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Local Commissioners Memorandum

Section 1

Transmittal:	08-LCM-13
To:	Local District Commissioners
Issuing Division/Office:	Center for Employment and Economic Supports
Date:	December 1, 2008
Subject:	Funding for Intensive Case Services for Noncompliant Families (ICS3)
Contact Person(s):	<p><u>Program Related Questions:</u> Libby McGinn (518) 486-6106 or Elizabeth.McGinn@otda.state.ny.us</p> <p><u>Fiscal Related Questions:</u> Regions 1-4 James Carroll 1-800-343-8859, extension 4-7549 or James.Carroll@otda.state.ny.us Region 5 Michael Borenstein 631-854-9704 or Michael.Borenstein@otda.state.ny.us Region 6 Marian Borenstein 212-961-8250 or Marian.Borenstein@otda.state.ny.us</p>
Attachments:	<p>Attachment A: Allocations Attachment B: Budget Instructions Form 1: Program Narrative for Noncompliant Participants Form 2: Program Narrative for Not Fully Engaged Participants Form 3: Budget Form for Noncompliant Participants Form 3A: Budget Narrative Form for Noncompliant Participants Form 4: Budget Form Not Fully Engaged Families Form 4A: Budget Narrative Form for Not Fully Engaged Families</p>
Attachment Available On – Line:	yes

Section 2

I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to inform social services districts (districts) that \$5.4 million in federal Temporary Assistance for Needy Families (TANF) funds are being made available to support services to noncompliant and other at-risk families in receipt of public assistance through the Intensive Case Services (ICS) program.

The ICS program seeks to provide enhanced outreach, case management and other services to help recipients of public assistance achieve economic independence and to ensure that program requirements appropriately address client circumstances. Intensive case services support district efforts to identify and address factors that may contribute to program noncompliance and to engage each individual in appropriate work or work-preparation activities to improve the economic well-being of families. Now beginning in its third program year, the ICS program has enhanced district's efforts to implement creative strategies to more accurately identify and address barriers to full engagement.

The program end date for ICS2 is December 31, 2008, with final claims due by February 15, 2009. The end date for the ICS2 program will not be extended.

This LCM includes base allocations for the ICS3 program and includes instructions describing the plan submission and approval process for districts to receive their respective allocations, a description of program goals and expected outcomes, and program reporting requirements. Base ICS3 allocations will be made available to districts, contingent upon OTDA plan approval, for the program period beginning January 1, 2009 through December 31, 2009, with final claims due February 15, 2010. OTDA may use prior year unexpended ICS funds to provide supplemental ICS allocations to districts to assist supporting program services for the January 1, 2009 through December 31, 2009 program period. Additional information on the supplemental ICS allocation should be available in March 2009.

II. Background

A primary goal of public assistance employment programs is to help adults enter the workforce to improve the economic well-being of their families. Additionally, the employment-related changes authorized by the Deficit Reduction Act of 2005 (Public Law 109-171) and the final TANF rule published by the Department of Health and Human Services on February 5, 2008 require the State and districts to meet effectively higher federal work participation rate requirements as of October 1, 2006. Each of these goals is hindered when adults who are able to work or participate in appropriate treatment/rehabilitation services to restore the ability to work are not actively engaged in appropriate job preparation or rehabilitation services.

Noncompliance with program requirements may be attributed to a number of factors. Research studies and outreach efforts conducted by some districts have indicated that certain individuals who are sanctioned for noncompliance with work requirements face barriers to participation that contribute to the lack of full engagement. For example, individuals may have work outcomes that are affected by cognitive functioning and physical or mental health conditions. In such instances, a referral for a vocational assessment or treatment may be highly beneficial to establish appropriate employment goals. In other instances, noncompliance may be due to factors such as lack of comfort relying on child care services, caretaker needs of household members, unreported employment or lack of motivation to secure financial independence.

Starting in SFY 2006-2007, New York has made a significant investment by providing a total of \$32 million in federal TANF funds to support intensive case services, including enhanced outreach and case management for noncompliant and not fully engaged participants, to ensure program expectations address client specific needs and to help adults best contribute to their family's well-being. Supporting district efforts to secure full engagement in appropriate activities for all public assistance recipients continues to be a priority for OTDA.

The \$5.4 million in federal TANF funds made available by this LCM includes \$3 million dollars available by the SFY 2008-2009 enacted State Budget and \$2.4 million in unspent ICS funds from SFY 2006-2007. OTDA may use prior year unexpended ICS funds to provide supplemental ICS allocations to districts to support services for the January 1, 2009 to December 31, 2009 program period and districts should refer to Section IV of this LCM for additional information on the methodology used to allocate funds.

