertaken complex system-wide changes as part of its welfare reform strategy, and the changes occurred over an eight-year period; thus, to the extent possible, the historical evolution of the system is also described. As with any major systemic change, especially in a jurisdiction as large as New York City, the empirical evidence is complex and there are different views about what the changes have actually been and how successful they have been. Various perspectives are incorporated into this report, because they together represent the reality of the emerging system in the City.

Perspectives

At the HRA management level (e.g., Job Center Directors and Deputy Directors), there is much support for the welfare reform approach implemented in the 1990s—both the work-focus of the reforms and the organizational restructuring. Managers often seemed supportive of the more “professional” demeanor that was encouraged in welfare offices, characterized by some office refurbishing, improved technology, attention to dress codes, and treating managers as partners in performance management through monthly meetings with central office staff. In fact, throughout the HRA bureaucracy,

there is general agreement with the basic principles of work-centered welfare policies. Vendors and providers—many of which are community- and faith-based organizations—understand HRA’s work-focused policies, accept HRA’s contract performance criteria, and welcome the opportunity to work as contractors or subcontractors.

However, there are also concerns about some of the policies. Some advocates and community groups, for example, continue to worry that the strict procedures and work requirements, as well as the sometimes complicated logistical arrangements involved in traveling among offices (often across boroughs), may hinder some eligible individuals from receiving benefits and services. In addition, Job Center line staff interviewed for this study generally agree with the work focus of welfare reform. However, several expressed frustration with their jobs. Some JOS workers, for example, feel that they primarily process paperwork, impose work requirements, refer clients elsewhere, and initiate automated sanctions, rather than provide employment or related services directly.

Contracting out employment services to SAP and ESP vendors, coupled with increased centralization and automation, changed the nature of the job for many line staff. Several Job Center staff, especially those who had worked for HRA under the BEGIN program, noted that their tasks now focus mainly on financial monitoring and mechanical tracking rather than addressing the needs of clients. In fact, while the new JOS position calls for more direct and immediate communication with clients about the work requirements and the importance of seeking employment, former BEGIN workers feel they have less employment-related interaction with clients than in the past and more limited discretion regarding each case.

An additional issue expressed by individuals throughout the system is that the strict work-focused welfare reform objectives were much easier to accomplish a year ago. As the cases remaining on welfare are being mandated to meet work requirements, they include more individuals with substantial barriers to employment. Furthermore, the economy in 2002 is not as strong as in the late 1990s, meaning individuals are having more difficulty finding regular jobs. Some vendor staff and a few Job Center staff indicated they are less comfortable than they were a year ago with the strict requirements, and they are reluctant to take quick actions against individuals who appear to have complex problems in their lives that mitigate against successful employment.

In a time of dramatic change, advocacy groups in New York have played an important role in welfare reform. Community advocates actively monitor the system, paying particular attention to ensure that the new welfare policies do not deny services to eligible individuals, violate the rights of participants, or endanger families. Legal advocacy groups encouraged clients to request fair hearings when appropriate and helped them through the process. Legal advocates also challenged several HRA policies in court, including various issues related to eligibility determination, the appropriateness of work assignments, and ease of access to benefits and services. While there have been highly contentious issues around welfare reform, there are signs that the (sometimes heated) dialogue and legal proceedings have contributed to some evolution in policies.¹

¹ For example, there have been several legal challenges, both at the administrative level and in the court system, to policies and procedures related to implementation of work initiatives under welfare reform, some of which have resulted in changes to state law or administrative provisions. Cases include: *Capers v. Guiliani*, 253 A.D.2d 630, 677 N.Y.S.2d 353 (1st Dept. 1998); *Mitchell and Santana v. Barrios-Paoli*, 253 A.D.2d 281; 687 N.Y.S.2d 319 (1st Dept. 1999); *Davila v. Turner*, index No. 407163/97, New York County Supreme Court; *Matthews v. Barrios-Paoli* - 178 Misc. 2d 602; 676 N.Y.S.2d 757 (NY Co. 1998); and *Reynolds v. Guiliani*, 118 F. Supp. 2d 352 (SDNY 2000).

HRA refined some intake and local office procedures in light of concerns raised (e.g., increased attention to reconciling issues during mediation of formal appeals, and initiating a special vendor contract to provide services to those in sanction status). Certainly, much of the evolution in policy and programs reflected deliberate plans on the part of HRA administrators in response to the changing characteristics of the caseload and the changing economy. But the concerns raised by the advocacy community also helped to maintain a focus on issues of access and equity.

It is also important to note that HRA instituted a large “super” structure of prime vendor contracts and made clear that each prime contractor should include several subcontractors, including community based organizations. The contracting strategy undoubtedly altered the services delivered in the city, but there are different perspectives about what the changes actually represent. Representatives of some community based organizations that formerly provided services under HRA contracts argue that the vendor superstructure narrowed the participation of service providers. Some also allege that the role of smaller non-profit service organizations has declined as that of larger employment providers has increased. Whether this, or other redistribution of contractors, has actually occurred could not be addressed in this study, but HRA might wish to explore through future research whether the employment-services provider system and the services available in the City have changed as a result of welfare reform.

