This document explains how community work experience programs (CWEP) and publicly funded jobs (PFJ) can be used to help hard-to-serve welfare recipients meet the work requirements imposed by the Temporary Assistance for Needy Families (TANF) program. The document begins with a brief overview of available options for helping hard-to-serve welfare recipients meet work requirements. Section 2 discusses the following policy and program issues: (1) the purpose of CWEP or PFJ for hard-to-serve clients; (2) identification of the most appropriate form of subsidized employment; (3) characteristics of hard-to-serve welfare recipients; (4) identification of eligible hard-to-serve recipients; (5) determining when to place hard-to-serve recipients in CWEP or PFJ; (6) types of jobs appropriate for CWEP/PFJ participants with multiple barriers to employment; (7) ways programs can avoid displacing current workers; (8) ways of ensuring that programs are productive partnerships for employers; (9) support services needed by CWEP/PFJ participants; and (10) components that should be integrated into CWEP/PFJ positions to help employees make the transition to more permanent employment. Section 3 reviews the findings of research on CWEP and PFJ programs. Section 4 profiles eight innovative CWEP programs. The bibliography lists 12 resource contacts and 22 publications. (MN)
Community Work Experience and Publicly Funded Jobs—Helping the Hard-to-Serve Meet Work Requirements

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Community Work Experience and Publicly Funded Jobs – Helping the Hard-to-Serve

Meet Work Requirements

by Pamela Friedman

Background

While states have the authority under TANF to exempt a portion of their caseloads from time limits and work requirements, it is likely that many recipients classified as hard-to-serve will still need to find work, particularly in those states that stress a “work first” approach to welfare reform. Many will reach time limits having not yet found work, and as a result may lose all or part of their benefits.

To enable the hard-to-serve make the transition to unsubsidized employment, states may choose to focus on the development of work experience tools that can be used by recipients as a stepping stone to more permanent employment. These tools include Community Work Experience Programs (CWEP) and publicly funded jobs in the public or non-profit sector. In the context of this paper, community work experience positions are those for which welfare recipients receive their welfare check in return for work. Publicly funded jobs (PFJ) are wage paying positions supported with government funds. Participants in the latter qualify for the Earned Income Tax Credit (EITC) and are required to pay appropriate taxes.

This Issue Note builds upon the principles introduced in earlier Issue Notes on the hard-to-serve. For a more in depth discussion of the hard-to-serve, see WIN Issue Notes: The Hard to Place: Understanding the Population and Strategies to Serve Them (Kramer, January 1999), Job Retention and Career Advancement for Welfare Recipients (Kramer, September 1998), and Serving Welfare Recipients with Disabilities (Kramer, March 1998). This Issue Note also updates the WIN Issue Note on Work Experience and Publicly Funded Jobs Under TANF (Cohen, September 1998).

Policy Issues

In the past, many subsidized employment and work experience programs were criticized as nothing more than “make work” projects. For these programs to be effective in enhancing employment prospects for the hard-to-serve, state administrators must move beyond that limited approach and address a variety of issues.

What is the purpose of CWEP or PFJ for the hard-to-serve? Some states use CWEP and other employment programs as a means to identify recipients who will not comply with work requirements. Others use them as a safety net for recipients who would otherwise lose benefits for failing to meet work requirements. Still others use them to help recipients obtain the training and develop the work skills necessary to find and keep employment. Since the structure of the programs and the necessary support services will vary considerably based on the purpose of the program, it is important that this choice be made during the design phase, or that programs be monitored so
What form of subsidized employment program is most appropriate? PRWORA allows state agencies to use TANF funds to create both paid and unpaid work experience for TANF participants. Currently, most state programs have focused on unpaid CWEP programs. However, there is a growing interest in creating publicly funded wage-paying jobs. Publicly funded jobs may allow recipients better access to permanent positions because they more often resemble real work and generate references. They also allow participants to qualify for the EITC and earn Social Security credits. CWEP positions historically have been less expensive to administer than publicly funded jobs, and in almost every case did not result in increased earnings or steady employment for participants. The services needed to make them more effective (strategies designed to help participants develop good work habits and become more marketable) will likely add additional costs.

