

2008 • 2009 • 2010
A Three-Year Comprehensive
Annual Report

Arkansas Temporary
Assistance for Needy
Families Program

THE INVESTING IN ARKANSAS FAMILIES

JOBS • EDUCATION • TRAINING • TRANSPORTATION • CHILD CARE

DEPARTMENT OF
WORKFORCE SERVICES
JOBS FOR PEOPLE. PEOPLE FOR JOBS.



Temporary Assistance for Needy Families
Arkansas Department of Workforce Services

CONTENTS

- 1. From the Assistant Director**
- 2. Introduction**
- 3. TANF: Family Safety Net**
- 5. Program Enhancements**
- 7. Employment & Advancement**
- 8. TANF ARRA Programs**
- 9. Program Performance**
- 17. TANF Expenditures**
- 19. Conclusion**
- 20. Glossary**



FROM THE ASSISTANT DIRECTOR

We are pleased and honored to present the Comprehensive Annual Report for the Arkansas Temporary Assistance for Needy Families (TANF) program, administered by the Arkansas Department of Workforce Services. The enclosed summaries provide

a snapshot of the agency's programs and their impact in the community. Through cash assistance, child care, transportation, workforce development training, education, and other supplementary services, we offer Arkansas residents a wide variety of benefits and services to address their needs and goals. These programs provide basic support and progressive tools to help our customers maintain stability, achieve self-sufficiency, and improve the quality of their future.

As legislatively mandated in Act 817 of 2011, this report provides a comprehensive overview of the Arkansas TANF program for federal fiscal years 2008-2010. In 2010, the program utilized TANF Emergency Funds to enter into sub-recipient agreements with our Department of Human Services (DHS) and Workforce Investment Act (WIA) partners, transitioned to a new Work Rate Calculator (WORC) reporting system, and participated in a state audit. Staff vacancies were left unfilled in light of budget restraints, requiring everyone to wear multiple hats and do more with less. We worked hard and we made a difference, as evidenced by the sampling of success stories shown throughout this report.

Despite serious cuts to funding allocations in 2010, the program provided valuable services to Arkansas residents in an efficient and timely manner. The TANF program continues to be the safety net for families and individuals experiencing a crisis or need, and we take this responsibility seriously. As we move forward, we face additional funding cuts and an increase in demand for services. While this presents significant challenges, we are dedicated to providing quality service and meeting the needs of our customers and the community.

This report reflects the significant success Arkansas has experienced in helping families become self-sufficient. It provides an analysis of program performance, program expenditures, and populations served by TANF services. We are committed to providing the best possible safety net of workforce development services and resources to the citizens of Arkansas.

Phil Harris, Assistant Director-TANF
Arkansas Department of Workforce Services (DWS)
November 2011

ACKNOWLEDGMENTS

Artee Williams, Director
Arkansas Department of Workforce Services

STATE AGENCY PARTNERS

Arkansas Department of Human Services
Arkansas Department of Higher Education
Arkansas Department of Career Education

TANF OVERSIGHT BOARD

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Joni Jones	Martha Robinson
DeLisa Shaw	

INTRODUCTION

In 1996, Congress created the Temporary Assistance for Needy Families (TANF) program. This \$16.5 billion a year block grant was enacted under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), which replaced Aid to Families with Dependent Children (AFDC) and other related welfare programs.

The Transitional Employment Assistance (TEA) program was implemented on July 1, 1997, in accordance with Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and Arkansas Act 1058, the Arkansas Personal Responsibility and Public Assistance Reform Act of 1997. The TEA program replaced the Aid to Families with Dependent Children (AFDC) program as the focal point of the state's welfare reform effort and plays a critical role in the state's mission to strengthen the well-being of children, families and adults.

Acts 1567 of 1999, 1264 of 2001, and 1306 of 2003 enacted other provisions to strengthen the Arkansas TEA program. Arkansas Act 1705 of 2005 transferred responsibility for the program from the Department of Human Services (DHS) to the Department of Workforce Services (DWS). Under this Act, responsibility for determining eligibility for the program and delivering cash assistance benefits remains with the DHS - Division of County Operations (DCO), while DWS is responsible for the provision of case management services and overall administration of the program.

Act 1705 also created the Work Pays program which is an extension of the TEA program for former TEA recipients who are working. DWS also has overall responsibility for Work Pays with eligibility determination and benefit delivery remaining with DCO. Both programs are funded with Federal Temporary Assistance for Needy Families (TANF) Block Grant funds and limited State General Revenue.



TANF FAMILY SAFETY NET

The federal Temporary Assistance for Needy Families program was created to help families stay together by empowering family leaders with job skills, resources, and assistance. With that in mind, TANF has four purposes:

- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage
- Reduce the incidences of out-of-wedlock pregnancies
- Encourage the formation and maintenance of two-parent families

Per Arkansas Act 514 of 2007, the state's TANF program is defined as Transitional Employment Assistance, Work Pays, Career Pathways Initiative, and the Community Investment Initiative. Arkansas created these new programs to meet or fulfill the four purposes of TANF. With these innovative programs, Arkansas has transformed public assistance from a system focused on entitlement to one focused on personal responsibility and sustained self-sufficiency.

Arkansas has two (2) monthly cash assistance facets to its TANF program: TEA and Work Pays.

ARKANSAS TANF BENEFIT STRUCTURE
Monthly - Family of Three

		As % of FPL		As % of SMI	
		Percent	Rank	Percent	Rank
Max Grant (No Income)	\$204	14.8%	49	6.6%	48
Max Earnings at Application	\$279	20.2%	49	9.0%	49
Earned Income Disregarded for Benefit Computation No disregards - flat grant amount					

TRANSITIONAL EMPLOYMENT ASSISTANCE (TEA)

The TEA program is a state-administered program that serves families in every political subdivision in the state. The TEA program is funded by federal funding from the U.S. Department of Health and Human Services under the TANF Block Grant and is administered by the Arkansas Department of Workforce Services. TEA provides time-limited cash assistance to needy families with (or expecting) children, and furnishes parents with work training and other supportive services they need in order to attain permanent self-sufficiency.

In 1996, the welfare reform law changed the welfare system into one that requires participation in activities leading to employment as a condition of receiving time-limited services. The TEA program also provides assistance to children being cared for by non-parental guardians, called child-only cases. TEA emphasizes work as the first step toward building a brighter future. We aim to help people secure employment and become self-sufficient through training, education, and work activities. The TEA program is federally funded through the TANF Block Grant, and provides cash support to needy families with dependent children. Financial assistance is based on family size, income, resources, and the ages of the children.

Families with minor children can receive TEA for a total of 24 months over a lifetime. Adult recipients are generally expected to become self-sufficient within that time limit.

ARKANSAS WORK PAYS

Arkansas Work Pays is a post-employment program created by Arkansas Act 1705 of 2005 and provides assistance to prior participants of the Transitional Employment Assistance (TEA) program. Families participating in the Arkansas Work Pays program will also be eligible for the same



support services and assistance as families enrolled in the TEA program, and shall receive a monthly cash assistance payment. The intent is to provide the necessary supports—workforce training, transportation, child care, family counseling, etc.—to help those at-risk families move up the economic ladder, achieve self-sufficiency and end dependency. Families participating in Arkansas Work Pays will receive a monthly cash assistance payment in the amount of \$204 for up to 24 months, provided they meet the Work Pays eligibility requirements. The 24 months will count toward the federal 60 month time limit but not the state’s TEA 24 month limit. This work incentive program may be limited to 3,000 families. This program was implemented in July 2006.

The Work Pays program—which allocated \$7.6 million for the current fiscal year—will ultimately save money, in part, by reducing the number of people who return to welfare. Currently, about 24,000 residents are receiving public assistance. From 1998—2004, about 40 percent of the people who left the welfare rolls returned within 18 months. Arkansas had 2,466 Work Pays cases during SFY2010, which was an increase of 1,200 from the previous year.

CAREER PATHWAYS

Career Pathways provides evidence of the state’s dedication and effort towards increasing the access to post-secondary education for our low-income citizens. Career Pathways is designed to meet the needs of low-income parents and non-traditional students to gain skills that lead to self-sufficiency by providing them access, at no cost, to educational, work-based programs offered through two-year colleges and technical institutions.

Services include tuition, fees, books, child care, transportation, and other support. All participants are required to apply for Pell Grants for which they are eligible. These funds are to be exhausted prior to the use of TANF funds.