Implications for New York City

Welfare reform in New York City during the 1990s can claim some significant accomplishments. First, HRA got a better accounting of its caseload, as the new data and

information systems made it possible to identify the status of all clients in the system. While this may seem like a trivial matter, it is anything but. This was a major accomplishment, and the central office now has much improved information about the current caseload and the status of each case, not just in terms of benefits and payment, but also employability, work requirements, entry into employment, employment services, attendance in activities, and progress towards time limits. Second, HRA successfully sent the work message of time-limited, work-focused welfare to managers, line staff, program contractors, and clients. Third, the system evolved from one focused on workfare for those who did not find regular jobs immediately to one that by late 2001, was offering a range of services in an effort to engage clients with varying levels of skills and barriers to employment.

Based on this study, a few suggestions can be made to improve the system, particularly communicating new priorities, simplifying the client flow, expanding program and staff development; and continuing the refinement of data systems and the use of technology.

Communicating current priorities. It seems clear that the message about work and work requirements has been communicated throughout the HRA bureaucracy and its vendor network. Like some other jurisdictions around the country, New York City is now embarking on what some refer to as the “next stage” of welfare reform. The same attention to communicating the basic priority about work should now be given to explaining the objectives of the next stage of welfare reform – one that also focuses on alleviating barriers to work and providing special interventions to improve skills and employability.

Having reduced caseloads substantially and moved many welfare recipients into the labor market, HRA expanded the number and types of recipients subject to work requirements, and implemented several specialized programs, particularly for individuals with special needs. It would be beneficial now to make certain that Job Centers and vendor programs, as well as individual clients with special needs, understand how the work requirement policies interact with the special need service and employment programs. This may be more difficult than conveying the messages about the primary of work of the past several years, since the population targeted by the special programs include individuals with more serious barriers to employment. Leadership from HRA will be crucial to achieving an appropriate balance between enforcement of work requirements and provision of skills development services and even intensive treatment.

Streamline client pathways. Despite a unifying philosophical underpinning, the changes in New York City's welfare system were complex, and sometimes confusing, to staff as well as to clients. The work-related programs and services could be improved by creating clearer paths for clients to move from job readiness to work experience to employment. The citywide network of Job Centers enables individuals to access eligibility and employment services near their homes, but following initial application and assessment clients are required to keep appointments at multiple locations. For example, each applicant for welfare at Job Centers throughout the City must also attend an in-person interview at the Eligibility Verification and Review (EVR) unit in Brooklyn, after which an EVR specialist will conduct a home visit. In addition, applicants or public assistance recipients may be referred to specialized service units located in still other parts of the city. Applicants for welfare are referred to SAP vendors, located in the same

borough as their Job Center. Once their welfare case is established, individuals are generally assigned to ESP vendors anywhere in the borough in which they reside. Similarly, a recipient's subsequent WEP assignment, employment, or training is not necessarily located near the client's ESP vendor or the client's home. In addition, clients may have to bring a child to day care and at the end of the day pick that child up. Thus, some clients may need to travel throughout a borough or the entire city on a daily basis to work and to keep required appointments at multiple locations.

In addition, there is no formal link between SAP and ESP programs, although several organizations have contracts for both SAP and ESP. Thus, assessments conducted and employment plans developed by SAP providers are not necessarily shared with the ESP provider when the client's case is established and transferred to an ESP provider. This may result in some duplication of services (e.g., some individuals are reportedly given the TABE test of reading and math skills more than once) and frustration on the part of some clients and staff.

The current system also emphasizes completing employability determinations for all adult recipients and assigning all of those who are able-bodied to activities. This full-engagement policy has meant that HRA has indeed reviewed the entire caseload, and that local Job Centers are implementing upfront work requirements and SAP procedures as developed by HRA. However, there are not always clear pathways to employment services or employment or efficient ways for local staff track individuals' progress. For example, some clients may be served through more than one ESP program (at different times) or through another special program. While HRA may be able to track individuals as they move through activities and programs, several vendor and Job Center staff

explained that it is difficult for them to track what happens to individual clients once they leave their particular office or program. The various HRA data systems and management reports, by Job Center and by vendor, may reflect the work-focused objectives of HRA, which ensure that at a minimum individuals are engaged in some work activity. But the data system may be less effective in helping local staff manage their caseloads or track individuals' movement into regular jobs.

Improve skills development and job training strategies. Since the early 1990s, a top priority for welfare reform in New York City has been the enforcement of work requirements. Now that skills development is receiving increased emphasis, particularly as HRA seeks to engage recipients with special needs, more attention could be paid to improving the potential for skills development in WEP, ESP and the various special programs. For example, the main purpose of WEP has been to enforce work requirements. Although there is some focus on skills and education in some of the special programs operating in conjunction with a WEP program, there has been less emphasis on improving the employability of individuals in basic WEP assignments.

Some of the special programs have specialized expertise, such as arranging treatment for substance abusers or working with students in college. However, some program operators have less extensive experience working with businesses and employers and less experience providing employment services. Staff in special programs might, therefore, benefit from technical assistance designed to improve their capacity in the employment area (e.g., occupational skills requirements, partnerships with employers, work-place based training).

In addition, this study did not examine the effectiveness of services or quality of programs. The management improvements are clear and there are many potential innovative programs operating, but the quality and effectiveness of the program and services is not currently known. HRA should consider formal evaluations of the impact of various programs and services on skills development, employment, and earnings.

Continue staff and technological development. The automated management information and performance systems represent a major accomplishment by HRA. The next challenge may be to upgrade the technological resources and capabilities in local Job Centers to allow managers and staff as well as vendors to use technology more efficiently, not just for case processing and tracking outcomes, but for accessing labor market information, job and training opportunities, and coordinating benefits and services for individual clients.