These program awards are intended to allow districts to continue existing intensive case services and/or enhance current efforts to fully engage public assistance recipients through the provision of targeted services such as enhanced outreach efforts, comprehensive assessments, support services, home visits, and/or additional scheduled office visits to address individual and family issues. It is recommended that ICS service models emphasize the relationship between the case manager and client, have a high degree of face-to-face contact and use 'seasoned' staff members, as these approaches are useful in identifying and addressing factors contributing to an individual's inability to fully engage in work activities or other program requirements. Intensive case services also may include helping individuals access community services that may improve program participation.

III. Description of Services Sought

A. Eligible Participants

No changes have been made to the eligibility criteria required to be served through the ICS program. Participants served under the ICS Program must be eligible to receive TANF-funded non-assistance services and must be in receipt of TANF (case types 11 or 12) or Safety Net MOE (case type 16 or 17 with state charge code 63 or 64). This includes two-parent families eligible for TANF-funded non-assistance as described in 06 LCM-09. Eligible participants also must be:

- individuals who are noncompliant (subject to penalty or in sanction status for failure to comply) with work requirements, or
- individuals who are not fully engaged in countable work activities, including those employed part time (up to 20% of a district's allocation may be spent on efforts to target this population).

B. Program Goals

Services provided through the ICS program are intended to help identify the most appropriate set of activities and services for clients with the goal of helping adults who are capable of working to enter the workforce so they may improve the economic security of their families. Additionally, the services are intended to help each district and the State achieve the required work participation rates, which typically require full-time program engagement. Services funded under this initiative are intended to support these program goals by enabling districts to achieve contact with clients, identify the most appropriate service strategy for each client, and develop strategies to fully engage clients in appropriate work or work-preparation activities. For example, ICS funds may be used to enable districts or community-based organizations to conduct home visits or other enhanced outreach efforts that provide the opportunity to thoroughly explain program requirements, conduct in-depth assessments of family circumstances, and establish employment/self-sufficiency plans for families that are most appropriate.

Up to 20% of a district's allocation may be used to provide intensive case services to help eligible individuals who are not fully engaged in countable work activities to increase hours of program participation or work. For this population, ICS funds may be used to identify and address barriers to full-time participation and to develop strategies that will increase participation. For example, districts could elect to use up to 20% of the ICS allocation to support job development activities to help current part-time workers obtain full-time employment.

C. Services

All services provided with these funds must meet the definition of TANF non-assistance services (as described in 00 LCM-20 and federal TANF regulations at 45 CFR §260.31). Projects may continue to support services implemented under the SFY 2006-2007 and/or SFY2007-2008 ICS program, or to enhance or modify such services. At least 80% of each district's allocation must be used to support services targeting TANF-eligible, noncompliant participants and districts may use their entire allocation to serve this eligible population. Additionally, districts are permitted to use up to 20% of their allocation to serve eligible participants who are not currently subject to penalty, but who are not fully engaged in countable work activities, including recipients who may be working part-time.

Approvable program plans must include, but are not limited to:

- enhanced outreach to ensure that public assistance recipients fully understand work requirements, the impact of noncompliance on the family's ability to become financially stable, the reason(s) for sanction and the methods for curing the sanction, if any;
- enhanced assessments, such as in-home functional assessment, to investigate a family's barriers to program compliance, including unmet needs and how client/family barriers affect the individual's ability to engage in work or work-preparation activities; and

- enhanced case management services, including the development of or modification of employment plans that identify barriers to program participation, identify services including community resources recommended to help the family to address barriers to program participation and outline client expectations regarding program participation.

Other services that may help eligible participants increase participation in work or work-preparation activities include:

- specialized assessments, including vocational assessments such as a diagnostic vocational evaluation for individuals with work limitations and providing appropriate services for the ICS target population;
- helping eligible individuals navigate program requirements and address barriers which impact the individual's ability to participate in work activities, and to identify where there may be duplication of services or conflicting requirements and help coordinate program services;
- subsidized job opportunities, including supported work, for previously noncompliant individuals assessed to be ready to enter employment; and
- other services that support full participation in work or work-preparation activities. These services may include, but are not necessarily limited to: provision of a job coach; job development, including employer outreach; client mentoring to enable those who are working to increase hours of employment; and, expanded employability evaluations by a medical professional.

