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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 95 LCM-109

Date: September 27, 1995

Division: Economic Security

TO: Local District Commissioners

SUBJECT: Education for Gainful Employment (EDGE) Transition Program.

ATTACHMENTS: A - EDGE Transition Allocations
B - Guidelines for Federal JOBS Reimbursement Rates
C - Planned Expenditure of EDGE transition Funds by
Provider
D - SSD EDGE Transition Summary
E - EDGE Provider Information Summary
F - Work Based Activities
G - Client-Program Accountability Requirements

All attachments available on-line.

I. Introduction

The New York State Department of Social Services (SDSS) and the New York State Education Department (SED) announce the availability of the next cycle of Education for Gainful Employment (EDGE) funding, to provide up to \$18 million to provide job placement, training and work related services and to begin to prepare for implementation of federal welfare reform. The EDGE transition will cover the period October 1, 1995 through June 30, 1996. Congressional proposals to reform the welfare system will significantly affect the design and operation of the JOBS and EDGE programs.

This EDGE program cycle will focus on the following principles:

1. Client job entry and job retention standards.
2. Meeting current and future participation requirements.
3. Use of work based activities.
4. Program and client accountability.

These principles will be described further in Section II. When selecting its EDGE providers, Local Departments of Social Services (LDSS') should carefully review the provider application package to ensure that they are suitable agencies for achieving the goals of the EDGE transition program. LDSS should identify program needs and begin dialogue with the provider community concerning these needs.

The EDGE application package has been developed to accommodate the likelihood of federal legislative changes which will alter local program design. LDSS' and providers must modify program activities during the initial 3 months of the EDGE transition period moving away from stand-alone classroom activities (e.g. basic education) toward work related activities and job placement. Job skills training may be included as a program activity provided it does not exceed 24 weeks. However, if federal legislation does not allow such training to be counted toward participation, LDSS' and providers will be required to phase out such services during the term of the program cycle. LDSS' and providers must view the EDGE transition program as a vehicle for modifying program activities and responding to greater levels of accountability.

The EDGE transition application package consists of Attachments C, D and E.

LDSS should submit two copies of the completed EDGE transition application no later than October 4, 1995 to:

Mr. Russ Oliver
EDGE Coordinator
NYS Department of Social Services
40 North Pearl Street, Section 10B
Albany, New York 12243-0001

LDSS representatives must ensure that funding levels for program activities and related budget details reflect their program needs and local requirements. Provider agencies will be required to submit FS-10 budget pages directly to SED's Office of Workforce Preparation and Continuing Education (address below) with copies to the LDSS. LDSS' should assure themselves that the budget details appropriately reflect their agreements with the EDGE provider. FS-10s will be submitted to:

State Education Department
Office of Workforce Preparation
and Continuing Education
EDGE Unit
Room 307-EB
Albany, New York 12234

SDSS and SED, EDGE staff are available to provide technical assistance to LDSS' and providers. If LDSS' have any questions about developing their EDGE transition application, they should contact Joseph Capobianco at 1-800-343-8859, extension 4-9299 or Russ Oliver at extension 6-7660. If EDGE or other providers have questions, they should contact Gary Krzeminski at (518)474-8700 or Darlene Egelston at (518) 474-5808.

II. Program Overview

The EDGE program will focus on the attainment of the four critical program goals listed below. Program plans must focus upon the transition from classroom activities to work activities. Program design must also recognize the need to coordinate job readiness activities, work experience and job placement. No education or job skills training activities may be offered as "stand-alone" without concomitant job readiness work activities or job placement elements. This improved program coordination will assist LDSS' in meeting participation rate requirements, while improving the client's opportunity to focus on work activities and employment.

EDGE Program Goals

1. Increased Focus On Job Entry - Each year LDSS' and programs such as EDGE continue to report increased numbers of job entries. While this success is recognized, the fact remains that many JOBS participants fail to see employment as an outcome of their participation in EDGE.

In order to increase the numbers of clients obtaining employment, each EDGE program must review client employability plans (EP) to ensure client employment goals are clearly specified. These goals and client progress towards them must be discussed with the client by LDSS and provider agency staff.