Staff in local Job Centers could contribute more directly to the employment objectives set by HRA than they currently do. For example, JOS and BEGIN workers in Job Centers interviewed for this study generally explained that they wanted to help their clients—help them find jobs, think about a career or occupation, refer them to skills training, or help them more with immediate service or child care problems. Although they all clearly understood the importance of work and work requirements, most of these line staff seemed somewhat disconnected from the HRA strategies to achieve the employment outcomes. In most of the offices visited staff did not have easy access to computers. With some targeted staff training and more readily available computers with the capability to link not only to the HRA data systems (to help staff track the services their clients receive and the progress they make) but also to labor market information and

job opening data systems (to help link them to jobs and other services), local Job Center staff might be able to play a more effective role in welfare reform.

Implications for National Policy

The experience of New York City over the past decade also has implications for the current dialogue at the national level surrounding the reauthorization of welfare reform, and to other states and jurisdictions proceeding with their own welfare reform.

Placing emphasis on strong work requirements and on skills development need not be incompatible. In New York City, where the clear priority is on imposing and enforcing strong work requirements, administrators have also recognized the need for initiatives that aim to improve work skills and employability or to alleviate particular problems that might be barriers to employment. This has primarily been done by (1) decreasing the emphasis on basic workfare and increasing attention on providing complementary employment services, (2) contracting with specialty vendors for targeted interventions with special needs populations, and (3) simultaneously continuing to restructure and improve basic core welfare procedures in HRA offices. It is possible that over time more of those remaining on the rolls may require intensive developmental services in order to become permanently employed. The “three-plus-two” strategy is one example of how to combine work and skills development—three days of work experience plus two days of some other service or activity.

Flexibility is critical for reaching locally-defined objectives and priorities. What was begun in New York City in 1994 had to be modified by 1999 and seems to be embarking on another modification in 2002. Once the initial welfare caseload decline

leveled off (meaning that many who could easily go to work have done so and those not interested or willing to work have left the rolls), administrators revamped their programmatic approaches to allow a broader range of activities to “count” towards fulfilling the work requirement, rather than just relying on regular employment or basic WEP` assignments. Similarly, while the underlying objective is to simulate full-time work, HRA allows vendors and programs some flexibility around defining full-time work (i.e., 30-35 hours a week). Federal and state policies under PRWORA and TANF have allowed enough flexibility for HRA to adjust its welfare programs within the framework of very strong work-focused core policies. The City used that flexibility to implement a highly decentralized network of special programs operated by a range of organizations, including community based nonprofit entities, faith-based organizations, and public higher education institutions, allowing each to focus on their particular areas of expertise. The decentralized service delivery was accompanied by goal-centered accountability, established for the City as a whole.

Management and performance measurement systems are central to achieving goals. Like many jurisdictions, the data and management information systems in New York City were outdated and inadequate for monitoring progress towards welfare reform goals and for managing a complex system of contractors. HRA made technological development a high priority in order to track whether the agency, its local offices, and its vendors were making satisfactory progress. This was no small undertaking and required a major commitment of resources, staff, and management attention. Since it was locally developed, it is likely to reflect local needs. While the system is still being perfected, it does allow HRA administrators to communicate the employment goals and priorities,

convey to all parts of the system the priorities, and institutionalize the use of the data for ongoing management.

Welfare reform in New York City is very work-centered, with strong work requirements and swift sanctions for non-participation. Welfare reform in New York City also continues to be a work in progress, evolving and adapting to the needs of clients, changing economic conditions, results of performance measurement, and improvements in management information systems. Over time, options for clients have shifted from basic work experience to contractor-provided employment services and more possibilities for combining work, work experience, education, and services to address barriers to employment, but with continued strong work requirements. Thus, while the work emphasis remains strong, the array of services, and the definition of “work activity” has expanded.

Within the HRA and program provider systems there is general agreement with the work-focused approach to welfare reform. However, there are also ongoing concerns on the part of advocates and community groups, including concern that individuals face complicated logistical arrangements since services and required activities occur in various locations throughout the City, and continued concern about the adequacy of services, particularly for individuals with special needs.

The programmatic and institutional foundation for ongoing welfare reform focused on work has been established. With direction from City leaders and HRA, the strategies can be refined and improved to build upon the experiences of the past decade and to meet the challenges that arise from a changing population and a changing economy.