Intensive case services may be provided through a combination of home visits, office appointments, telephone contacts with families, mailed notices and the use of community-based organizations to support outreach and/or case management efforts. Districts should ensure that contact letters sent to noncompliant participants as part of the ICS program include information on the benefits of program compliance as well as the services that are available to help the individual address barriers and comply with employment requirements.

Districts are required to use **two different** methods for contacting families, including mail delivery, telephone contact attempts or home visit attempts before any action is taken to discontinue a family's public assistance benefits for failure to comply with an eligibility requirement that is included as a component of an ICS program plan. Districts that intend to use these funds to support home visits should review the requirements outlined in 18 NYCRR 351.28 and 95 ADM-24 to ensure the process that is developed is consistent with State requirements. For example, home visits should generally be scheduled in advance, consistent with the applicable requirements.

Note: The State appropriation language that authorizes the ICS program for the program period beginning January 1, 2009, specifically **prohibits the use of ICS funds to support anti-fraud related activities**. Therefore, ICS3 program plans and budget forms/narratives submitted in response to this LCM cannot include the use of ICS funds for anti-fraud related activities.

IV. Funding/Allocations

The base ICS3 allocations provided in **Attachment A** are based on a minimum allocation of \$5,000 to each district with the balance allocated using the same percentages of each district's share of noncompliant family cases receiving public assistance as compared to all such cases statewide used to allocate the SFY 2007-2008 ICS funds made available via 07 LCM-07. OTDA may use prior year unexpended ICS funds to provide supplemental ICS allocations to districts to assist supporting program services for the January 1, 2009 through December 31, 2009 program period. Additional information on the supplemental ICS allocation should be available in March 2009. However, the methodology used to develop supplemental ICS allocations may not provide an additional minimum allocation to all districts. For example, OTDA may use each district's share of the noncompliant, TANF-eligible caseload as a percentage of all such cases statewide to allocate the unexpended prior year ICS funds. Additional information on the supplemental ICS allocation should be available in March 2009.

District allocations are available beginning January 1, 2009 to provide services consistent with a plan approved by OTDA. The deadline for expending ICS3 funds is December 31, 2009 and final claims must be submitted by February 15, 2010.

V. Plan Format

Districts must submit plans consisting of a Program Narrative(s), Budget Form(s) and Budget Narrative(s) to OTDA for approval. OTDA staff will review the submission to determine that services are directly related to the provision of allowable program services and activities to eligible participants and that the minimum required level of intensive case services are provided.

A. Program Narrative (Form 1 for Noncompliant/Form 2 for Not Fully Engaged)

A program narrative will need to be submitted for each targeted population (see Forms 1 and 2). Each program narrative should not exceed five pages in 12-pitch font using standard one inch margins. Additionally, each program narrative should be comprehensive and address each of the following:

- a listing of the specific goals of the project for TANF-eligible, public assistance recipients;
- a description of the process that will be used to identify and refer TANF-eligible, public assistance recipients targeted for intensive case services;
- an explanation of the methods of outreach that will be used to initiate contact with TANF-eligible, public assistance recipients targeted for services, and identification of the two different types of outreach that will be used;
- a description of the case management services and other activities that will be provided following successful client contact;

- an estimate of the number of participants to be served during the program period;
- a list of the project staff (including provider agency staff as well as district staff) and their duties under the ICS program; and
- a description of the process that the district will use to collect and report ICS program outcomes.

Districts that opt to serve TANF-eligible participants who are currently compliant, but are not fully engaged in countable work activities, with up to 20% of their allocation will need to complete the separate program narrative (Form 2) to describe the outreach, case management and other services to be provided to this population and the respective budget form/narrative (Forms 4 and 4A), as described below.

B. Budget and Budget Narrative Forms: Forms 3 and 3A (noncompliant), 4 and 4A (not fully engaged)

The budget and budget narrative forms (see Forms 3/3A and 4/4A) should identify staff and services to be funded through the project and the estimated cost (see **Attachment B** for instructions regarding budget preparation). Additionally, a district may use no more than 20% of the funds to provide services to eligible participants in families who are not subject to penalty, but who are not fully engaged in work activities. If districts opt to serve both eligible populations, a separate budget form must be completed for each. The combined budgets should not exceed the total allocations included in Attachment A.

