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| LOCAL COMMISSIONERS MEMORANDUM |  
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Transmittal No: 93 LCM-96

Date: August 4, 1993

Division: Economic  
Security

TO: Local District Commissioners

SUBJECT: Child Assistance Program (CAP) Expansion

ATTACHMENTS: Attachment 1: Child Assistance Program Contacts  
available on-line  
Attachment 2: Child Assistance Program General  
Information - not available on-line  
Attachment 3: Child Assistance Program Budget Summary  
available on-line

REQUEST FOR PROPOSALS  
CHILD ASSISTANCE PROGRAM (CAP) DEMONSTRATION  
JULY 1993

Introduction

The New York State Department of Social Services is pleased to announce that it is seeking proposals from local social services districts for a limited expansion of the Child Assistance Program (CAP) demonstration.

CAP is a cash benefit and support services program that provides a real alternative to the current system of welfare for single parents and their children. Going well beyond current statute and practice, CAP provides single AFDC parents with positive financial incentives to work and affirm the duty of absent parents to support their children.

CAP offers a carefully designed program built on intensive case management, non-traditional service delivery and a benefit structure which incorporates positive incentives for a participant to become self-sufficient. The CAP benefit is approximately two-thirds of the AFDC benefit and is provided only on behalf of those children covered by a child support order. CAP's benefit logic is structured so that CAP is financially advantageous over AFDC only when the custodial parent has earnings of approximately \$350 per month or more. A more favorable budgeting of earned income allows the CAP family to combine earnings and the CAP supplement to escape poverty. The average CAP participant's total household income is 125% of poverty and is derived primarily (65%) from the custodial parent's earnings (\$684 per month) and the absent parent's contributions (\$89 per month).

CAP is currently operating in seven counties in New York State. Approximately 4,000 families have participated, with almost 2,000 currently enrolled in the program.

The long range impact of CAP is being examined in an independent evaluation by Abt Associates, Inc. Abt is using an experimental design to study the effects of CAP on behavior with respect to seeking work and child support orders, and on the cost of the program relative to AFDC. In addition to studying CAP's impact on the lives of participants, the evaluation includes a cost-benefit study, an examination of the effect of providing food stamp benefits in cash rather than coupons and an implementation/process study.

The final report on program impacts is based on two years of clients' exposure to CAP. The evaluation finds that CAP had significant positive impacts on participants' earnings, support orders and total income:

- o CAP raised participants' average earnings by 27 percent;
- o CAP led to a 25 percent increase in the chance that a family would obtain support orders for all children who lacked them; and
- o CAP increased total two-year family income by 4 percent and significantly increased a family's chance of having an above-poverty income.

CAP has been able to achieve these impacts without causing any significant increase or decrease in the amount paid in government assistance benefits during the two years. This positive experience argues for an expansion of the program to additional social services districts throughout New York State.

### CAP Expansion Plan

The Department anticipates selecting three local social services districts in which to expand the CAP demonstration. Selection will occur in September of 1993. Selected districts should be prepared to begin implementation planning immediately after being notified of selection. Districts will be implemented on a one month staggered basis beginning in February 1994, with all three districts operational by April 1994.

Districts should be aware that due to federal evaluation requirements, a portion of their caseload may have to be excluded from CAP participation. Specific evaluation requirements are currently being negotiated with the United States Department of Health and Human Services. When finalized, these requirements will be communicated to interested districts.

### Funding

Upon selection the Department will negotiate and approve a local CAP administrative budget. The budget will be dependent on the district's size and the scope of the proposed pilot. We anticipate selecting demonstration sites with gross yearly administrative budgets of between \$200,000 and \$600,000.

The Department will fund 100% of the non-federal share of the approved CAP administrative budget. Program expenditures for CAP participants will be met at the normal AFDC rate of reimbursement.

### Proposal Content/Selection Criteria

Districts interested in participating in CAP are invited to submit proposals not exceeding ten typed pages in length. Proposals will be evaluated based on the ability of a local social services district to address the following factors in establishing a CAP demonstration site:

1. Understanding of the goals and philosophy of the CAP demonstration.

Applicants should provide evidence that they have a clear understanding of the need for the CAP demonstration, the goals the program is trying to achieve and the philosophy that governs the methods CAP employs to achieve those goals. Districts that have contacted or visited current CAP sites should be in a better position to demonstrate they have this knowledge.

2. Agency Commitment

To successfully implement a CAP demonstration site requires the coordination and active commitment of a number of internal units within a local district. Each unit must respond to the

challenge of providing enhanced service, beyond the scope of their current duties, to enable the CAP unit to perform effectively. To ensure this level of commitment, applicants should demonstrate the following:

- o That the CAP demonstration is an agency priority and management is committed to the success of the project;
- o That the district will commit a top level manager who will be responsible for implementation of the program. The manager should be of sufficient authority to ensure that actions required of various units throughout the local district will be carried out;
- o That the district is willing to establish an implementation team, immediately upon selection, that will be responsible for the establishment of the project;
- o That the district has prepared a project workplan detailing major activities and time frames for completion; and
- o That the district demonstrate that each internal unit, including Economic Security, Employment, IV-D and Child Care, is capable of providing the necessary support to further CAP's goals.

