

OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

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| LOCAL COMMISSIONERS MEMORANDUM |  
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OTDA-4037EL (REV. 11/98)

Transmittal No: 00 LCM-13

Date: June 12, 2000

Division: Transitional Supports  
and Policy

TO: Local District Commissioners

SUBJECT: Proposals Requested for the Establishment of  
Transitional Opportunities Program (TOP) Offices/  
Units

ATTACHMENTS: None

INTRODUCTION: The SFY 00-01 Executive budget provides \$3 million in Temporary Assistance for Needy Families (TANF) funding for the establishment of local district TOP offices/units.

Depending upon the number of districts submitting proposals, OTSP may allocate the \$3 million by selecting/approving the best proposals submitted. Submission of a proposal does not guarantee a district a portion of the \$3 million allocation. Districts selected/approved to receive a portion of the \$3 million are expected to use a portion of their TANF Services Block Grant allocation to support their TOP office/unit activities. Districts who are not selected/approved for a portion of the \$3 million allocation may opt to submit a proposal to establish a TOP office/unit as part of their TANF Services Block Grant plan.

TOP offices/ units are to be structured to serve working TANF recipients (recipients with earned income budgeted) and clients who, due to earnings, have left TANF cash assistance within the past 12 months, but remain eligible for other forms of assistance and/or services that are designed to support working families. TOP offices/units will have two equally important priorities: 1) to provide the supports and services necessary to keep working TANF recipients employed and moving toward self-sufficiency, i.e., income sufficient to make them ineligible for cash assistance, and 2) to ensure that those who leave TANF with earnings that do not exceed 200% of poverty receive all of the transitional and ongoing assistance they need and are eligible for, e.g., low-income day care, Medicaid and/or transitional

Medical Assistance (TMA), Child Health Plus, Home Energy Assistance Program (HEAP), federal and State Earned Income Tax Credit (EITC), Non-Public Assistance (NPA) Food Stamps, and child support services. Additional information regarding the guidelines for accessing TANF services for families with income at or below 200 percent of poverty will be provided under separate cover. TOP offices/units shall be structured to allow clients ongoing access to these supports and services at a single entry point with extended office/unit hours designed to support working families.

NOTE: Cost Allocation Principles require that expenditures be allocated to all benefiting programs. Only costs allocated to TANF are eligible for 100% TANF reimbursement. Costs allocated to other programs (e.g., MA, Food Stamps), are subject to reimbursement under those programs.

In addition, none of the costs allocated to TANF can be used to supplant existing state or local funding. Current state/local funding must be maintained so that the TANF MOE imposed on states, including New York, is not further jeopardized.

TOP DESIGN: The establishment of TOP offices/units will require close intra and inter-agency coordination. At the State level, TOP will be administered by the Office of Temporary and Disability Assistance, and supported by the Departments of Labor, Health, and the Office of Children and Family Services. At the local level, TOP must be supported by a local district's Temporary Assistance, Employment, Child Support, Child Care, Medicaid, and Child Welfare Units.

The goal of the TOP office/unit is to identify and understand the specific circumstances of each family they are serving and to determine how those circumstances will impact the family's ability to achieve and maintain independence from the cash assistance system. The inclusion, and perhaps co-location, of community agencies/organizations that also serve the TANF/low-income population within a local district's TOP office/unit structure may serve to facilitate the delivery of specialized services necessary to address a family's specific circumstances. Examples of the types of specialized services that could be provided include, but are not limited to, family counseling services, mentoring, parenting skills, money management, and career counseling. Local districts are encouraged to include community agencies/organizations in their TOP design (see Criteria for Becoming a TOP District).

Local district TANF cases with earned income budgeted are to be administered by the TOP office/unit. Specific procedures for the identification and transfer of earned income cases to the TOP office/unit must be developed by the local district. Depending upon the size of a local district's earned income caseload, all cases could be transferred at program

start-up or, at local discretion, on a staggered basis over one to six months. In addition, a local district could submit a proposal to have their TOP office/ unit serve some, but not all, of their earned income cases. TOP districts will also be required to develop local procedures for TANF earned income cases who lose their employment, i.e., allow the recipient to remain in TOP for a period of time to encourage a quick return to an employed status or, transfer the recipient back to the Family Assistance Unit when the loss of earnings is reported.