APPENDIX A
JOB CENTER DATA, NOVEMBER 2001

TABLE A.1
JOB CENTER DATA FOR ALL PUBLIC ASSISTANCE (FA & SN) ADULTS, AS OF 11/25/01

Job Center	Total Adults	Percent of Caseload:			Percent Engageable	Percent of Engageables in:				Job Placements, 1/01-10/01
		In Poverty	Black	Hispanic		Employment	WEP	Other Activity	Sanction Process	
BRONX REGION										
Bergen JC	10,555	27%	33%	63%	68%	22%	14%	13%	40%	4,606
Concourse JC	5,976	26%	29%	68%	89%	33%	10%	9%	35%	2,903
Crotona JC	9,461	30%	36%	60%	87%	34%	8%	12%	35%	5,614
Fordham JC	4,080	18%	32%	63%	87%	29%	8%	13%	34%	2,290
Melrose JC	12,270	35%	34%	63%	64%	26%	9%	14%	36%	6,380
Rider JC	7,998	35%	44%	49%	65%	5%	24%	21%	25%	3,734
BROOKLYN REGION										
Bayridge JC	4,150	17%	5%	40%	72%	34%	10%	17%	27%	1,965
Bushwick JC	5,788	38%	38%	57%	83%	23%	16%	15%	32%	3,357
Coney Island JC	5,785	0%	54%	22%	66%	21%	17%	17%	32%	1,904
Dekalb JC	7,127	37%	57%	26%	84%	22%	17%	16%	32%	3,117
Euclid JC	6,693	28%	58%	36%	84%	23%	15%	16%	32%	3,587
Fulton JC	6,000	23%	78%	18%	84%	23%	12%	14%	38%	3,993
Greenwood JC	5,125	20%	47%	37%	51%	24%	12%	15%	37%	2,141
Linden JC	6,529	17%	69%	23%	82%	22%	14%	16%	34%	4,850
MANHATTAN REGION										
Dyckman JC	4,587	30%	15%	72%	73%	13%	16%	17%	36%	3,238
East End JC	3,625	15%	44%	53%	77%	6%	19%	18%	43%	1,784
Hamilton JC	3,973	34%	55%	43%	78%	6%	15%	22%	40%	1,975
Refugee JC	3,195	0%	9%	11%	82%	35%	9%	29%	15%	792
Seaport JC	601	0%	34%	47%	73%	11%	17%	23%	33%	309
St. Nicholas JC	5,566	27%	39%	56%	78%	77%	4%	5%	10%	2,457
Waverly JC	4,843	13%	38%	47%	56%	6%	17%	27%	31%	2,479
Yorkville JC	3,499	46%	48%	45%	74%	7%	19%	23%	31%	2,063
QUEENS REGION										
Jamaica JC	4,269	9%	74%	19%	83%	21%	12%	14%	40%	3,125
Queens JC	6,462	11%	16%	57%	77%	31%	12%	12%	34%	3,991
Queensboro JC	5,635	11%	40%	29%	37%	7%	25%	22%	20%	2,057
Rockaway JC	2,355	19%	69%	21%	81%	16%	12%	14%	36%	1,562
SPECIAL NEEDS REGION										
Riverview JC	865	0%	67%	24%	82%	6%	14%	40%	21%	569
Residential Treatment Service Center (RTSC)	5,841	0%	58%	29%	100%	2%	0%	93%	5%	1,852
STATEN ISLAND REGION										
Richmond JC	3,375	8%	40%	32%	70%	21%	11%	16%	33%	2,217
CITYWIDE	168,405	23%	43%	45%	73%	22%	14%	20%	30%	96,818

Source: HRA JOBSTAT and Engagement Reports. Demographic data based on 1990 Census. Individuals needed at home not counted as engageable.

TABLE A.2
JOB CENTER DATA FOR FAMILY ASSISTANCE ADULTS, AS OF 11/25/01

Job Center	Total Adults	Percent Engageable	Percent of Engageables in:			
			Employment	WEP	Other Activity	Sanction Process
BRONX REGION						
Bergen JC	7,900	86%	23%	14%	12%	41%
Concourse JC	5,687	90%	34%	10%	9%	35%
Crotona JC	8,990	88%	34%	8%	11%	35%
Fordham JC	3,918	88%	29%	8%	13%	34%
Melrose JC	9,178	79%	27%	9%	13%	37%
Rider JC	63	73%	4%	4%	4%	41%
BROOKLYN REGION						
Bayridge JC	2,533	90%	43%	8%	12%	29%
Bushwick JC	4,026	87%	28%	13%	11%	37%
Coney Island JC	3,339	83%	27%	14%	13%	36%
Dekalb JC	4,860	88%	29%	14%	12%	36%
Euclid JC	4,781	89%	29%	13%	12%	35%
Fulton JC	4,539	89%	26%	10%	12%	41%
Greenwood JC	2,550	77%	30%	9%	9%	43%
Linden JC	4,568	88%	28%	11%	12%	39%
MANHATTAN REGION						
Dyckman JC	3,281	80%	15%	14%	16%	41%
East End JC	2,285	81%	7%	15%	12%	53%
Hamilton JC	2,551	83%	7%	11%	18%	49%
Refugee JC	1,959	91%	47%	9%	17%	17%
Seaport JC	250	82%	17%	13%	18%	41%
St. Nicholas JC	3,920	94%	85%	3%	2%	9%
Waverly JC	1,605	78%	8%	14%	18%	43%
Yorkville JC	1,708	79%	9%	13%	18%	42%
QUEENS REGION						
Jamaica JC	3,890	84%	22%	11%	13%	41%
Queens JC	5,634	81%	33%	11%	11%	35%
Queensboro JC	398	15%	56%	7%	5%	20%
Rockaway JC	1,601	87%	20%	8%	12%	41%
SPECIAL NEEDS REGION						
Riverview JC	91	87%	15%	22%	6%	24%
Residential Treatment Service Center (RTSC)	138	100%	2%	0%	92%	6%
STATEN ISLAND REGION						
Richmond JC	2,107	83%	27%	8%	13%	37%
CITYWIDE	102,453	85%	29%	12%	12%	35%

Source: HRA JOBSTAT and Engagement Reports. Individuals needed at home not counted as engageable.