### 3. Organizational Structure

In 1988 the Department implemented the CAP demonstration giving local social services districts a great deal of flexibility in organizing and staffing their pilots. Based on the operation of these pilots, the evolution of the program and the experience of our local providers, we believe the most effective CAP organizational structure would contain the following elements:

- o That the CAP site be located in a separate non-welfare like office setting. The office should be accessible with extended office hours;
- o The site be staffed with an on-site CAP coordinator that possesses strong managerial skills;
- o The CAP coordinator reports to a senior manager able to ensure the resources/actions of other units in the LDSS;
- o Case managers have anticipated undercare caseloads of no more than 50 - 75 cases. This size caseload takes into consideration the other activities case managers must perform, including outreach and working with CAP aspirants (an aspirant is an AFDC recipient trying to enter the CAP demonstration) to remove their barriers to participation;

- o Case managers and supervisors have significant and recent experience working with public assistance cases and are particularly knowledgeable in both CAP and ADC budgeting; and
- o As part of the CAP unit, an on-site job developer and IV-D worker dedicated to working with CAP participants and aspirants.

4. In-kind Contribution

The Department will give preference to those social services districts that demonstrate their commitment to the program by providing an in-kind financial contribution. Examples of this type of contribution could be: the dedication of a job developer or IV-D worker at normal reimbursement; the provision of equipment; supplies; the assumption of rental cost; etc.

5. Additional Considerations

The district's relationship with the community, the employer/economic sector and the family court system can influence the success of a project. Preference would be given to applicants that demonstrate effective relationships with these parties. This can be shown in the following manner:

- o Letters of commitment from employers prepared/willing to work with the district in providing employment to CAP participants/aspirants;
- o The establishment of a community advisory board to provide advice on the direction of the project; and
- o Evidence that family court judges and hearing officers will be made aware of the program and will be encouraged to facilitate the processing of CAP cases.

The Department will also take into consideration such environmental factors as local demographics, the potentially eligible population base, and local economic conditions. We will seek to select districts so an appropriate cross section by geography and district size is represented.

Budget

In addition to the proposal narrative, applicants are requested to submit a budget proposal, inclusive of all operational costs, for a period of 12 months. Attachment 3 is a budget summary page in which applicants can list, by object of expense, their proposed budget costs. Applicants should also attach a short budget narrative that describes how each expense has been estimated. For example, personnel costs should be estimated by listing all

personnel by position, title, annual salary and the length of time during the program year that the position will be filled.

As indicated previously, preference will be given to applicants who demonstrate their commitment to the program by providing an in-kind contribution. These contributions should be indicated in column 2 of the budget summary and described in the budget narrative.

Submission of Proposals

Proposals should be submitted under the signature of the local social services district commissioner. To facilitate the evaluation process, applicants are requested to submit eight copies of their proposal. Proposals must be received no later than 5:00 pm on Thursday, September 2, 1993. Proposals should be delivered to:

Child Assistance Program Team  
Division of Economic Security  
New York State Department of Social Services  
7th Floor  
40 North Pearl Street  
Albany, New York 12243

Additional Information

Additional information may be obtained by contacting either Mark Solazzo (518) 474-9304 or Mike Warner (518) 474-9299.

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Oscar R. Best, Jr.  
Deputy Commissioner  
Division of Economic Security

Child Assistance Program Contacts

New York State Department of Social Services Child Assistance Program Division of Economic Security NYS Department of Social Services 40 North Pearl Street Albany, NY 12243	Mark Solazzo (518) 474-9304	Mike Warner (518) 474-9299
Albany County Department of Social Services Room 503 90 State Street Albany, NY 12207	Kevin McDermott (518) 436-0116	
Allegany County Department of Social Services P.O. Box 58 84½ Schuyler Street Belmont, NY 14813	Pat Schmelzer (716) 268-5068	
Chautauqua County Department of Social Services 200 Harrison Street Jamestown, NY 14701	Judy Calarco (716) 664-0993	
Monroe County Department of Social Services 255 N. Goodman Street Suite A Rochester, NY 14607	Jane Lynch (716) 256-4501	
Niagara County Department of Social Services P.O. Box 865 301 Tenth Street Niagara Falls, NY 14302-0865	Sharon Calabrese (716) 439-7611	
Suffolk County Department of Social Services 395 Oser Avenue Hauppauge, NY 11788	Bob Oliveri (516) 853-3861	
Ulster County Department of Social Services P.O. Box 1800 Kingston, NY 12401	Hermine Scheu (914) 331-7400 ext. 388	

Child Assistance Program  
Budget Summary

Column 1	Column 2	Column 3	Column 4
OBJECT OF EXPENSE	IN-KIND CONTRIBUTION	DEMONSTRATION FUNDS (100% REIMBURSEMENT)	TOTAL COST
A. Personal Services			
1. Personnel			
2. Fringe Benefits			
3. Total (Line 1 + 2)			
B. Non-Personal Serv.			
4. Consultants			
5. Travel			
6. Equipment			
7. Supplies			
8. Contractual Services			
9. Total (Lines 4 through 8)			
C. Other Expenses			
D. Indirect Charges			
E. Project Total (A + B + C + D)			