To ensure that earned income cases receive the supports they need to remain employed and to ensure that these cases are closely monitored for self-sufficiency progress, TOP offices/units must be staffed appropriately. Staffing structures will be determined locally; however, a local district's proposed staffing structure will be given close scrutiny in the State's review/ approval of a local district's TOP submission. TOP offices/units are expected to be staffed by a mix of temporary assistance, food stamp, employment, child support, Medicaid, and child welfare workers or by a mix of staff who are able to perform two or more of these functions. A district's TOP proposal must include a proposed staffing structure, i.e., the number and functions of staff assigned to the TOP office/unit and the projected caseload per worker.

As all cases administered by the TOP office/unit will be employed cases, the TOP office/unit must offer extended and/or non-traditional office hours, e.g., opening early or closing late one to two days a week, and/or open some weekend hours, so that clients are not required to take time off from work to come into the agency.

To ensure that those recipients who leave TANF receive those benefits designed to support working families, TOP proposals should provide specific language as to how recipients/clients will access the services and benefits outlined in the Introduction section of this release, for example, TMA or separate determinations for Medicaid, and how such services will be assured if families lose employment within 12 months after their cash assistance case is closed.

**CRITERIA FOR BECOMING A TOP DISTRICT:** Any district that would like to participate in TOP must submit a TOP proposal to the Office of Transitional Supports and Policy (OTSP) for review and approval. The purpose of the TOP plan is two-fold. First, OTSP wants to ensure that all districts proposing to open a TOP office/unit have a complete understanding of TOP's priorities and goals. Second, depending upon the number of districts submitting proposals, OTSP may have to allocate the \$3 million by selecting the best proposals submitted. Districts that submit proposals that are not approved for a portion of the \$3 million funding may opt to use a portion of their TANF Services Block Grant Plan funding to establish a TOP office/unit. Information on the TANF Services Plan Block Grant will be provided under separate cover.

The proposal to be submitted to OTSP for TOP start-up funds should be no more than 10 pages and must include the following:

1. Demonstration of an understanding of TOP's priorities and goals

Districts must indicate in the plan's narrative that they have a clear understanding of TOP's priorities and goals. Districts may want to discuss current practices for working with earned income cases and how the TOP office/unit will improve their effort(s). Districts may also want to discuss how a TOP office/unit would improve district effort(s) to provide transitional supports and services to those families who, due to employment, leave cash assistance. In particular, districts should address how they will ensure continuation of Medicaid or other appropriate health coverage for families who are entitled to TMA or who are eligible under other criteria.

2. Agency Commitment

A successful implementation of TOP requires the coordination and active commitment of a number of internal units within a local agency. Each unit must be able to fully support the activities of the TOP office/unit. To demonstrate this level of commitment, a district's proposal should provide assurances that:

- TOP will be an agency priority and senior management will be committed to the success of the operation.
- The agency will commit a top level manager to coordinate the design, establishment, and operation of the office/unit. The manager should have sufficient authority to ensure that the support(s) required of various units throughout the agency are delivered.
- The agency is willing to establish a TOP implementation team that will assist in the design and establishment of the office/unit. The implementation team should include, but not be limited to, representatives from Temporary Assistance, Employment, Food Stamps, Child Support, Child Care, Medicaid, Services and Staff Development.
- The agency will prepare a draft workplan detailing major activities and timeframes for completion (the workplan should include an anticipated start date for the TOP office/unit).

3. Organizational Structure

The proposal should include a statement of the agency's commitment to:

- Creating a non-welfare like office setting.
- Establishing non-traditional office hours (e.g. early or late weekday hours and/or weekend hours that would allow clients to access the office/staff without taking time off from work).

- Keeping caseloads at a level that will allow workers to conduct pro-active case management.
- Ensuring that the TOP office/unit is staffed with personnel experienced in TA, FS, Medicaid, Employment, Child Support, Child Care, and Child Welfare issues.

4. Coordination of TOP with District's TANF Services Plan and CASP

TOP proposals should, to the extent possible, explain how clients served by the TOP office/unit will access those services funded through the District's TANF Services Plan and how other community agencies/organizations who serve the TANF/low income population will be used to support the TOP office/unit. In addition, to the extent possible, districts should use their CASP funds to support their TOP office's employment related activities, in accordance with their approved TOP plan.