COMMUNITY INVESTMENT INITIATIVES

Arkansas Act 1705 of 2005 authorized the Department of Workforce Services to contract with private or community organizations, including faith-based organizations, to offer services and supports to parents, children, and youth in their communities. The Community Investment Initiative focuses on improving outcomes for youth, parenting and family functioning, marriage and relationship skills, employment skills and family connections of parents who leave state jails and prisons and support services to child-only cases in the TEA program.

CPI PROGRAM HIGHLIGHTS	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	TOTALS AT END OF 2011
Enrolled *	2,233	3,750	7,834	9,627	10,017	9,909	22,439
Employability Certificates	111	205	1,234	3,039	2,119	2,049	7,207
Technical Certificates	72	204	437	751	754	793	2,298
Associate Degrees	57	221	406	616	763	880	2,259
GEDs	29	42	99	101	51	53	205
Certificate of Proficiency	228	249	598	660	736	662	2,058
*DATABASE ENROLLMENT REPORT FOR TOTALS AT END OF 2011		PROGRESS REPORT FY11 YR6	PROGRESS REPORT FY10 YR5	PROGRESS REPORT FY09 YR4	PROGRESS REPORT FY07 YR2	PROGRESS REPORT FY07 YR2	

PROGRAM ENHANCEMENTS

As part of our overall continuous improvement efforts, a number of TANF program enhancements were accomplished during the past year. These enhancements will prove invaluable in our efforts towards improving our overall service delivery to our program participants and partners.

TANF CASE REVIEW TRAINING

As part of the ongoing development of our TANF program Internal Control Procedures, TANF Case Review Training was provided to over 60 local office staff members. Utilizing a series of six (6) one-day sessions, staff completed this training designed to enhance the validity of our participant case data that is utilized in our federal Work Participation Rate calculations.

This training encompassed every facet of the case review process, including the review of both electronic and hardcopy case files as well as results reporting. This statewide training was provided to virtually all of our local office managers and TANF program supervisors.

TABE TEST TRAINING

During the third quarter of 2009, The Temporary Assistance for Needy Families program implemented training for the local office program supervisors and recommended staff members across the state of Arkansas to administer the Tests of Adult Basic Education (TABE). The TABE Administrators Training provided staff with a practical overview of how to plan and administer TABE, how to score and report test results, and how to interpret, communicate, and use the test results. The training was designed to enhance the local offices' ability to provide services to program participants. Dr. Charlotte Robertson, TABE Consultant and Trainer for the state of Arkansas, began the process

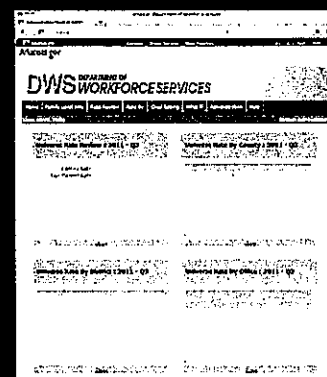
of conducting five (5) TABE Administrators Training classes for approximately eighty-seven (87) staff members across the state. The training of the staff increases the number of qualified proctors that are available to administer the test—in turn boosting the staff's ability to provide timely services to TEA program participants.



WORK RATE CALCULATOR (WORC) SOFTWARE DEVELOPMENT

During 2009, the TANF Division began developing a web-based version of the Work Rate Calculator (WORC) System.

This web-based system gathers and



maintains TANF program performance data, including work participation rates, that is transmitted to the federal government.

WORC provides:

- A tool to review participation rate data in a user-friendly manner (example—a method that facilitates the explanation of what makes up a calculated rate based on its numerator and denominator).
- A web-based version of the rate calculator business logic.
- A more robust method for the development and distribution of reports.
- A tool to review participation rates from statewide down to area worker, and to take corrective action when needed.

SUCCESS STORY



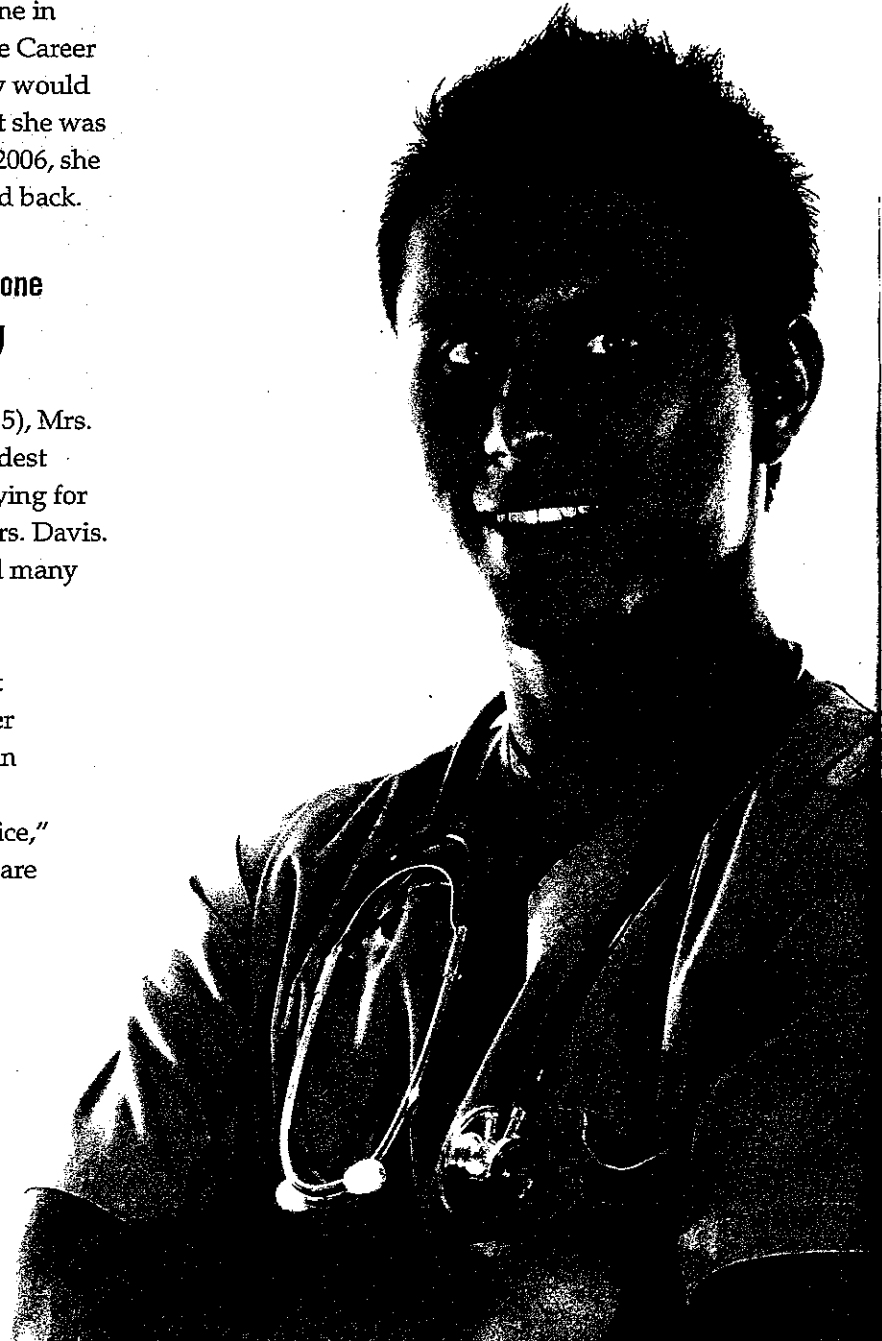
Gwen Davis Career Pathways Initiative

Gwen Davis had been working at her job for 11 years but saw no real future with the company. While talking to an advisor about her desires to do something more rewarding, she was encouraged to enroll at Phillips Community College. Her concern with the cost of going back to school prompted her advisor to refer her to someone in the Career Pathways program. After meeting with the Career Pathways counselor, Mrs. Davis learned that not only would her tuition and books be paid for by the program, but she was also eligible for transportation assistance. In August 2006, she enrolled in the nursing program and has never looked back.

“ When you enter, go in with the mindset that no one is going to stop you from achieving your dreams. ”

The married mother of four boys (ages 15, 14, 10 and 5), Mrs. Davis knew that it was not going to be easy. “My hardest struggle was losing many, many hours of sleep, studying for tests and managing to function the next day,” said Mrs. Davis. With the support of her family, Career Pathways, and many others, she graduated in May 2008.