**TABLE A.3
JOB CENTER DATA FOR SAFETY NET ADULTS, AS OF 11/25/01**

Job Center	Total Adults	Percent Engageable	Percent of Engageables in:			
			Employment	WEP	Other Activity	Sanction Process
BRONX REGION						
Bergen JC	2,655	15%	11%	23%	26%	21%
Concourse JC	289	70%	15%	15%	15%	26%
Crotona JC	471	63%	11%	14%	24%	26%
Fordham JC	162	60%	16%	17%	15%	30%
Melrose JC	3,092	19%	13%	15%	23%	25%
Rider JC	7,935	65%	5%	24%	21%	25%
BROOKLYN REGION						
Bayridge JC	1,617	45%	8%	19%	31%	20%
Bushwick JC	1,762	73%	7%	25%	27%	20%
Coney Island JC	2,446	42%	5%	24%	29%	21%
Dekalb JC	2,267	74%	4%	25%	27%	21%
Euclid JC	1,912	73%	5%	20%	29%	24%
Fulton JC	1,461	67%	7%	22%	23%	26%
Greenwood JC	2,575	26%	7%	20%	30%	21%
Linden JC	1,961	68%	5%	21%	29%	20%
MANHATTAN REGION						
Dyckman JC	1,306	55%	9%	22%	22%	19%
East End JC	1,340	71%	5%	26%	29%	23%
Hamilton JC	1,422	69%	5%	22%	30%	20%
Refugee JC	1,236	67%	9%	9%	56%	12%
Seaport JC	351	67%	5%	22%	28%	26%
St. Nicholas JC	1,646	41%	32%	14%	22%	15%
Waverly JC	3,238	46%	5%	20%	34%	21%
Yorkville JC	1,791	69%	5%	25%	30%	18%
QUEENS REGION						
Jamaica JC	379	65%	11%	16%	17%	24%
Queens JC	828	51%	14%	15%	18%	30%
Queensboro JC	5,237	39%	6%	25%	23%	20%
Rockaway JC	754	67%	5%	23%	18%	22%
SPECIAL NEEDS REGION						
Riverview JC	774	81%	5%	13%	44%	21%
Residential Treatment Service Center (RTSC)	5,703	100%	2%	0%	93%	5%
STATEN ISLAND REGION						
Richmond JC	1,268	50%	6%	19%	25%	22%
CITYWIDE	65,952	56%	6%	19%	40%	18%

Source: HRA JOBSTAT and Engagement Reports. Individuals needed at home not counted as engageable.

APPENDIX B

ENGAGEMENT OF THE WELFARE POPULATION

**TABLE B.1
ENGAGEMENT OF PUBLIC ASSISTANCE ADULTS, 1994-2001**

	As of 12/19/94	As of 11/20/96	As of 4/1/99	As of 11/29/99	As of 11/27/00	As of 11/25/01
Total Public Assistance Adults	498,488	351,728	265,308	238,605	198,604	168,405
• Engageable	284,987	191,635	210,836	183,593	142,800	123,422
> Engaged or in Process	—	147,155	160,534	183,052	142,800	123,422
* Engaged	59,996	91,529	78,687	91,245	78,096	69,688
- Employed	11,166	12,829	20,419	31,926	30,143	27,187
- WEP	16,583	31,739	34,081	35,684	24,877	17,237
- Other Activity	32,247	46,961	24,187	23,635	23,076	25,264
* In Engagement Process	—	27,513	36,665	30,353	19,898	16,550
* In Sanctioning Process	—	28,113	45,182	61,454	44,806	37,184
> Unengaged	—	44,480	50,302	538	0	0
• Not Engageable	213,501	160,093	54,472	55,012	55,804	44,983
> Young Child at Home	86,564	59,596	1,444	1,158	3,835	1,436
> Other Needed at Home	14,990	4,862	9,223	9,084	6,266	5,698
> Age 60 or Over	13,842	11,724	10,863	10,600	9,582	8,480
> SSI, DASIS	32,667	36,267	25,889	26,962	24,912	23,725
> Temp. Exempt/Incapacitated	47,149	40,109	7,053	6,073	11,139	5,002
> Pending PRIDE Scheduling	0	0	0	1,135	70	642
> Other/No Determination	18,289	7,535	0	0	0	0
Family Assistance Adults	—	209,639	172,360	156,540	125,653	102,453
• Engageable	—	113,682	151,461	135,925	103,926	86,651
> Engaged or in Process	—	76,151	110,631	135,690	103,926	86,651
* Engaged	—	39,251	48,796	62,006	53,857	45,950
- Employed	—	11,005	18,821	30,199	27,968	25,106
- WEP	—	11,757	17,862	20,676	15,774	10,127
- Other Activity	—	16,489	12,113	11,131	10,115	10,717
* In Engagement Process	—	19,173	23,924	19,672	12,804	10,022
* In Sanctioning Process	—	17,727	37,911	54,012	37,265	30,679
> Unengaged	—	37,531	40,830	232	0	0
• Not Engageable	—	95,957	20,899	20,615	21,727	15,802
> Young Child at Home	—	59,596	1,382	1,102	3,741	1,361
> Other Needed at Home	—	—	7,617	7,361	4,990	4,638
> Age 60 or Over	—	1,238	1,434	1,454	1,090	735
> SSI, DASIS	—	5,619	7,043	6,652	5,373	5,589
> Temp. Exempt/Incapacitated	—	24,927	3,423	3,352	6,517	3,042
> Pending PRIDE Scheduling	—	0	0	694	16	437
> Other/No Determination	—	4,577	0	0	0	0
Safety Net Adults	—	142,089	92,948	82,065	72,951	65,952
• Engageable	—	77,953	59,375	47,668	38,874	36,771
> Engaged or in Process	—	71,004	49,903	47,362	38,874	36,771
* Engaged	—	52,278	29,891	29,239	24,239	23,738
- Employed	—	1,824	1,598	1,727	2,175	2,081
- WEP	—	19,982	16,219	15,008	9,103	7,110
- Other Activity	—	30,472	12,074	12,504	12,961	14,547
* In Engagement Process	—	8,340	12,741	10,681	7,094	6,528
* In Sanctioning Process	—	10,386	7,271	7,442	7,541	6,505
> Unengaged	—	6,949	9,472	306	0	0
• Not Engageable	—	64,136	33,573	34,397	34,077	29,181
> Young Child at Home	—	—	62	56	94	75
> Other Needed at Home	—	4,862	1,606	1,723	1,276	1,060
> Age 60 or Over	—	10,486	9,429	9,146	8,492	7,745
> SSI, DASIS	—	30,648	18,846	20,310	19,539	18,136
> Temp. Exempt/Incapacitated	—	15,182	3,630	2,721	4,622	1,960
> Pending PRIDE Scheduling	—	0	0	441	54	205
> Other/No Determination	—	2,958	0	0	0	0