EDGE program managers must ensure that each teacher, case manager or work site coordinator impresses upon the client that employment is the focus of all EDGE activities. Program components which provide basic skills will only be funded if the clients are also engaged in a work activity. There must be a clear connection between the educational activity and job placement or job readiness service. Clients failing to successfully participate in programs because of attendance or satisfactory progress issues must be referred to the LDSS for appropriate action.

Job retention standards will be required in the transition period. Clients entering employment from direct job placement job clubs, job readiness activities will only be counted toward provider job entry targets if they remain employed for 30 days. Clients entering employment from job skills training must remain employed for 13 weeks. (Attachment G includes additional details concerning client and program accountability requirements.)

2. Assist LDSS' in Meeting ADC Participation Rates - In order for clients to be counted as JOBS participants, they must be scheduled for at least 20 hours of activity and be attending at least 75% of scheduled hours.

LDSS' and EDGE providers should coordinate programming to provide a combination of activities which will bring clients up to the 20 hour threshold. The EDGE application requests confirmation that EDGE clients will be scheduled to participate at least 20 hours per week.

Federal proposals under consideration limit those activities which can be counted towards participation to 1) unsubsidized employment; 2) subsidized employment; 3) OJT; and 4) community service programs (work experience). The ADCU population is currently limited to these activities. Since legislation being considered will include State participation rate requirements and fiscal penalties for failing to meet the rate effective October 1995, EDGE program services must be redesigned to reflect these changes. Services in the initial quarter of the EDGE transition period may reflect activities, such as basic education and job skills training. However, program design must change by the start of the 2nd quarter to reflect the new work orientation. The development of work based activities (see Attachment F) will result in LDSS' and providers transitioning clients from classroom settings to a work oriented setting.

Basic skills instruction may be offered only in conjunction with short term job readiness programs or work based activities.

3. Increased Use of Work Based Activities - To strengthen the clients' focus on employment and improve the coordination between classroom activities and work, LDSS' and EDGE providers should discuss the feasibility of linking classroom/job readiness activities with work based activities. These activities focus on

exposing clients to real work situations including activities such as job shadowing and internships.

A new EDGE program component entitled "Work Based Activities", will be included in the appropriate budget and planning document.

4. Improved Accountability - Field visits by SDSS and SED staff have identified "accountability" issues which require attention.

LDSS' and provider staff should review key steps in the employment program process (client referral assessment, participation tracking and job entry in order to identify gaps in the exchange of client information or failure to effectively use this information to make timely program decisions. LDSS' and provider agencies must develop local data exchange procedures and timely reporting of client progress. SED and SDSS will conduct an increased number of program audits to ensure data exchange procedures and reporting requirements are in place and utilized. Accountability is not merely a reporting exercise but rather an opportunity to use information to make sound decisions about client progress and program effectiveness.

EDGE provider reporting forms will be modified to track client participation. Providers will ensure that this information is available to LDSS'. Field visits and regional meetings will be held to discuss local data exchange and client tracking procedures. An outline of EDGE program accountability requirements has been included in Attachment G.

III. Overview - Key Features of EDGE Transition

- A. During the EDGE transition some features of EDGE IV are initially maintained, including:
 1. EDGE application development and submission by local districts.
 2. Funding Sources: Title IV-F (Federal); WEP - Welfare Education Preparation (State); EPE - Employment Preparation Education (State); and the funding mechanism from SED to local providers. This program is contingent on the continued availability of federal funds.
 3. Focus on entry to employment (EE) and retention as the goal and EE targets specified. Funding availability for future years will be based upon provider agency achievement of EE targets.
 4. AFDC target populations, goal of at least 20 hours participation per week, client tracking and reporting of attendance and satisfactory progress.