Her short term goals are to pass the NCLEX and start working in her chosen field in order to move on to her long term goals. “I have to work at least 2,000 hours in the nursing field, and then I will apply for the Nurse Practitioner program through UAMS in Family Practice,” said Mrs. Davis. She also offers advice to others who are pursuing their dreams. “When you enter, go in with the mindset that no one is going to stop you from achieving your dreams. Know that the staff of the Southern Good Faith Fund program is really helpful and resourceful. If you have any questions concerning anything, please open your mouth and ask.” She adds, “Always, always do your best!”



EMPLOYMENT & ADVANCEMENT

SUPPORTIVE SERVICES

DWS is committed to providing quality services to TANF participants in order to promote self-determination, self-sufficiency, and positive outcomes for those in need of assistance. Some participants require additional assistance or services to address barriers which may delay or adversely affect their employment or employment-related activities.

A wide range of services are available as part of our holistic approach to address all barriers to employment and to provide a better quality of life for the participants and their families.

During Calendar Year 2010, DWS devoted almost \$1 million towards supportive services. These expenditures were in addition to those funds utilized for child care services.

TRANSPORTATION

As the chart indicates, transportation services (Transport Provider & Transport Client) accounted for almost \$550,000 of

the total funds spent providing supportive services to clients. Due to the rural nature of our state, transportation ranks as the highest need among our client population, after child care services.

In fact, two other transportation-related services, Vehicular Repair and Vehicular Down Payment Assistance, were the next highest expenditure categories.

CHILD CARE SERVICES

Child care assistance is the most needed support service of our client population. Consequently, Arkansas guarantees child care services for eligible participants, to the extent that it is necessary to complete their assigned work activity.

This guarantee is extended to any participant who exercises care and responsibility for a child under the age of 13 or a child under the age of 18 who is physically or mentally unable to care for himself, as verified by a physician or a licensed/certified psychologist.

In calendar 2010, an average of \$400,000 was spent each month for child care services for TANF participants. Additionally, DWS transferred \$7,500,000 to DHS for extended support child care services for low-income, former TANF participants.

WISE Expenditures Year to Date

Books, Education Supplies	\$361.01
Employer Required Screening	\$2,322.61
Tuition/ Education Fees	\$73,181.88
Fees, Licenses, etc.	\$1,391.95
Job Search Activities	\$0.00
Non-Medical Expense	\$150.00
Other	\$14,091.35
Rental Expense	\$0.00
Transport Client	\$145,358.06
Transport Provider	\$402,606.00
Uniform, Shoes, etc.	\$35,438.68
Vehicular Other	\$135,276.18
Vehicular Down Payment	\$85,187.49
Wage Subsidy	\$71,605.86

TANF ARRA PROGRAMS

The TANF Emergency Fund (ECF), authorized under the American Recovery and Reinvestment Act (ARRA), provided up to \$5 billion to states, tribes, and territories through September 30, 2010.

Arkansas submitted TANF Emergency Fund applications totaling \$6,574,682. Of this, \$6,053,210 was spent for three new initiatives: Winter Heat Assistance, Summer Youth Subsidized Employment, and Summer Food Nutrition.

Each of these initiatives represents examples of newly-developed collaborations with other government and non-government partners.

WINTER HEAT ASSISTANCE

Through an unprecedented partnership between DWS, the Department of Human Services, and the state's network of local Community Action Agencies, over \$411,000 of TANF Emergency Funding was utilized to provide winter utility bill assistance to hundreds of low-income Arkansas families.

Eligible families received a one-time payment in the amount of \$200 to assist in meeting their energy assistance needs. This program provided much needed support to the state's existing Low Income Heat Energy Assistance Program (LIHEAP).

SUMMER YOUTH SUBSIDIZED EMPLOYMENT

Partnership and collaboration was evidenced by the successful TANF Summer Youth Subsidized Employment program. Working with the state's ten (10) Local Workforce Investment Boards, over \$4.1 million in TANF Emergency Funding was utilized to provide summer employment opportunities to 2,161 young people during summer 2010.

SUMMER FOOD NUTRITION

DWS-TANF partnered with the Department of Human Services to combat hunger within the state's low-income population during the 2010 Feeding Families Summer Food Nutrition Project. This three-month project was administered by the Arkansas Special Nutrition Program (SNP) of the Arkansas Department of Human Services Division of Child Care and Early Childhood Education (DCCECE). Through the use of \$1,500,000 in TANF Emergency Funding, the program's capacity was increased and provided 204,622 nutritious breakfast, lunch, and dinner meals at 349 feeding sites across the state. In addition, TANF funding was used to provide transportation to and from the feeding sites. Also, working with the Arkansas Hunger Relief Alliance, TANF Emergency Funding was used to provide over 21,000 boxes of nutritious food through the network of food banks located throughout Arkansas.



PROGRAM PERFORMANCE

WORK PARTICIPATION RATES

The Social Security Act requires the U.S. Department of Health and Human Services (HHS) to issue annual TANF work participation rates, which measure how well states engage families receiving assistance in certain work activities. A state must meet both an overall ("all families") and a two-parent work participation requirement or face a potential financial penalty.

Work participation rates measure the degree to which parents in TANF families are engaged in work activities that lead to self-sufficiency. Many TANF cases are exempt from work rate calculations, with child-only cases being the most significant group. Cases where a parent has been sanctioned for non-compliance are not included for up to three months while sanctioned, and those with children under one can be exempted at state discretion.

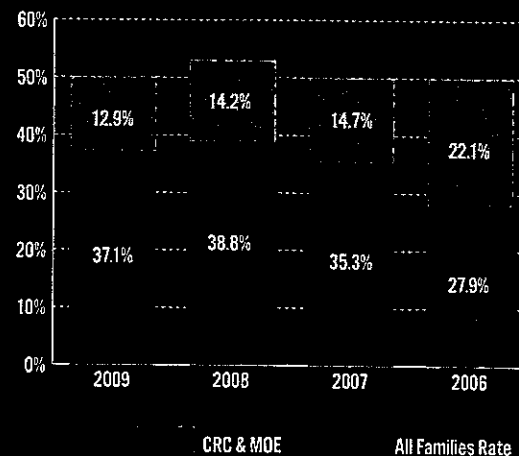
Originally, states were eligible to receive a Caseload Reduction Credit (CRC) against both of these standards for net caseload reduction since FY 1995.

The Deficit Reduction Act of 2007 modified the CRC by recalibrating the "base" year for the net caseload reduction from 1995 to 2005. Since 2008, states have received credit for a net reduction in their caseload from 2005.

Additionally, Arkansas became the second state to utilize the Excess Maintenance of Effort (MOE) provision in 2007. This federal provision allows states to "claim" state spending in the TANF program exclusively for the purpose of reducing its effective work participation rates.

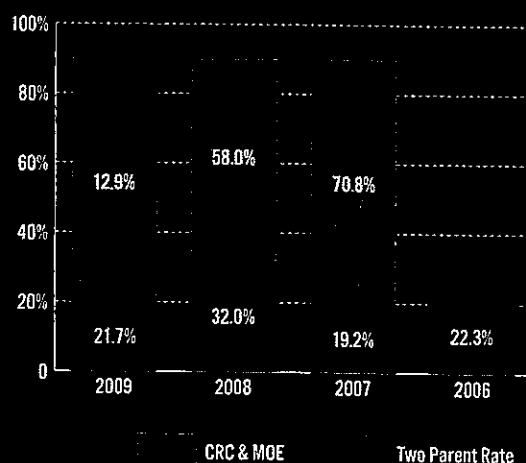
The charts below reflect Arkansas's annual Work Participation Rates during the period of 2006-2009 (2010 Work Participation Rates have not been validated and published by the Administration for Children & Families as of the publishing of this report).

TANF Program's All Families Work Participation Rate



Due to the Caseload Reduction Credits and Excess Maintenance of Effort spending, Arkansas met its All Families Work Participation Rates in each of the years reflected: 2006, 2007, 2008, and 2009. The actual achieved work participation rate for this period averaged 34.77%, while the average Caseload Reduction Credit during this period was approximately 16.0%.