Source: HRA Engagement Reports, PA Eligibility File.

**TABLE B.2
ENGAGEMENT AS PERCENT OF PUBLIC ASSISTANCE ADULTS, 1994-2001**

	As of 12/19/94	As of 11/20/96	As of 4/1/99	As of 11/29/99	As of 11/27/00	As of 11/25/01
Total Public Assistance Adults	100%	100%	100%	100%	100%	100%
• Engageable	57%	54%	79%	77%	72%	73%
> Engaged or in Process	—	42%	61%	77%	72%	73%
* Engaged	12%	26%	30%	38%	39%	41%
- Employed	2%	4%	8%	13%	15%	16%
- WEP	3%	9%	13%	15%	13%	10%
- Other Activity	6%	13%	9%	10%	12%	15%
* In Engagement Process	—	8%	14%	13%	10%	10%
* In Sanctioning Process	—	8%	17%	26%	23%	22%
> Unengaged	—	13%	19%	0%	0%	0%
• Not Engageable	43%	46%	21%	23%	28%	27%
> Young Child at Home	17%	17%	1%	0%	2%	1%
> Other Needed at Home	3%	1%	3%	4%	3%	3%
> Age 60 or Over	3%	3%	4%	4%	5%	5%
> SSI, DASIS	7%	10%	10%	11%	13%	14%
> Temp. Exempt/Incapacitated	9%	11%	3%	3%	6%	3%
> Pending PRIDE Scheduling	0%	0%	0%	0%	0%	0%
> Other/No Determination	4%	2%	0%	0%	0%	0%
Family Assistance Adults	—	100%	100%	100%	100%	100%
• Engageable	—	54%	88%	87%	83%	85%
> Engaged or in Process	—	36%	64%	87%	83%	85%
* Engaged	—	19%	28%	40%	43%	45%
- Employed	—	5%	11%	19%	22%	25%
- WEP	—	6%	10%	13%	13%	10%
- Other Activity	—	8%	7%	7%	8%	10%
* In Engagement Process	—	9%	14%	13%	10%	10%
* In Sanctioning Process	—	8%	22%	35%	30%	30%
> Unengaged	—	18%	24%	0%	0%	0%
• Not Engageable	—	46%	12%	13%	17%	15%
> Young Child at Home	—	28%	1%	1%	3%	1%
> Other Needed at Home	—	0%	4%	5%	4%	5%
> Age 60 or Over	—	1%	1%	1%	1%	1%
> SSI, DASIS	—	3%	4%	4%	4%	5%
> Temp. Exempt/Incapacitated	—	12%	2%	2%	5%	3%
> Pending PRIDE Scheduling	—	0%	0%	0%	0%	0%
> Other/No Determination	—	2%	0%	0%	0%	0%
Safety Net Adults	—	100%	100%	100%	100%	100%
• Engageable	—	55%	64%	58%	53%	56%
> Engaged or in Process	—	50%	54%	58%	53%	56%
* Engaged	—	37%	32%	36%	33%	36%
- Employed	—	1%	2%	2%	3%	3%
- WEP	—	14%	17%	18%	12%	11%
- Other Activity	—	21%	13%	15%	18%	22%
* In Engagement Process	—	6%	14%	13%	10%	10%
* In Sanctioning Process	—	7%	8%	9%	10%	10%
> Unengaged	—	5%	10%	0%	0%	0%
• Not Engageable	—	45%	36%	42%	47%	44%
> Young Child at Home	—	0%	0%	0%	0%	0%
> Other Needed at Home	—	3%	2%	2%	2%	2%
> Age 60 or Over	—	7%	10%	11%	12%	12%
> SSI, DASIS	—	22%	20%	25%	27%	27%
> Temp. Exempt/Incapacitated	—	11%	4%	3%	6%	3%
> Pending PRIDE Scheduling	—	0%	0%	1%	0%	0%
> Other/No Determination	—	2%	0%	0%	0%	0%

Source: HRA Engagement Reports, PA Eligibility File.