What are the characteristics of the hard-to-serve population? Kramer, 1998, and 1999, describe the variety of barriers encountered by the hard-to-serve which require a different intervention and varying levels of administrative support. State and local agencies need to understand the demographics and characteristics of their particular caseload in order to deal with such individuals. While all caseloads will include a number of the hard-to-serve, the mix and severity of problems will vary. Barriers may include substance abuse, domestic violence or chronic health problems. Sometimes traditional markers may be misleading. Someone defined as hard-to-serve may have a motivational problem as opposed to an educational deficiency. Specific caseload characteristics will determine how programs are designed. TANF recipients deemed to be hard-to-serve because of a lack of basic skills may need to be placed in programs that include a remedial education component. Those with psychological or social impairments may benefit from working one-on-one with a mentor.

Which hard-to-serve recipients will be eligible for the program and how will they be identified? Once program goals have been established, the state will need to determine which hard-to-serve recipients will be placed in employment programs and how to assess and assign individual recipients. Some states may choose to use CWEP or PFJs for all hard-to-serve recipients who have been on the roles for a specific period of time. Others may choose to focus on individuals with specific problems such as learning disabilities, substance abuse or a lack of employment history. The population selected will have an impact both on the types of jobs created and the types of supports required.

Iowa, which has a strict “work first” rule, assesses all applicants at first contact. Those deemed to be hard-to-serve (based on a lack of previous work experience, incidents of domestic violence, children with special needs or homelessness) are referred to the state’s Family Development Self-Sufficiency (FDSS) program. FDSS then tailors its support program to address specific family needs, such as working with the family to improve parenting skills or referring substance abusers to appropriate rehabilitation programs. Most referrals meet 3-5 risk criteria.

Because programs must be designed around the supports that will be required, Wisconsin’s assessment process includes a review of participants’ health status to identify temporary or long-term disabilities. If necessary, participants are sent for more formal health assessments outside of the system. Those found to be eligible for the W-2 Transition program are then placed in CWEP.

States may want to track recipients as they approach time limits. In order to accomplish this, some states have relied upon automated systems. In Maryland, the first group of recipients to reach the state’s 24 month work requirement time limit did so in January of this year. Beginning in July of 1998, local offices received lists, disseminated by the state Department of Human Services, of those
recipients who were approaching limits. The lists were broken out by who was and who wasn’t working. Clients not working were given appointments for one-on-one meetings with their case managers. Those coming in were assessed for participation in a state or locally defined work activity or placed in a program providing various supports for those with barriers to employment.

Pennsylvania has a 24-month work trigger, and began tracking non-exempt recipients involved in job search in June 1998. Prior to the work trigger, ninety, sixty and thirty day notices were sent out, and recipients who were not working a minimum 20 hours were called in to meet with case workers. Upon review they were either exempted or assessed in preparation for placement in state contracted, wage-based community service jobs.

The Vermont WRP program conducts an assessment of recipients 5 months prior to the state 30 month work requirement deadline to determine if participants have health-related problems that require medical certification.

When should hard-to-serve recipients be placed in CWEP or PFJ? Because hard-to-serve recipients may need more intensive services, states may want to use CWEP or publicly funded job programs early to aid TANF recipients. States choosing to do so must allow enough time for an effective program to adequately assess candidates, to identify and develop the job slots, and create the administrative procedures and supports required to operate their programs.

Illinois requires all TANF applicants to complete a 30-day job search prior to assessment and placement. Those who have not found unsubsidized work are assessed to identify possible barriers to employment as well as career interests, which are incorporated into a Responsibility and Services Plan. Recipients who are eligible for the state’s Targeted Work Initiative program or those who need additional work experience can choose either to participate in CWEP or in Work First, the state’s pay after performance program. Average participation in both programs is about seven months.

In Vermont, participants from single family households can volunteer for CWEP at any time in the process up to the 28th month. Once participants reach the state’s 30 month work requirement time limit, participation in wage paying community service employment becomes mandatory. Assignments can last for up to eleven months.

What types of jobs are appropriate for CWEP/PFJ participants with multiple barriers to employment? A variety of jobs will likely be needed to reflect the skills and experience of the targeted population. The assessment process may help identify these skills and allow the development of employment slots that can utilize them. Most recipients will need to be in positions where they can be carefully supervised or monitored. Program operators should strive to place participants in positions that will enable them to gain the skills needed to move into unsubsidized employment. States may want to develop a broad range of worksite activities that will enable participants to develop multiple skills. Program designers should also be sensitive to whether work assignments are appropriate to the participant’s personal history. Some problems like substance abuse or a criminal record may bar some TANF recipients from particularly sensitive positions.