TANF Two-Parent Work Participation Rate



SUCCESS STORY



Christina Buie
Career Pathways
Initiative

Christina Buie thought that becoming a cosmetologist would be a good way to support her family, but she soon realized that she had greater aspirations. She always loved going to school and knew that earning a college degree would put her on the path toward a career with greater opportunities. She decided on a career in education and teaching, which would also let her have the same schedule as her sons, ages five and two. Since her family earned only a single income, Christina wasn't sure how she would pay for the Praxis exam, which is required for teaching certification in Arkansas. Then she was introduced to the Career Pathways program in Helena-West Helena.

“ My advice to others hoping to build a better career is to believe in yourself and know that you can do what you put your mind to. ”

“The staff worked really hard to help me with the test,” says Christina. “It was a long process and a struggle, but with everyone’s help, I paid for the test and passed it.”

Christina graduated with honors from Phillips Community College of the University of Arkansas with an Associate of Arts degree in general education. She is now enrolled in Arkansas State University as the next step on her path to becoming a high school biology teacher.

“My advice to others hoping to build a better career is to believe in yourself and know that you can do what you put your mind to,” Christina says with a proud smile.



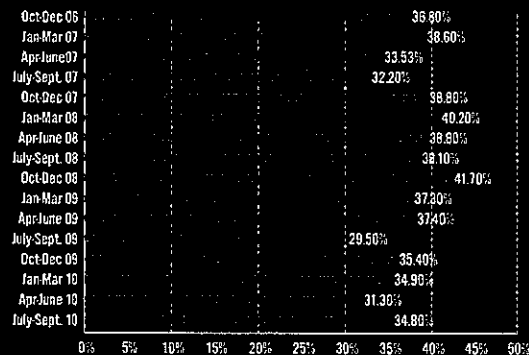
PROGRAM PERFORMANCE CONT'D

Due to the Caseload Reduction Credits, Arkansas met its Two-Parent Work Participation Rates in three of the four years reflected: 2007, 2008, and 2009. The actual achieved work participation rate for this period averaged 23.8%, while the average Caseload Reduction Credit during this period was approximately 59.95%. In 2006, Arkansas achieved work participation rate of 22.3%, combined with its work participation rate of 42.7%, did not meet the required 90.0% threshold.

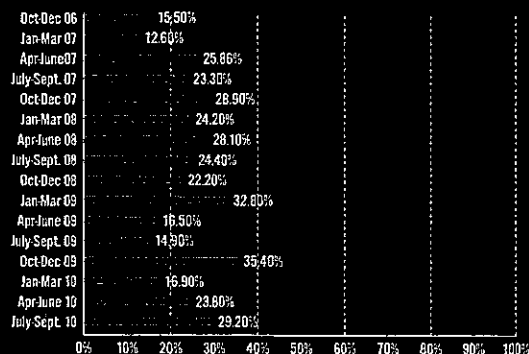
QUARTERLY WORK PARTICIPATION RATE SUBMISSIONS

While each state's final Work Participation Rates are calculated on an annual basis, states are required to report work participation rates on a quarterly basis. The charts below reflect those quarterly submission results for both the All Families and Two-Parent cases.

All Families Quarterly Work Participation Rates



Two-Parent Quarterly Work Participation Rates



STATE PERFORMANCE GOALS/OUTCOMES

Act 1306 of 2003 focused the outcomes of the TEA program on transitional services, employment and self-sufficiency. The Act established the indicators by which the Department of Human Services would measure the outcomes.

The following are the TEA program outcomes established by Act 1306.

1. Increase the percentage of families that receive appropriate services to move off of transitional employment assistance cash assistance, into employment, and towards self-sufficiency.
2. Increase the percentage of families who leave transitional employment cash assistance due to earnings from work.
3. Increase the earnings of families who leave transitional employment cash assistance.
4. Increase the percentage of families leaving transitional employment assistance who stay employed.
5. Increase the percentage of former transitional employment cash assistance recipients who move out of poverty, including the value of food stamps and the federal Earned Income Tax Credit and child support.

Specifically, outcome targets were developed for these indicators:

- Job Placement Assignment
- Sanctions
- Closures Due to Employment
- Initial Placement Hourly Wage
- Retention Hourly Wage
- Employment Retention
- Percent Assigned
- Assigned to Targeted Work Activities
- Assessments
- Deferrals



SUCCESS STORY



Ryan Ashley Transitional Employment Assistance

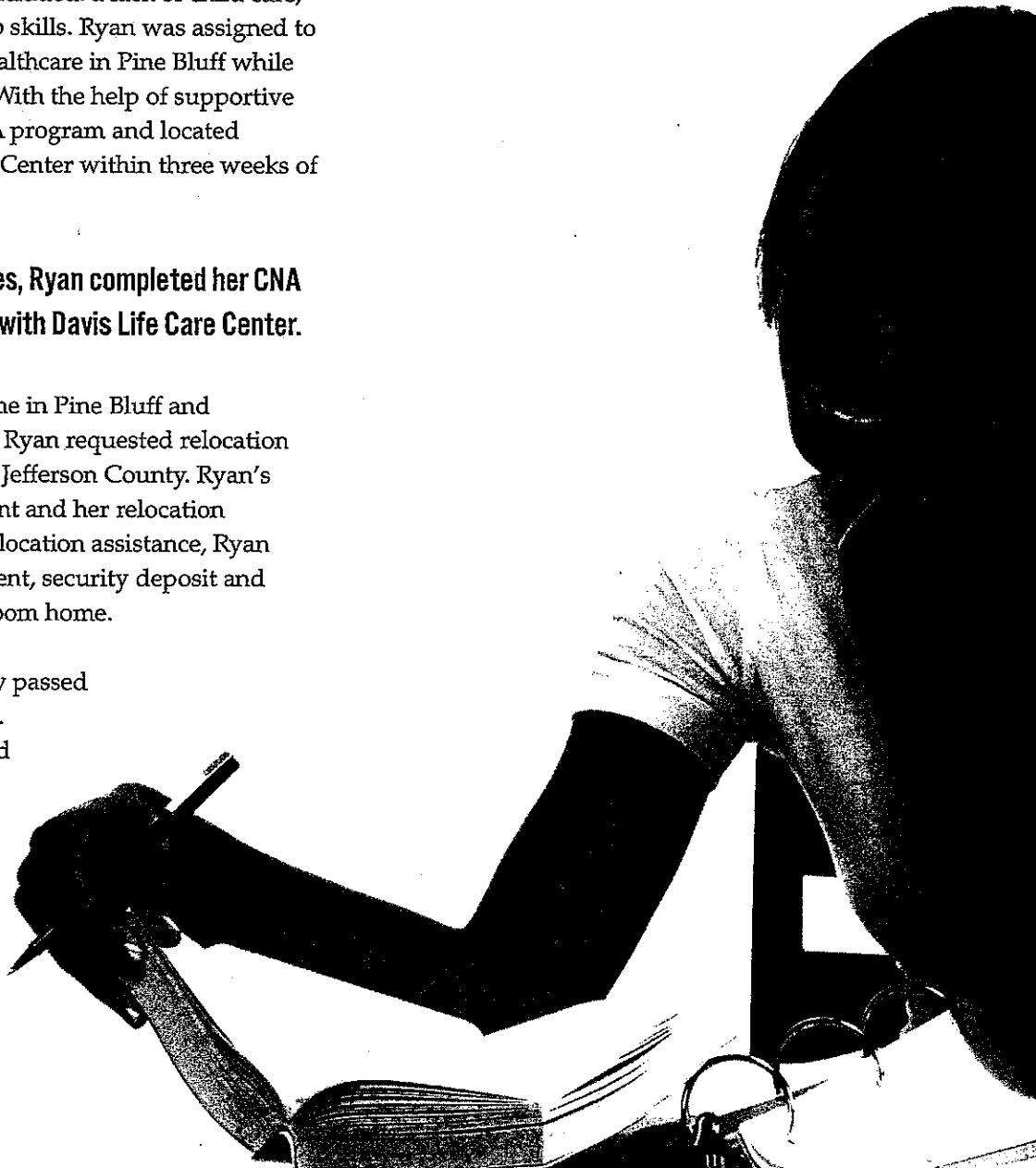
Ryan Ashley, a native of Grady, Arkansas, began her success story in the Pine Bluff local office. Ms. Ashley is the mother of two small children, and she was unemployed and living in low-income apartments.