5. Administrative Budget

As part of their TOP proposal, districts must submit an administrative budget with projected costs for the establishment of the TOP office. Costs for the establishment of the TOP office may include costs for leasing and/or remodeling new floor space, costs for remodeling existing floor space, and costs for utilities, telephone service, furniture and/or office equipment, supplies, etc.. Please note that capital improvements are not an allowable cost. These non-personnel costs must be cost allocated against any benefiting program. e.g., TANF, FS, Medicaid, Child Support, etc.. Those costs determined to be new TANF costs will be reimbursed with 100 percent TANF funding.

Personnel costs, i.e., salaries and fringes, must also be cost allocated against the programs noted above. However, if the district's establishment of a TOP office/unit requires the hiring of additional staff, or the reassignment of staff to provide new services, those costs allocated to TANF will be reimbursed with 100 percent TANF funding. Personnel costs related to the development of a district's TOP proposal should not be included in the district's proposed budget.

Costs reimbursed with 100 percent TANF dollars will not count against a district's administrative cap. For informational purposes, districts should include a second year budget for the TOP office/unit.

Districts that wish to use Medicaid Welfare Reform funding for TOP Medicaid activities should submit a revised plan to the Department of Health following the procedures outlined in 98-OMM/ADM-5. Such expenditures are not subject to the administrative funding cap.

REPORTING REQUIREMENTS/OUTCOME MEASURES: TOP is a service delivery design and has no program-specific reporting requirements. However, as all clients receiving service through the TOP office/unit are either current or former TANF recipients, all of the reporting requirements applicable to the TANF

program are applicable to TOP. In addition to the TANF reporting requirements, TOP offices/units will be required to submit quarterly reports to the Bureau of Transitional Programs. The quarterly reports, which will be designed with TOP district(s) input, will ask for data relative to the number of cash assistance cases being served, the number of non-cash assistance cases with income at or below 200% of poverty being served, the type(s) of services being provided, and outcome measures.

CLAIMING PRINCIPLES: Staffing for the TOP office/unit may include a number of employees from a number of functional areas. As a result, building costs (rent, remodeling, utilities, etc.) incurred for the operation of a TOP office/unit must be cost allocated to the benefiting programs. Local districts should use staff counts to allocate these costs. Local district staff assigned to the TOP office/unit should be charged to the function which their work represents (i.e., case management coded F1, Transitional MA coded F4, Food Stamps coded F7, etc.). Staff that work in more than one program area should be time studied. Non-personnel costs (i.e. equipment, furniture, telephone) that are identified with an employee should be coded to that employee's functional code. Common costs (i.e., supplies) should be treated as an overhead expenditure and allocated to the programs on a staff count basis. Costs allocated to non-TANF areas are subject to normal reimbursement rules. Specific claiming instructions will be provided at the time districts are notified of their plan approval.

#### SUBMISSION OF PLANS AND TIMETABLES

Questions regarding TOP and/or the development of a TOP plan should be directed to Michael Warner at (518)486-3380.

Plan proposals should be submitted to:

Shari Noonan, Director  
Office of Transitional Supports and Policy  
8th Floor  
40 North Pearl Street  
Albany, New York 12243  
Fax: (518) 402-3029

Plans must be received by OTSP by c.o.b. July 7, 2000.

Plans will be reviewed and rated by a team of State agency representatives.

A district's plan will be evaluated and rated on the following criteria:

- The extent to which the plan demonstrates a clear understanding of TOP's priorities and goals.
- The extent to which the plan explains how TOP will improve the district's ability to assist earned income cases achieve self-sufficiency.
- The extent to which the plan explains how TOP will improve the district's ability to provide a full range of transitional supports to families who, due to earnings, are no longer receiving a cash grant.

Date June 12, 2000

Trans. No. 00 LCM-13

Page No. 7

- Whether the plan contains all of the necessary assurances regarding agency commitment and how those commitments will be met.
- Whether a proposed annual budget was included and whether the plan as a whole justifies the amount requested.
- The plan is received by OTSP by the plan submission deadline.

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Shari Noonan, Director  
Office of Transitional Supports and Policy