5. Development of worksite/classroom training combinations and the use of employment emphasis in order to make instruction more work related.
 6. All ADC employable (mandatory and volunteer) recipients are EDGE eligible. Although an individual who has a high school diploma or GED is not EPE eligible, this does not preclude them from being eligible for EDGE.
 7. All applications will be jointly approved by SDSS and SED.
- B. There are several new features of EDGE transition which distinguish it from prior cycles, including:
1. Adjustment of the level of the EDGE transition funds available to provider agencies based upon EDGE IV performance. Provider agencies failing to attain 70% of job entry targets will not be eligible for EDGE transition funding. Providers who achieve between 70% to 84% of job entry targets will only be eligible for 85% of their EDGE IV budget. District allocations may be reduced 10% for failure to achieve 85% of job entry targets county wide.
 2. Calculation of the EDGE transition EE target based on a per capita expense of \$3,500 per EE. This EE target should be viewed by LDSS and providers as the starting point for local planning discussions with a clear understanding that the LDSS establish a higher EE target than identified in Attachment A.
 3. Utilization of interagency case management services to coordinate services across EDGE and JOBS program components, in order to ensure a client focus on job entry and a staff focus on accountability.
 4. EDGE fiscal and program reporting by provider agencies to SED and LDSS'. Failure to submit timely program reports will result in interruption of payments of fiscal claims.
 5. Addition of EDGE Provider Information Summary (Attachment E) which require provider agencies to submit more detailed program information for SED via the EDGE transition application package.
 6. LDSS' and providers will be asked to confirm that JOBS clients involved in EDGE funded services will participate at least 20 hours per week.
 7. Addition of "Work Based Activities" component to strengthen the connection between classroom and work site (Attachment F).

8. Inclusion of additional EDGE program accountability requirement which details client and program requirements (Attachment G).
9. Elimination of basic education and job skills training as stand alone activities.

IV. EDGE transition Program Design

Participation - Work Activities, Job Entry - Accountability

The EDGE transition program design emphasizes moving clients to employment. Job readiness, job skills training and work based activities are provided to improve client's employability. LDSS and providers can provide follow-up services to clients who are employed part-time to assist them in staying employed.

It should be noted that even though specific entry to employment targets are identified in Attachment A, districts retain the discretion of assigning job entry targets based upon the nature of services offered by provider agencies. LDSS' may negotiate higher EE targets if the mix of services warrant it.

The EDGE transition allocation is predicated on EDGE IV performance. The EDGE transition EE targets will be calculated on a per capita basis of \$3,500 per EE, based on the total LDSS allocation. LDSS have discretion to determine if each EDGE provider agency will be assigned an EE target. The LDSS must assure that the county EE target is reached whether or not each provider has been assigned a target. LDSS' should work closely with provider agencies to maximize job entries and should periodically review provider performance in order to ensure job entry targets are met.

New job retention standards require EDGE provider agencies to track job placements and retentions and to report regularly to LDSS on the job placement roster. Individuals entering employment will not be counted towards job entry targets unless the job retention is verified. Job entry targets will be tracked separately for employment from direct job placement services (job clubs, job readiness) which has a retention standard of 30 days; job placements from job skills training has a retention standard of 13 weeks.

Staff and participants must be keenly aware of individual and program accountability issues. Clients must have a clear sense of their responsibilities regarding attendance, progress and participation in programs. Line workers, case managers and supervisors must reinforce positive client behavior and be prepared to work with the client to develop alternative program choices if they are not making satisfactory progress. LDSS' and provider managers must ensure data exchange procedures are in place and program data is promptly

reported. In particular, emphasis is placed upon the reporting of client job entries into the Employment Subsystem. Accountability is an ongoing use of information to make better decisions about client participation, program design, and interagency communications.

In order to assist LDSS' and EDGE providers, technical assistance activities will be undertaken to discuss accountability issues and related "good practices". These activities will help address specific information exchange and case management issues.

V. The EDGE Transition ALLOCATION

A. EDGE Transition Funding Sources:

Your LDSS EDGE transition allocation is provided in Attachment A. As in EDGE IV, the allocation is comprised of both federal and JOBS funds and State EPE (Employment Preparation Education) and WEP (Welfare Education Program) funds. The EDGE transition allocation is contingent upon the ability of the EDGE provider to generate sufficient EPE to act as a match for federal funds. Therefore, each LDSS will be assigned an EPE target. EDGE transition allocations are based on EDGE IV allocations with a reduction of 20%. However, allocation levels will be reduced by 10% in the event LDSS job entry counts fall below 85% of the EDGE IV target.

The EDGE transition allocations will only be available to the extent that Federal IV-F funds are available.