During her initial assessment with TEA Workforce Specialist Tamara Watts, Ryan expressed an interest in the field of nursing. The barriers that were identified included: a lack of child care, no transportation, and a lack of job skills. Ryan was assigned to vocational training at Olympic Healthcare in Pine Bluff while she completed her CNA training. With the help of supportive services, Ryan completed her CNA program and located employment with Davis Life Care Center within three weeks of her graduation.

With the help of supportive services, Ryan completed her CNA program and located employment with Davis Life Care Center.

Because she was employed full-time in Pine Bluff and wanted to continue her education, Ryan requested relocation assistance from Lincoln County to Jefferson County. Ryan's TEA case closed due to employment and her relocation request was approved. With the relocation assistance, Ryan was able to pay her first month's rent, security deposit and all utility deposits on a three bedroom home.

Ryan is still employed and recently passed the State Board Certification Exam. She purchased her own vehicle and plans to enter the LPN program at Southeast Arkansas College.

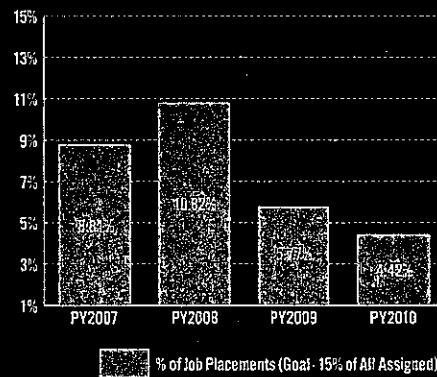


PERFORMANCE CONT'D.

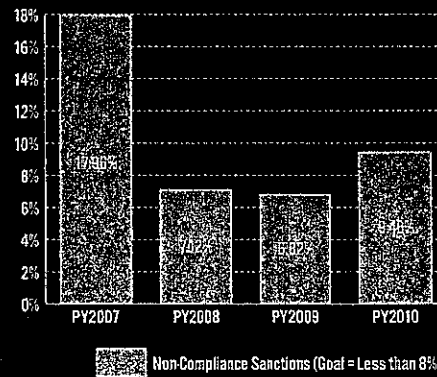
Arkansas Act 514 of 2007 retained these TEA program outcomes and required the Department of Workforce Services to develop proper targets for the TANF Oversight Board and report on the progress in achieving these targets.

The charts below reflect the state's achieved performance in each of these outcomes for PY07, PY08, PY09, and PY10.

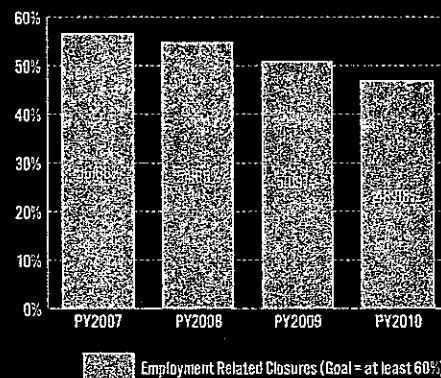
Job Placements



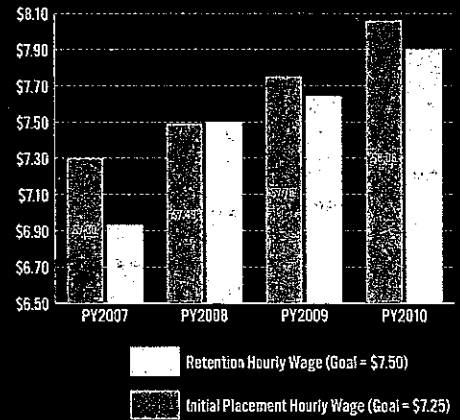
Non-Compliance Sanctions



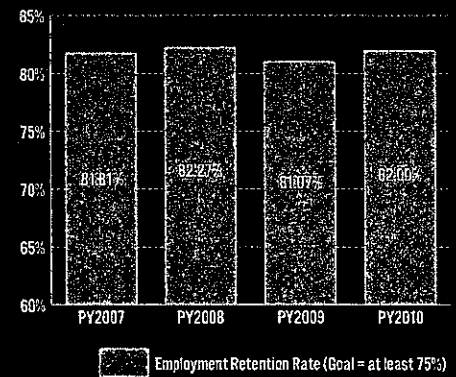
Employment Related Closures



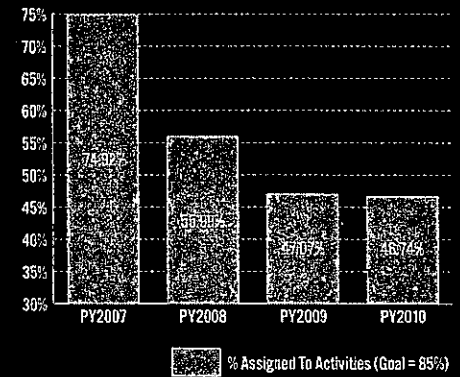
Initial & Retention Hourly Wages



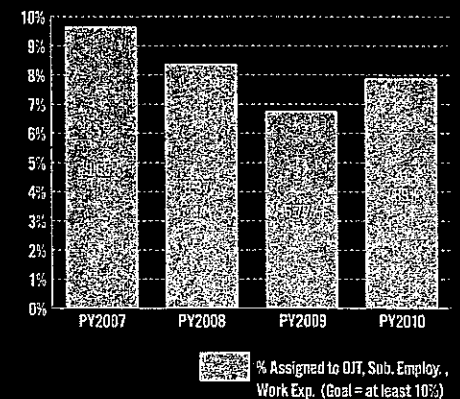
Employment Retention



Work Activity Assignment



Assigned to Targeted Work Activities



SUCCESS STORY



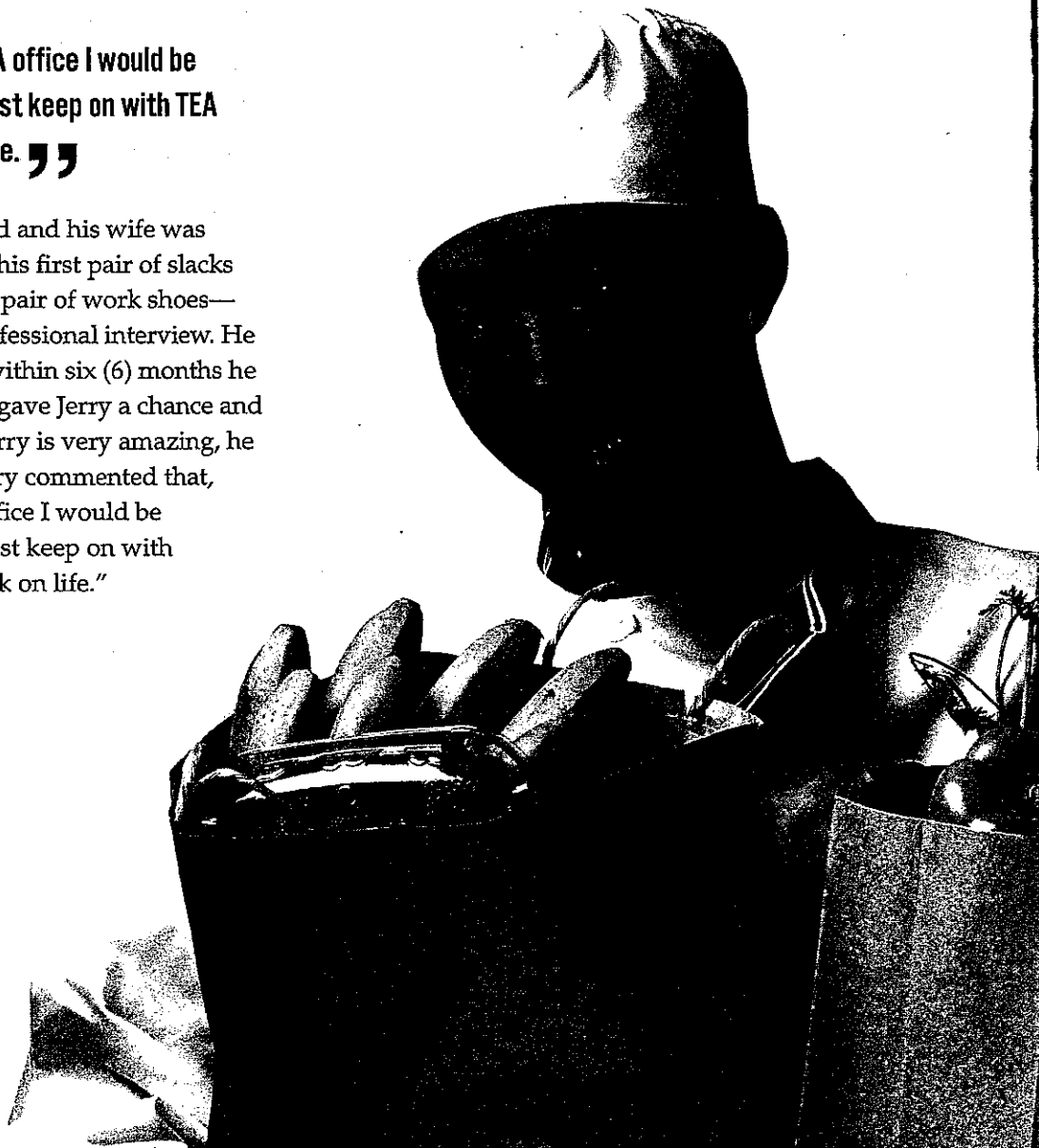
Jerry Dolson Transitional Employment Assistance