How can programs avoid the displacement of current workers? PRWORA explicitly bars placing participants in TANF-funded jobs from which another individual is laid off or from which a worker has been fired to make a CWEP or PFJ slot available. In some cases, displacement may also occur if welfare workers replace people who quit or retire. Union representatives, where present, should be involved in the design and implementation of programs. In addition, states may want to
consult with employee representatives in an attempt to avoid areas of potential conflict. In all cases, displacement of low-wage workers should remain a concern.

The issue of displacement is currently being litigated under both state and federal legislation. States will want to remain current on the results of such litigation. See WIN’s Litigation page (www.welfareinfo.org/litigation.htm) or contact Victoria Wegener at WIN for updates.

How do you insure that this is a productive partnership for the employer? The value of having additional staff at no cost to the agency will further enhance its programs if work assignments are developed to meet agency priorities. It is important to create a program that will address the needs of the hiring organization as well as those of the employee. States might work in conjunction with hiring agency staff to assess organizational needs, including the number and types of positions available, and determine how the employment of TANF recipients can help meet these needs. For example, Oklahoma’s IndEx program, which is a non-profit subsidiary of the Tulsa Chamber of Commerce, contracts with local companies seeking to fill assembly and packaging positions.

Program staff might also provide assistance to employers to enable them to meet whatever needs arise in dealing with hard-to-serve participants. Assistance may be provided in a number of ways, including the provision of staff training and designating a contact person within the public agency who can intervene if problems with workers arise.

In hiring workers who require more supervision or other supports, case managers and administrative staff can play an important role in reassuring supervisors that the necessary supports will be available to help participants deal with personal problems. They can serve as a go-between, working with program operators to address issues relating to the participant’s ability to attend work regularly and on time, and to mediate any disputes that may arise between the participant and her supervisor. They can also work with participants to develop contingency plans if circumstances such as housing, family needs, or transportation problems prevent them from adhering to their work schedules, or if past barriers like substance abuse become an issue again. And, they can provide both recipients and employers with the available outreach tools and benefits to assist in the transition to unsubsidized work. It is also important to recognize the additional costs incurred by the hiring agency for equipment, supplies, services and supervision relative to the work slots created and attempt to minimize or reimburse those expenses.

In some instances, employers may prefer using publicly funded jobs over CWEP. Non-profits tend to be more comfortable with the former because participants are treated more like regular employees and there is less union opposition to these types of jobs.

What kinds of support services need to be provided for CWEP/PFJ participants? Child care and transportation have been found to play a major role in the continuity of work. A 1993 study of CWEP found that even when the skills and job interests of participants were considered in making job assignments, transportation availability was the most important factor for where participants were placed, (Brock, 1993). Developing contingency plans for child care and transportation with participants will enable them to adhere to work schedules.

A support person, perhaps a co-worker who can act as a mentor on job site issues, can provide intensive one-on-one guidance and regular follow-up with participants. Other models of mentoring help new employees balance home and work responsibilities, manage finances and develop professional work habits. Consistent contact with one person will aid participants in adapting to the work environment and help to reinforce soft skills like accountability.
Procedures designed to address and provide crisis intervention support in the case of domestic violence, family health needs and other problems also need to be in place.

What components should be integrated into a CWEP/PFJ position to assist the employee to transition to more permanent employment? Try to identify placements where the employer might consider hiring the participant if the placement is a success. Work assignments should provide participants the opportunity to develop marketable skills and the appropriate behaviors needed in the workforce. Work assignments can be used to build upon these skills by increasing challenges and job responsibilities. But they also need to provide training to meet them. States might consider implementing a remedial education program that incorporates specific work-related skill requirements as benchmarks and link it to the participants’ job responsibilities. Permanent staff can be encouraged to participate in skill development training as well.

Case managers may work with participants to design a personal development plan that addresses specific goals. A set of job-specific skills should be defined for each position. Assignments might also be designed to gradually increase participants’ productivity demands, attendance and punctuality, while assigning workers increasingly complex work responsibilities, and gradually decreasing the degree of supervision. Also, try to stress the development of soft skills like teamwork, the ability to communicate effectively with co-workers and supervisors, and dependability.

Case workers and mentors can play a vital role in helping participants understand how to apply skills learned in CWEP/PFJ to other occupations and in encouraging them to continue their job search.

Employers should encourage participants to take advantage of continuing education opportunities outside of the workplace. Consideration could be given to counting participation in such activities toward some part or all of the work requirement. Assistance in the form of financial resources and support services will help participants access these opportunities. Post-employment follow-up and support services, once a participant obtains unsubsidized work, can help to improve job retention. See Kramer, 9/98, for a range of strategies to support job retention.