VI. Project Submission Process and Deadline

Completed proposals must be submitted by **December 20, 2008**, to be eligible for funding under this initiative. District allocations are available beginning January 1, 2009, for completed and approved plans. Completed proposals should be e-mailed by December 20, 2008 to Libby McGinn at Elizabeth.McGinn@otda.state.ny.us or mailed to the following address:

Ms. Libby McGinn
 NYS Office of Temporary and Disability Assistance
 Employment and Advancement Services Bureau
 40 North Pearl Street, 11th Floor
 Albany, New York 12243-0001

VII. Outcome Measures and Reporting Requirements

Districts currently report ICS Program Outcomes via the TANF Reporting and Control System (TRACS). The ICS3 program will use the **TRACS 2** system to report the number of participants served and other program related performance measures. Claiming information for districts receiving ICS3 funds is provided in Section VIII below.

OTDA will use the program outcomes and expenditures reported via TRACS2 to measure program performance and also may use such information to evaluate eligibility for additional funds that may become available. Furthermore, ICS program outcomes and expenditure data reported via TRACS2 also will be used to update the quarterly performance and expenditure data that is entered into the Performance and Accountability Matrices and posted on the OTDA website.

Districts participating in the ICS3 program will be required to report the following information on a quarterly basis to OTDA for **each** target population:

Participants served during reporting quarter

- Number of targeted participants successfully contacted (served).

Participants successfully contacted during reporting quarter

- Number of participants contacted by letter/call-in
- Number of participants contacted by phone call
- Number of participants contacted by home visit
- Number of participants contacted by other means

Engagement outcomes for reporting quarter

- Number of participants successfully engaged following contact
- Number of participants engaged in necessary treatment
- Number of participants that remain unengaged without good cause
- Number of participants with newly reported income
- Number of participants that remain engaged in work activities or necessary treatment in the quarter following placement

Cases closed during the reporting quarter

- Number of cases closed due to income from employment obtained during the reporting quarter
- Number of cases closed because district was unable to locate family
- Number of cases closed for failure to respond to outreach (excludes household's district was unable to locate)
- Number of cases closed because of newly reported income prior to reporting quarter
- Number of cases closed at the request of the family
- Number of cases closed for any reason other than those listed

Districts will receive more detailed reporting instructions for ICS3 funds with plan approval.

VIII. Claiming Instructions

Those districts that have their ICS3 plan approved will claim reimbursement for their expenditures using the following instructions:

The Special Project name is **ICS3**. The administrative and/or contracted costs associated with approved projects under ICS3 should be reported as F-17 functional code expenditures and claimed in a column labeled ICS3 on the Schedule D-17, "Distribution of Allocated Costs to Other Reimbursable Programs (LDSS-3274)." The information

from the Schedule D-17 is entered into TRACS where an LDSS-3922 Reimbursement Claim for Special Projects will be completed.

District staff working only part time on ICS3 must be time studied and only those costs should be charged to ICS3.

The LDSS-3922 for ICS3 should be submitted on a monthly basis to the Bureau of Financial Services using the TRACS system. Districts must retain the signed LDSS-3922 which supports the ICS3 claims submitted via TRACS for audit purposes. Instructions for completing the Schedule D-17 are found in Fiscal Reference Manual (FRM) Volume 3, Chapter 18. Instructions for completing the LDSS-3922 are found in FRM, Volume 2, Chapter 3.

The costs should be reported on the LDSS-3922 in the “Administration Costs” and “Total Costs” columns and claimed at 100% federal share. Reimbursement for all expenditures is available up to the limit of the approved project budget.

The starting date for expending these ICS funds is January 1, 2009 and the deadline is December 31, 2009. Final claims are due by February 15, 2010.

Questions of a fiscal nature can be directed to the OTDA Bureau of Financial Services by contacting:

Regions 1-4, James Carroll at 1-800-343-8859, extension 4-7549.

Email: James.Carroll@otda.state.ny.us

Region 5, Michael Borenstein at (631) 854-9704.

Email: Michael.Borenstein@otda.state.ny.us

Region 6, Marian Borenstein at (212) 961-8250.

Email: Marian.Borenstein@otda.state.ny.us

IX. Additional Information

Districts that intend to change the services supported by ICS funds must submit a plan modification to OTDA for approval within 30 calendar days of implementing such changes. The reimbursement of costs incurred under the ICS program continues to be contingent on OTDA’s approval of the district’s ICS plan in accordance with the requirements outlined in this LCM.

Issued By:

Name: Russell Sykes

Title: Deputy Commissioner

Division/Office: Center for Employment and Economic Supports