Jerry Dolson became a TEA client with the Little Rock Workforce Center. Jerry explained that his health got bad, his business shut down,

and he was unemployed for almost 2 years. He signed up for food stamps through an agency partnership with the Arkansas Department of Human Services and they introduced him to the TEA program at the Department of Workforce Services.

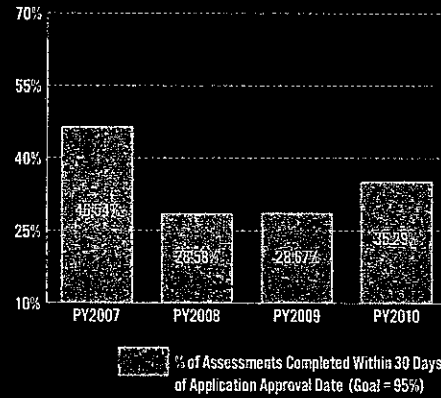
“ If I never had gone into the TEA office I would be somewhere collecting cans. If you just keep on with TEA you will have a positive outlook on life. ”

At the time, he had a 4-year-old child and his wife was disabled. The TEA program bought his first pair of slacks and a dress shirt along with his first pair of work shoes—everything he needed to go on a professional interview. He started out as a dishwasher and in within six (6) months he became a sous chef. Chef Ed House gave Jerry a chance and hired him. Chef House explains, “Jerry is very amazing, he is just a real good cook to have.” Jerry commented that, “If I never had gone into the TEA office I would be somewhere collecting cans. If you just keep on with TEA you will have a positive outlook on life.”

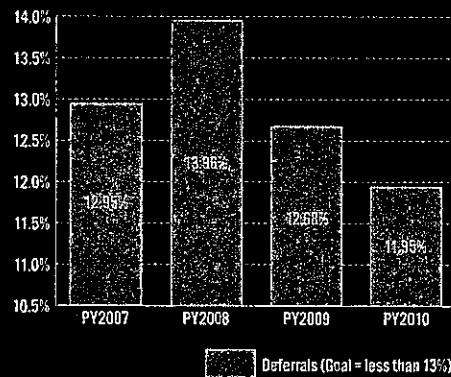


PERFORMANCE CONT'D

Timely Assessments



Deferrals



SANCTIONED FAMILIES/HOME VISITS

Arkansas Act 514 of 2007 modified the TANF program's Administrative Sanctions Process. This legislative change introduced two (2) periods of suspended benefits for program participants who fail to comply with their work activity requirements.

The current Non-Compliance Sanctions Process consists of:

Level I

1st Month of Non-Compliance—Suspension of cash assistance payment.

Level II

Months two through four of Non-Compliance—25% reduction of the full cash assistance payment.

Level III

Months five and six of Non-Compliance—Suspension of cash assistance payment.

Level IV

Months seven through nine of Non-Compliance—50% reduction of the full cash assistance payment.

Beyond month nine of Non-Compliance—Closure of the TEA case.

The sanction may be lifted at anytime upon compliance with the work activity requirements for a period of two (2) weeks.

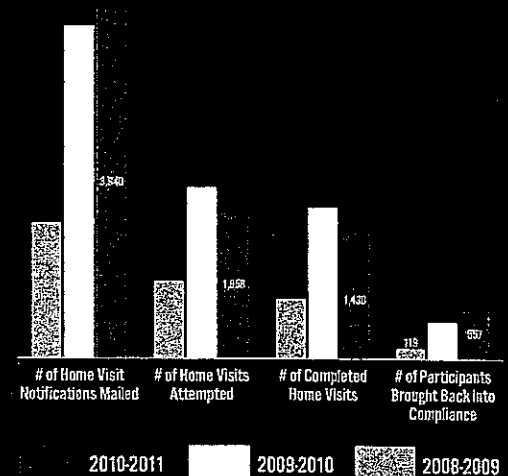
Additionally, Arkansas Act 514 required the department to begin tracking its efforts in encouraging program participants to "reconnect" with the program and complete their required activities.

In an effort to meet this new requirement, the department began tracking the following information:

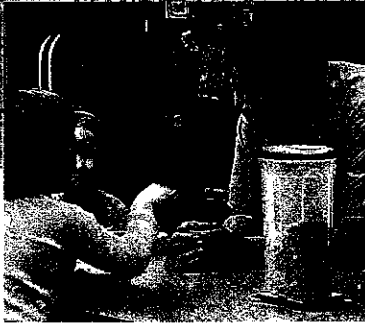
- Number of home visit notifications mailed to program participants who were not complying with their work activity requirements,
- Number of home visits attempted, after notifications of non-compliance were mailed to program participants,
- Number of home visits completed, and
- Number of program participants brought back into compliance after home visits completed.

The results of these home visiting activities are illustrated on the chart below.

Sanctioned Families/Home Visits



SUCCESS STORY



Tari Wooten Work Pays

Tari Wooten was able to identify the following barriers to employment: a felony record, past experiences of domestic abuse and little work experience. However, Tari was determined not to let her past negatively affect her future.

Tari shared that she had already completed 79 hours towards her degree in Early Childhood Development at Arkansas State University. She also told her TEA case manager that she had maintained a 4.0 grade point average.

Tari has moved beyond her abusive relationship, continues to work towards a college degree and works full-time.

It was the death of Tari's grandmother that inspired her to enroll in CNA classes at White County Medical Hospital. The Career Pathways program helped Tari with transportation and child care for her two children while she was in school. TANF funds were utilized for the following supportive services: tuition assistance, uniforms for her CNA classes, and transportation reimbursements.

After graduating from her CNA classes, Tari gained full-time employment at Seven Springs Nursing & Retirement Home. Tari was able to transition into the Work Pays program. Her Work Pays case manager shared information about TANF's Vehicle Down Payment Assistance program. Tari was eligible to utilize this program to obtain a new vehicle when her old vehicle stopped working and this helped her maintain her employment. Tari has moved beyond her abusive relationship, continues to work towards a college degree and works full-time—all while raising her two children and helping her parents, who are both disabled.

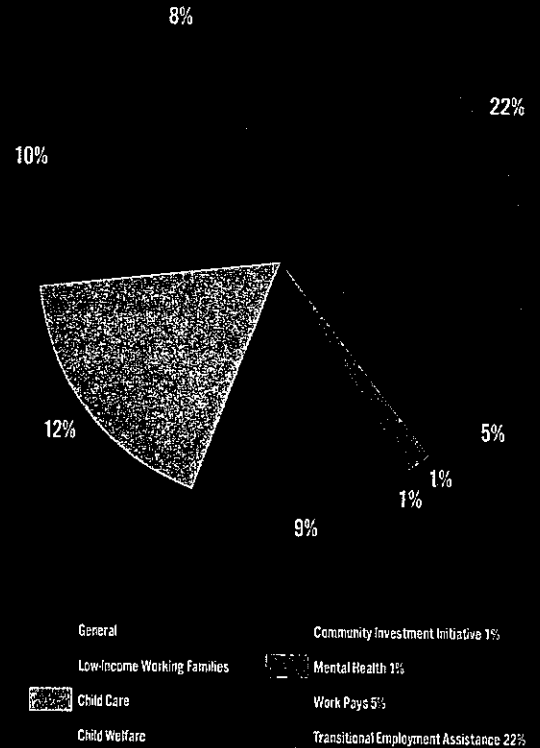


TANF EXPENDITURES

parents promote the well-being and healthy development of children whose parents are moving from welfare to work.