Research Findings

There is a growing body of work that addresses specific characteristics of long-term welfare recipients and others who face multiple challenges to steady employment. For a detailed description of current research, see Kramer, March 1998, September 1998, and January 1999. Much has also been written on publicly funded employment for TANF recipients. For a current interpretation, see Johnson, May 1999.

In the past, CWEP programs were criticized because they did not develop participants’ skills, did not move recipients more rapidly off welfare, and did not result in permanent employment for participants. Programs with multiple components, designed to assist both those who can work independently and those who need close supervision, have been proven more effective (Brock, 1993). These findings reiterate the necessity of designing programs that enable participants to develop marketable skills, and for the continuation of various forms of wage subsidies and earnings disregards.

Community work experience programs are not new. Those developed under the New Deal and the CETA Public Service Employment program of the 1970s were designed as response to national economic conditions. Under AFDC, recipients could be required to work as a condition for receiving benefits, with the number of hours worked determined by dividing the grant by the minimum wage.
The Saturated Work Initiative Model (SWIM) operated between July 1985 and October 1987 sought to serve all AFDC recipients and therefore, a significant number of people with barriers to employment also participated. The model included a series of activities aimed at preparing recipients for entry into unsubsidized work. Recipients participated in job search activities and a three-month unpaid work experience followed by education and training for those who had not found unsubsidized work at the end of 90 days (Hamilton, 1989). A five year follow-up study (Friedlander, 1993) found that SWIM met program goals of imposing a serious requirement that eligible people participate in employment-focussed programs, increased employment and reduced AFDC receipt. But the program did not lead to better jobs, or a sustained increase in income.

A review of the research findings on early work experience programs sheds some light on the goals and objectives that can be incorporated into programs designed to meet current needs. One MDRC study (Brock, 1993), found that if such programs were designed to increase the employability of participants, they would require strong staff commitment, adequate worksite capacity and clearly articulated procedures. Prior to placement, participant skills and interests were assessed and matches were made with the needs of the sponsoring agency in mind. However, unpaid work experience rarely resulted in a consistent employment and earnings increase for participants, although supervisors felt that participants had improved their work skills and participants felt that they made a contribution on the job.

Supported work programs, run in conjunction with AFDC and otherwise, however, contained components, such as gradually increasing work demands, that can be incorporated into programs designed to serve TANF recipients. The Supported Work Demonstration, tested in the 1970s, targeted individuals with severe barriers to employment. Four hard-to-employ groups, including AFDC recipients, voluntarily participated in the subsidized work program. Program participants were closely supervised and gradually subjected to higher expectations on the job. They also received assistance in locating unsubsidized employment. AFDC participants were the most successful in finding regular jobs (35 percent) and were ten percent less likely than the control group to be receiving AFDC after three years. However, the program was significantly more expensive to operate than most PFJ programs, in part because participants spent a considerable amount of time (up to 12 months) in subsidized work (MDRC, 1980 and Bloom 1997).

**Innovative Practices**

Wildcat Service Corporation began as a supported work program and now serves a diverse population, including over 2,400 TANF recipients. Wildcat has strong links to the labor market and offers a variety of services to participants. The Private Industry Partnership program, currently in operation in New York, incorporates both paid work experience and CWEP into a 16-week vocational education and training component, which may lead to an unsubsidized placement. The program is being replicated in Baltimore. Contact: Jeffrey Jablow, 212-219-9700 x 5151, http://www.wildcat-at-work.org; Patrice Cromwell, 410-821-8114.

Over the next two years, Philadelphia@Work plans to place 3,000 of the hardest to serve TANF recipients (those with no recent work history), in wage-paying, skills-building jobs with public agencies or community organizations. Nearly 700 have been placed to date. Participants spend 25 hours at work and 10 in training for up to six months. The program is administered by the Transitional Work Corporation (TWC), whose staff identify job slots and serve as job coaches, aiding participants in finding unsubsidized work. Participants also receive transportation assistance and a child care subsidy from TWC. Contact: Richard Greenwald, 215-814-6600.
Participants in Tulsa's IndEx Program spend four hours per day in production jobs and four hours improving their basic skills. Most participants remain in the program for 60 to 90 days. Support services, in the form of an on-site counselor, are available. IndEx contracts with local companies and places participants who successfully complete the program. Follow-up services continue for up to a year. Contact: Roger Ayers or Virginia Ritchie, 918-587-5307.