APPENDIX C
WEP AND OTHER JOB-RELATED PROGRAMS

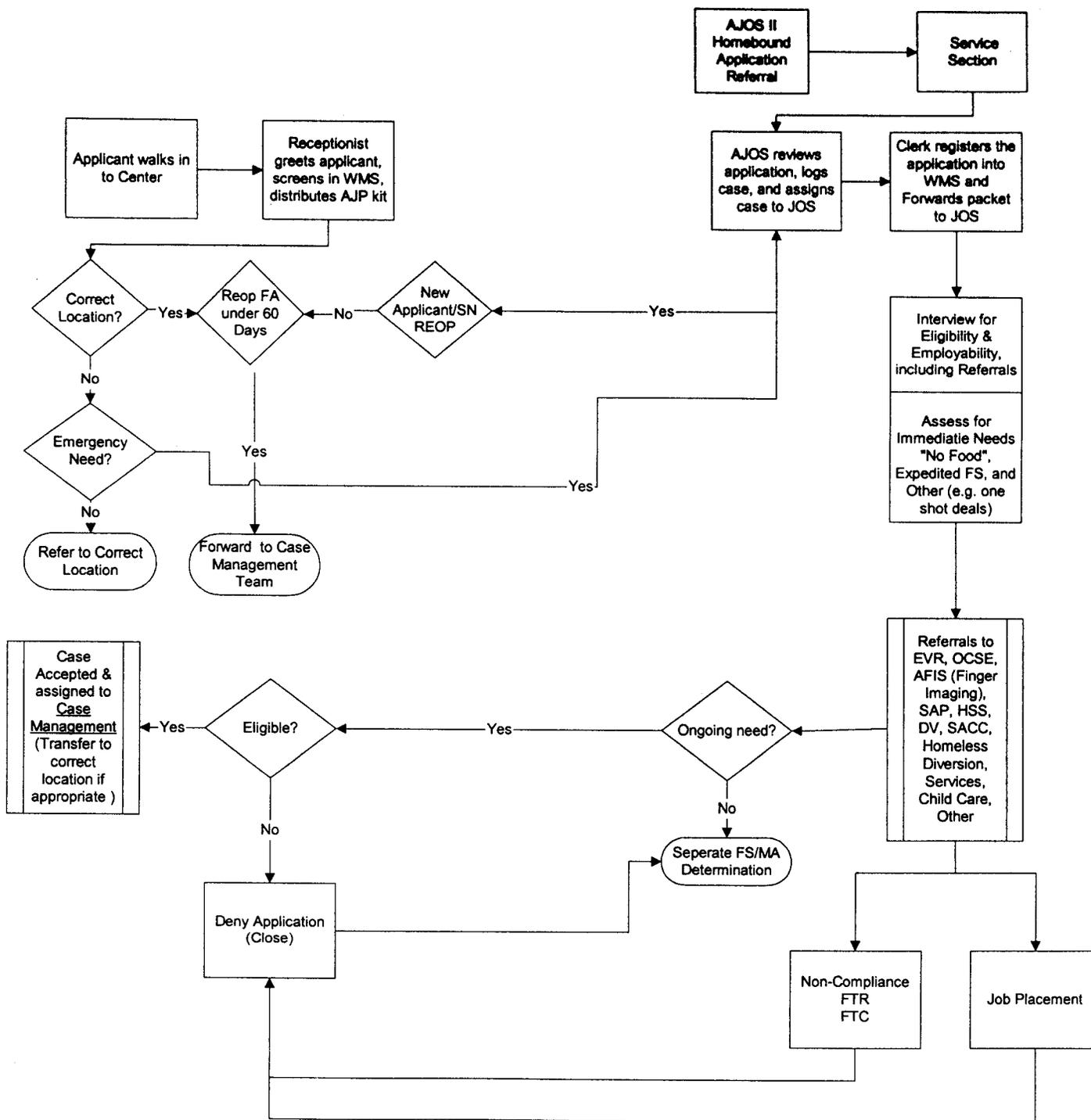
**TABLE C.1
WEP AND OTHER JOB-RELATED PROGRAMS, 1999-2001**

ALL PUBLIC ASSISTANCE	As of 4/1/99	As of 11/29/99	As of 11/27/00	As of 11/25/01
Total WEP Participants	33,127	35,684	24,877	17,237
WEP Basic (WEP Only)	28,657	27,110	5,829	2,058
<i>(% of total WEP)</i>	<i>87%</i>	<i>76%</i>	<i>23%</i>	<i>12%</i>
WEP & Another Activity	4,470	8,574	19,048	15,179
<i>(% of total WEP)</i>	<i>13%</i>	<i>24%</i>	<i>77%</i>	<i>88%</i>
-WEP & PRIDE	0	3,512	4,269	5,905
-WEP & BEGIN Managed Activities	0	0	4,553	2,058
-WEP Special	0	0	0	1,202
-WEP & Job Search	2,737	3,261	8,818	5,337
-WEP & Training	0	0	310	182
-WEP & Substance Abuse Treatment	1,733	1,801	1,098	306
-WEP/Substance Abuse/Job Search	0	0	0	189
-WEP/Substance Abuse/Training	0	0	0	0
FAMILY ASSISTANCE	4/1/99	11/29/99	11/27/00	11/25/01
Total WEP Participants	16,908	20,676	15,774	10,127
WEP Basic (WEP Only)	14,637	15,411	3,680	1,331
<i>(% of total WEP)</i>	<i>87%</i>	<i>75%</i>	<i>23%</i>	<i>13%</i>
WEP & Another Activity	2,271	5,265	12,094	8,796
<i>(% of total WEP)</i>	<i>13%</i>	<i>25%</i>	<i>77%</i>	<i>87%</i>
-WEP & PRIDE	0	3,406	2,838	2,822
-WEP & BEGIN Managed Activities	0	0	4,553	2,058
-WEP Special	0	0	0	973
-WEP & Job Search	2,217	1,652	4,224	2,662
-WEP & Training	0	0	310	178
-WEP & Substance Abuse Treatment	54	207	169	66
-WEP/Substance Abuse/Job Search	0	0	0	37
-WEP/Substance Abuse/Training	0	0	0	0
SAFETY NET	4/1/99	11/29/99	11/27/00	11/25/01
Total WEP Participants	16,219	15,008	9,103	7,110
WEP Basic (WEP Only)	14,020	11,699	2,149	727
<i>(% of total WEP)</i>	<i>86%</i>	<i>78%</i>	<i>24%</i>	<i>10%</i>
WEP & Another Activity	2,199	3,309	6,954	6,383
<i>(% of total WEP)</i>	<i>14%</i>	<i>22%</i>	<i>76%</i>	<i>90%</i>
-WEP & PRIDE	0	106	1,431	3,083
-WEP & BEGIN Managed Activities	0	0	0	0
-WEP Special	0	0	0	229
-WEP & Job Search	520	1,609	4,594	2,675
-WEP & Training	0	0	0	4
-WEP & Substance Abuse Treatment	1,679	1,594	929	240
-WEP/Substance Abuse/Job Search	0	0	0	152
-WEP/Substance Abuse/Training	0	0	0	0