Federal TANF monies are part of a larger financial structure that includes related federal funding streams and state funds. Combined, they support a wide variety of programs and services critically important to Arkansas's children. Both sources of funding provide significant resources for states to invest in the services that families need to move from welfare to work, stay in the workforce, and move out of poverty.

Arkansas has used its annual block grant of \$62.2 million (\$56 million per year, plus \$6.2 in Supplemental Funding) to provide cash assistance, job training, child care and other supports to low-income citizens. Children are impacted, directly and indirectly, by TANF spending that promotes the goals of income support and family self-sufficiency. Child care and employment assistance for



ARKANSAS TANF EXPENDITURES

EXPENDITURE CATEGORY	SEP-08	SEP-09	SEP-10	GRAND TOTAL	PERCENT
(TEA)	\$ 24,196,619	\$ 28,668,751	\$ 28,895,175	\$ 81,760,545	22%
Work Pays	\$ 6,110,416	\$ 6,327,943	\$ 6,377,794	\$ 18,816,153	5%
Mental Health / Substance Abuse Programs	\$ 1,714,365	\$ 1,168,120	\$ 1,095,660	\$ 3,978,145	1%
Community Investment Initiative (CII)	\$ 1,021,176	\$ 1,305,585	\$ 1,173,448	\$ 3,500,209	1%
Child Welfare	\$ 11,032,668	\$ 9,697,799	\$ 14,361,002	\$ 35,091,469	9%
Child Care	\$ 14,511,100	\$ 15,498,957	\$ 16,077,541	\$ 46,085,598	12%
Programs for Low-Income Working Families	\$ 11,906,400	\$ 12,339,075	\$ 13,177,375	\$ 37,422,850	10%
General	\$ 7,160,968	\$ 8,504,820	\$ 15,066,150	\$ 30,731,938	8%
Grand Total	\$ 107,524,802	\$ 116,492,650	\$ 148,924,770	\$ 372,942,222	100%

SUCCESS STORY



Yvette Hubbard Individual Development Account

Yvette Hubbard has always taken care of her family. As a mother of two, she always worried that as a renter she could be put out on the street. But she never thought she'd have the stability that came from owning her own home.

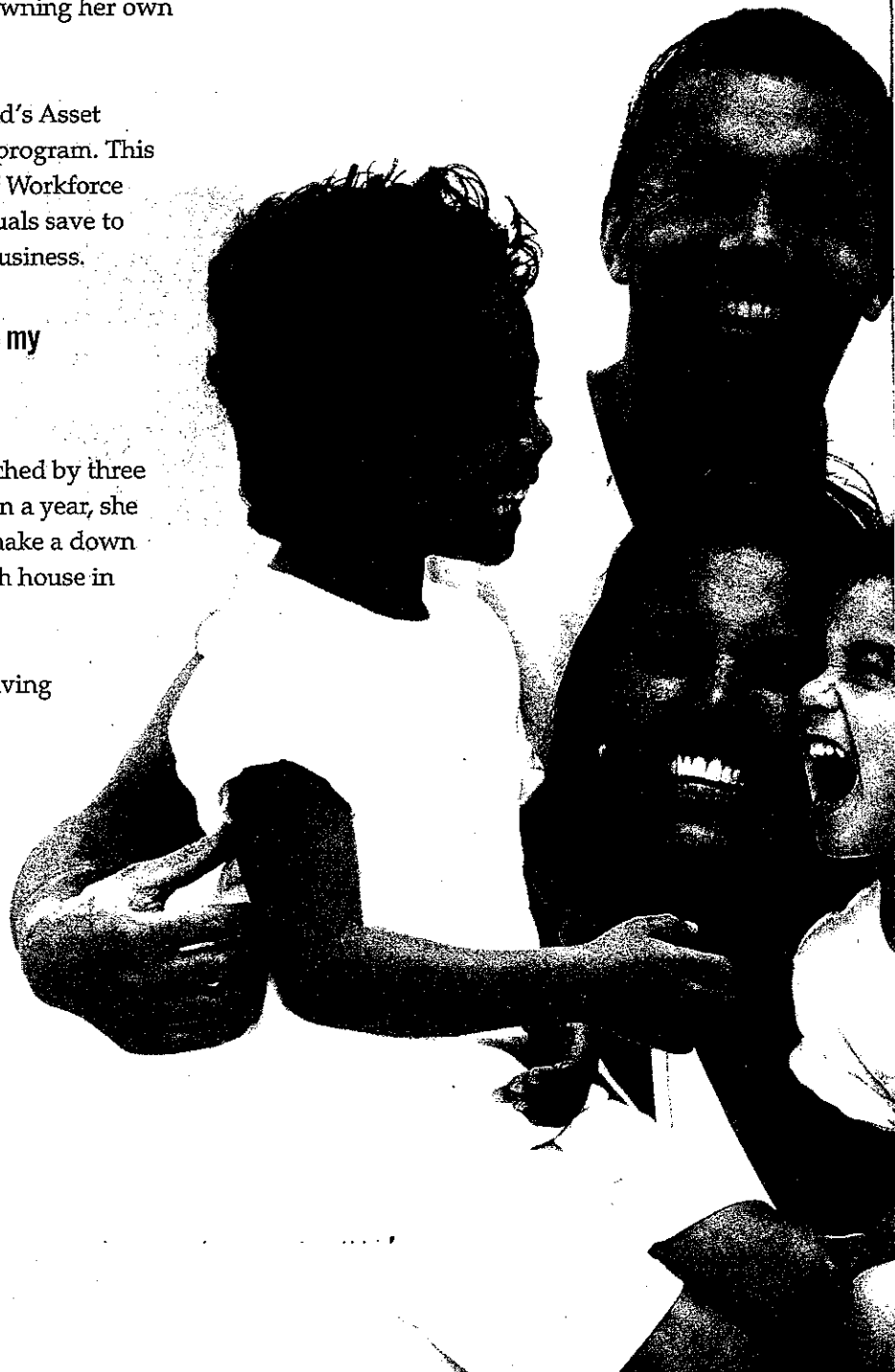
A friend told her about Southern Good Faith Fund's Asset Builder Individual Development Account (IDA) program. This program, funded by the Arkansas Department of Workforce Services, is designed to help low-income individuals save to advance their education, buy a home, or start a business.

“ The IDA program taught me how to manage my money and not get in over my head. ”

Every dollar Yvette invested in her IDA was matched by three dollars of federal and private funding. In less than a year, she had reached her goal and had saved enough to make a down payment on a three bedroom, two-and-a-half bath house in Pine Bluff, Arkansas.

Now she realizes just what can be achieved by saving a little money each month. Although she's not in the IDA program anymore, Yvette saved enough money on her own to build a 480-square-foot addition to her house and she continues to make improvements by working on the yard, landscaping and painting.

“The IDA program taught me how to manage my money and not get in over my head,” says Yvette.



CONCLUSION

The Department of Workforce Services remains committed to preparing Arkansas's workforce for 21st century careers. We believe that these investments of federal TANF funds reflect this commitment as well as our belief that Arkansas can become a major player in today's world-wide economy.

In accordance with the Governor's strategic initiative to coordinate education, training and economic development in Arkansas communities, we will continue to seek new resources and collaborative opportunities with the other members of the Governor's Workforce Cabinet. We are convinced that our collective efforts will ensure the long-term success of our state.



GLOSSARY OF TANF TERMS

AFDC

Aid to Families with Dependent Children (AFDC) was a program jointly financed by the federal and state government to provide cash assistance to needy families with children. The program ran from 1935 to 1995, and was replaced by TANF in 1996.

ARRA

The American Recovery & Reinvestment Act (ARRA) was legislated in 2009 to provide emergency support during the 2008-09 recession. TANF was provided additional funds in this legislation.

AUTHORIZATION

An act of Congress that establishes or continues a federal program, and sets the guidelines to which it must adhere. Often, programs are authorized for a limited time (e.g. 5 years) and must be reauthorized at the end of that time in order to continue.