B. Flexibility in spending EDGE transition funds:

JOBS funds may comprise either 60% or 50% of an EDGE expenditure depending on the type of expenditure. A 60% federal reimbursement applies to costs of providing direct services to EDGE participants. A 50% federal reimbursement applies to costs other than direct services, but related to providing these services. (A description of 60% and 50% reimbursable expenditures is included as Attachment B). EDGE expenditures may not include payments made to EDGE participants.

In order to ensure adequate levels of direct program expenditure and to allow some flexibility as well, districts may allow as much as 8% of an agency's allocation to be spent on 50% reimbursable costs. LDSS' and provider agencies should be advised that use of activities which are reimbursable at a 50% matching rate will reduce the overall EDGE funding availability.

C. Continued EDGE Transition Funding

1. EDGE IV providers must meet a minimum of 70% of their EE target to be eligible for EDGE transition funding.

2. Providers who achieve between 71% to 84% of their EE target will be eligible for 85% of EDGE transition funding levels. Those achieving 85% or more of their EE targets are eligible for a full allocation.
3. LDSS allocations are based on the attainment of county wide EDGE IV EE targets which may include several providers. In order for a LDSS EDGE transition allocation to remain comparable to EDGE IV funding level, at least 85% of job entry targets must be met. Failure to achieve 85% of job entry targets will result in a 10% funding reduction for the county.

D. Flexibility in Operating EDGE Transition Activities

Local districts and provider agencies must recognize the EDGE Transition program has been instituted in order to enable local JOBS programs to respond to changes resulting from federal welfare reform and to improve accountability. EDGE program activities must involve strong local planning and on-going interagency coordination for a successful transition to block grant welfare reform approach.

VI. The EDGE Application

Each application must include the following items:

- _ LDSS EDGE Transition Summary (Attachment C); and,
- _ Planned Expenditure of EDGE Transition Funds by Provider (Attachment D);
- _ EDGE Provider Information Summary (Attachment E).

A. LDSS EDGE Transition Summary (Attachment C)

This summary should reflect information from all EDGE transition funded provider agencies.

B. Planned Expenditures of EDGE transition Funds by Provider (Attachment D)

This form is to be completed by each EDGE transition provider agency in order to specify how EDGE transition funds will be spent. The budget should project expenditures from October 1, 1995 through June 30, 1996.

Please note that the number of participants to be enrolled must be specified for each EDGE funded activity.

C. EDGE Provider Information Summary (Attachment E)

Each EDGE provider must complete this form. It must be included with the local district's EDGE transition application package. EDGE providers should direct any questions regarding this summary to Gary Krzeminski at (518) 474-8700. Samples to assist providers in completing this attachment have not been included in this package but will be made available by SED.

D. Coordination with EPE AID Application

Effective July 1995, agencies eligible to generate EPE State Aid during 1995-1996 will be required to complete a new EPE Aid application. The new application requires applicants to provide detailed program and budget information about each program or course that will be used to generate EPE.

It is critical that EDGE program administrators or coordinators meet with the individual from their agency who is responsible for completing the EPE Aid application to ensure that the EPE EDGE questions are completed. For planning purposes, each EDGE provider agency must plan to be assigned 75% of the SAME EPE target for EDGE transition that they had in EDGE IV. In addition, for EDGE EPE generating courses, EDGE providers will submit course outlines and budgets for these courses as part of their EDGE transition application -- not as part of the EPE application.

VII. ACCESS Agencies and Consortia

The EDGE Transition Program will continue to provide support for ACCESS Agencies and Consortia. EDGE funds are allocated to ACCESS Agencies and Consortia to ensure that they place a priority on serving ADC recipients. These funds are used primarily to support case management, career counseling and job development/placement services.

In some ACCESS sites, rather than a single agency providing comprehensive services, a lead education agency will network with other service providers to ensure that a full range of services is available to adult students. These initiatives are referred to as ACCESS Consortia.

Questions concerning this release may be directed to Joseph Capobianco at 1-800-343-8859 or (518) 474-9299 or Russell Oliver at (518) 486-7660.

Patricia A. Stevens
Deputy Commissioner
Division of Economic Security