In Vermont, participants can now choose to participate in CWEP at any time. However, at the end of time limits, if they haven't yet found unsubsidized work, recipients must meet their work requirements through participation in Community Service Employment (CSE). CSE participants receive a $90 per month reimbursement to cover their share of payroll taxes and other work-related expenses. Participants in both programs receive support in the form of child care and transportation assistance. The state absorbs the costs of umbrella workers compensation and general insurance, relieving the employer of insurance liability. Case managers make site visits to reconcile any differences that may arise between the employer and worker. Contact: Ed Cafferty, 802-241-2811.

Wisconsin Works (W-2) provides community work experience jobs for those who need to enhance their work habits and skills prior to permanent employment. Placements can last for up to six months during which time participants’ progress is assessed on an ongoing basis. Clients have access to job centers, and on-site job coaches may be available to assist participants in adapting to the work environment. Contact: Shari Bussey, 608-267-3316.

In New Jersey, the Cumberland County One Stop Career Center is responsible for tracking and assessing TANF recipients. A staff person works in conjunction with participating non-profit organizations to establish work experience opportunities for clients. TANF clients are interviewed by the host organization to determine suitability and sign a contract of participation. Case managers make periodic site visits. Participants receive a small stipend to cover transportation costs, and the county arranges childcare services. Host supervisors are required to submit monthly participant evaluations. Contact: Charles Thomas, 609-451-8920.

In Illinois, TANF recipients who qualify for the Targeted Work Initiative program (adults whose youngest child is 13 or older) and have not found a job, or those who need work experience, can opt to participate in Work First. These pay-for-performance assignments are with local businesses, community-based organizations or government agencies, and can last for up to six months. Childcare assistance, public transportation tokens or carfare, a $20 job search allowance and an additional $20 to cover personal work related costs are available for each month a participant is on a work assignment. Participants must also actively continue their job search. Contact: Carla Sheppard, Bureau of Financial Support Policy, 217-782-1239.

In Washington State, the Community Jobs Program is operated by community organizations under contract to administer the program at the local level and that serve as the employer of record. The program provides participants with paid temporary positions with state and local government agencies, tribal organizations and the non-profit sector. Contracting partners work with participants to develop an Individual Development Plan, which sets out goals and objectives for each participant while in the program. Participants are required to work for a minimum of 20 hours a week. They receive the state minimum wage (currently $5.70/hr and scheduled to increase to $6.50 next January) and are eligible for the EITC. Positions normally last up to nine months. Contracting organizations conduct assessments and placements. Participants are assessed to identify career goals and potential barriers to employment. In addition to identifying job slots, contractors have the authority to provide financial support to help meet the housing, health care and food and clothing needs of
participants. The contractor also provides case management support, following up with worksite supervisors and participants on an ongoing basis. Contact: Paul Knox, 360-586-8973.

For More Information...

RESOURCE CONTACTS


American Federation of State, County and Municipal Employees (AFSCME), Fran Bernstein, Policy Analyst, Department of Public Policy, 202-429-1155, www.afscme.org/afscme/pol-leg/welftc.htm

Center on Budget and Policy Priorities, Clifford Johnson, Senior Fellow, 202-408-1080, www.cbpp.org


Iowa Department of Human Services, Division of Economic Assistance, Family Development/Self Sufficiency Program, Linda Mont, Coordinator, 515-281-8259, www.dhs.state.ia.us

Maryland Department of Human Resources, Office of Policy, Research and Systems, Family Investment Administration, Richard Larson, Director, 410-767-7150, www.dhr.state.md.us

National Employment Law Project, Maurice Emsellem, Policy Director, 212-285-3025, emsellem@nelp.org

National Governors' Association, Susan Golonka, Program Director for Welfare Reform, 202-624-5300, www.nga.org

Pennsylvania Department of Public Welfare, Office of Policy Development, Noelle Cloud, Executive Policy Specialist, 717-772-8318, noellec@dpw.state.pa.us

Utah Department of Workforce Services, Karen Larsen, TANF Program Specialist, 801-468-0128, wscfam.klaresn@state.ut.us

PUBLICATIONS


Johnson, Clifford, M., Center on Budget and Policy Priorities:


Kramer, Fredrica D., Welfare Information Network:


States are looking for new strategies to provide former welfare recipients and the working poor with opportunities to achieve economic security. A new book, from NGA’s Center for Best Practices, explores options for coordinating state welfare, unemployment insurance and workforce policy to promote long-term employment. To purchase this report, call NGA Publications at (301) 498-3738 and order item # 24723 ($30 plus shipping and handling).
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