BLOCK GRANT

A financing mechanism that allocates funds based on a formula that uses statistical factors like population. Block grants limit the amount of federal spending in advance and do not require a state match, although states may need to demonstrate a maintenance of effort in providing funds. Funding for TANF is a block grant from the federal government to the states.

CASELOAD

The number of people enrolled in the TANF program in a state. States must follow specific guidelines to ensure that certain portions of their caseload meet specific requirements, such as engaging in work activities. The measure of a state's success in the TANF program is currently acknowledged by caseload reduction, which incentivizes states to reduce caseloads without necessarily helping families to rise above poverty.

CCDBG

The Child Care and Development Block Grant. Under TANF, several different child care programs are combined with CCDBG.

DHHS

Department of Health and Human Services. The federal agency that oversees social service programs such as TANF and CCDBG.

ELIGIBILITY

In order to receive TANF funds, a family must have a dependant under the age of 18 living in the household, or under age 20 if the dependant is enrolled in secondary school. Applicants must be U.S. citizens or lawfully present residents for 5 years, and must demonstrate financial need, based on state criteria.

EMERGENCY FUND (EF)

Due to concerns over the difficulty states would encounter in administering TANF funds during a recession, the TANF Emergency Contingency Fund of \$2 billion was developed in the 2005 reauthorization of TANF under the Deficit Reduction Act. The fund provides states with additional federal funds of up to 20% of their block grant amount if they indicate that they face a recession or trigger (rising unemployment or rising food stamps). In 2007, states started to qualify for and draw upon the Contingency Fund as the economy and state budgets started to decline.

EMERGENCY CONTINGENCY FUND (ECF)

An emergency fund established in the American Recovery and Reinvestment Act (ARRA) of 2009, with the understanding that the TANF EF would not be sufficient to meet the financial need of the states. The TANF Emergency Fund provides 80% reimbursement to states for increases in TANF-related expenditures in specified areas, including subsidized employment. States must apply and demonstrate need in order to receive funds.

ENTITLEMENT

A program that legally obligates the federal government to make payments to any person who meets the legal criteria for eligibility. Examples include Social Security, Medicare, and Medicaid. Under the TANF block grant, the federal entitlement for cash assistance that was provided under AFDC was eliminated.

INCOME DISREGARD

Used to describe when an individual becomes ineligible for TANF benefits due to an increase in income.

MOE

A maintenance of effort (MOE) requirement is the amount of money that a state must spend or services it must provide to be eligible for a federal program and federal funds. States must demonstrate a MOE of TANF funds in order to receive the federal block grant, which is 80% of 1994 expenditures.

PWRORA

Personal Responsibility and Work Opportunity Reconciliation Act. The official name of the 1996 Welfare Reform law.

REAUTHORIZATION

The process by which Congress extends a program that was initially authorized for a limited time period. Changes to the program can be made in the reauthorization process. The TANF program was authorized for 5 years as part of the 1996 welfare reform law. It was reauthorized in 2005 under the Deficit Reduction Act, and is up for reauthorization again in 2010, although it is likely to be granted a temporary extension and undergo a more rigorous reauthorization in 2011.

SANCTION

An individual or family that receives TANF benefits may have their benefits reduced or terminated if they do not comply with work requirements, fail to complete proper paperwork, miss attendance at a meeting, among a number of other activities. A lifetime ban or lifetime sanction indicates that an individual may never receive TANF benefits again.

SNAP

Supplemental Nutrition Assistance Program (SNAP). Formerly known as Food Stamps, SNAP is a federally funded program that provides vouchers to purchase food to people who meet income and assets guidelines. The program is administered by the US Department of Agriculture (USDA).

TANF

Temporary Assistance for Needy Families (TANF). Created in 1996 to replace AFDC. It provides block grants to states to assist needy families and stimulate employment.

TIME LIMIT

The maximum amount of time that a family can receive TANF benefits. Federally, the time limit is 5 years of assistance, although states are allowed to alter their time limits. Many states have time limits shorter than 5 years, and many states grant extensions for specific cases.

WORK REQUIREMENT

States must enroll 50% of their TANF caseload in work activities, and 90% of two-parent families must be engaged in work activities. Single parents must work 30 hours per week, and single parents with children under age 6 must work for 20 hours per week. Two parent families must work 35 hours per week.

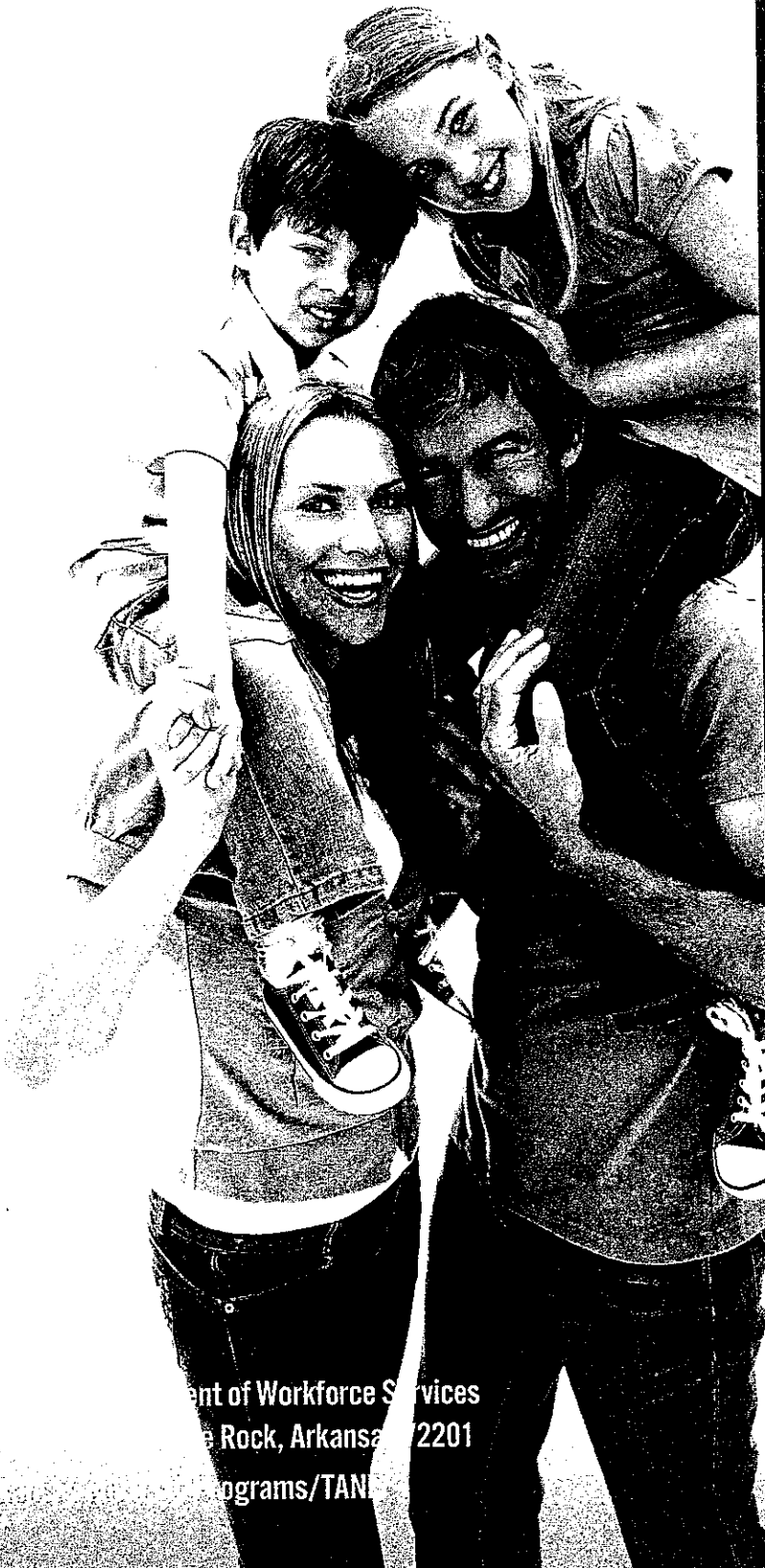
WORK ACTIVITIES

Specific activities that a family can do that will count towards their work requirement. These activities include, but are not limited to, subsidized or unsubsidized employment, job skills or vocational training, job search, and community service.



Temporary Assistance for Needy Families
Arkansas Department of Workforce Services

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