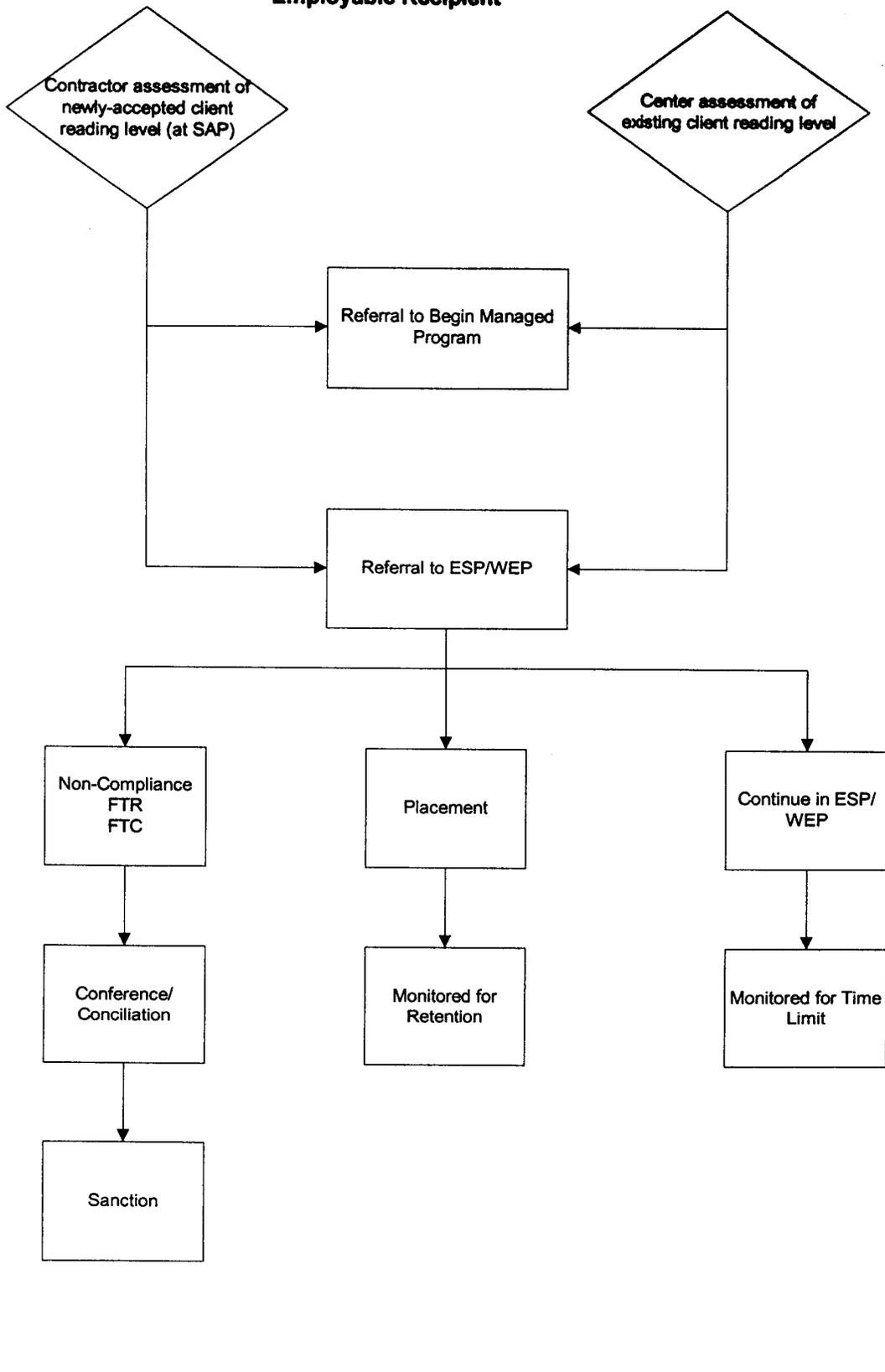
Source: HRA Engagement Reports.

APPENDIX D
CLIENT FLOW CHARTS

Job Center Applicant Flow



Employable Recipient



Client may request Fair Hearing at any point in process

Hard-to-Serve Clients

