NORTH CAROLINA'S

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

STATE PLAN

P.L. 104-193

THE WORK FIRST PROGRAM

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF SOCIAL SERVICES

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WORK FIRST STATE PLAN
TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

INTRODUCTION

North Carolina's Temporary Assistance for Needy Families (TANF) program, called Work First (WF), and is based on the premise that parents have a responsibility to support themselves and their children. The Work First program promotes a strengths-based, family-centered practice approach and shares in the mission of the North Carolina Department of Health and Human Services, in collaboration with its partners, to protect the health and safety of all North Carolinians and provide essential human services. Work First provides parents with short-term training and other services to help them become employed and move toward self-sufficiency. Other families, in which grandparents and relatives are caring for their relative children and legal guardians are able to receive services and support that prevent children from entering the foster care system unnecessarily.

In accordance with federal law, TANF funds, as well as maintenance of efforts (MOE) funds must meet one of four purposes. The four purposes under TANF are:

1. Assist needy families so that children may be cared for in their own homes or in the homes of relatives;
2. Reduce dependence of needy parents by promoting job preparation, work, and/or marriage;
3. Prevent or reduce the incidence of out-of-wedlock pregnancies; and
4. Encourage the formation and maintenance of two-parent families.

In North Carolina, Work First emphasizes three strategies.

1. Diversion: Keeping families off welfare by helping them cope with unexpected emergencies or setbacks.
   Under Work First, qualifying families may receive Benefit Diversion, Emergency Assistance, and Work First Services for Low-Income Families below or at 200% of the Federal Poverty Level, or Employment Services for Non-Custodial Parents and other supportive services if applicable.
2. Work: Shortening the length of time that families are on Work First by making work mandatory and by limiting how long a family can receive cash assistance.
   To receive Work First Family Assistance (WFFA) participants must sign a Mutual Responsibility Agreement (MRA)/Outcome Plan. Once the participants move into the work components of the program, they can continue to receive benefits for up to 24 months. In most cases, families who have reached the 24-month limit cannot receive WFFA for three years. Federal law sets a 60-month cumulative time limit for receiving these benefits.
3. Retention: Helping families to stay off Work First by encouraging them to save money and by helping to make sure they really are better off working than on Work First.
   Work First increased limits from the Aid to Families with Dependent Children (AFDC) on savings, vehicles, and the state legislature raised income eligibility limits for subsidized child care to ease the burden on low-income, working families. To help families stay employed, counties are also providing services, such as transportation, child care, and other supportive services to families whose income is at or below 200 percent of the federal poverty level. Families leaving WFFA for work may receive a Job Bonus payment for up to three months.

Ultimately, North Carolina's goal is to help all families move to self-sufficiency. Most are able to successfully leave the Work First program and never need to return. Others, because of a hardship or disability, may have a harder time becoming self-sufficient. With those families, the role of the Work First program is to ensure that families receive all of the services for which they are entitled, such as Supplemental Security Income (SSI), Social Security Disability Insurance (SSDI), etc.

North Carolina's success, thus far, at helping families move from cash assistance to work has led to a broadened focus for the Work First program. No longer is the focus just on helping those families who receive cash assistance move off the rolls. While North Carolina remains committed to continuing assistance to those families, the state has added the flexibility and program structure for counties to provide former Work First families with job retention and child and family enrichment services designed to help ensure families experience long-term success. Further, since child support is critical to ensuring families' success, North Carolina has expanded the Work First program to allow counties to provide work-related services to non-custodial parents of Work First children.

Ensuring optimal health and well-being of all North Carolinians is of the utmost concern. Toward that end, North Carolina has taken advantage of the opportunity offered by the TANF Block Grant to enhance our efforts in this area.

STATE WELFARE REFORM LEGISLATION

One provision of North Carolina's law provides for TANF program development by local county governments. The law refers to counties as Standard or Electing. Standard Counties operate the State's Work First program, while Electing counties have additional flexibility in program design. See Appendix D for a summary of Electing Counties' eligibility policies.

All counties have maximum flexibility in designing their employment programs to meet local needs. However, State law provides that Electing Counties, when combined, can contain no more than 15.5% of the State's Work First cases (at September 1 of each year). The State's and each Electing County's eligibility criteria are described later in this document. (Throughout this plan, all references to "Electing counties" refer to those counties that have been approved as Electing, which may allow them to design their county's Work First program including certain eligibility criteria and benefit levels).

PROGRAM ADMINISTRATION

The North Carolina Department of Health and Human Services is responsible for establishing, supervising, and monitoring the Work First program. At present, all services and benefits are delivered locally by county departments of social services/agencies in each of North Carolina's 100 counties, although Electing counties may choose to designate an alternative service delivery agent.

Electing counties developed a county Work First block grant plan, including descriptions of strategies to achieve the measurable statewide outcome goals and performance measures described in this plan. Development of Electing county plans must involve a broad range of public, private, and nonprofit groups. See Appendix A for further discussion on county plan development.

Standard counties maintain required protocols and policies for services on file at the local county department of social services/agencies for State Fiscal Year (SFY) monitoring. All counties are monitored to ensure compliance with program requirements.

North Carolina Department of Health and Human Services, Division of Social Services has a Memorandum of Agreement (MOA) with the North Carolina Department of Commerce, Division of Workforce Solutions (DWS), Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS), and the Division of Vocational Rehabilitation Services (DVRS). These agreements outline the services that will be provided by each agency to ensure that the needs of Work First participants are met.

The Division requires the local county department of social services/agencies to collaborate and coordinate services with the local NCWorks Career Centers, Division of Vocational Rehabilitation, area mental health providers, Department of Public Instruction and Head Start State Collaboration Office to provide services to assist Work First participants in obtaining employment and moving towards self-sufficiency. The Department encourages counties to partner with local resources and community agencies to assist Work First participants.

WORK FIRST ELIGIBILITY CRITERIA (UNLESS OTHERWISE NOTED)

Receipt of Work First is based on both non-financial and financial criteria, which are described in Appendix C. Cabarrus County operates a Work Over Welfare program under State law. Their program criteria are described in Appendix E. Electing Counties' criteria are described in Appendix D.

The responsibilities of the recipient and the county are outlined in a MRA/Outcome Plan. The MRA/Outcome plan describes steps the family will take to become self-sufficient and supportive services the county will provide. (See Appendix B)

EMERGENCY ASSISTANCE (ALL COUNTIES)

Counties must use their Work First block grant funds to provide emergency assistance to families. Counties must define the eligibility criteria, including who is eligible and the types of emergencies that will be covered. This assistance is designed to assist with families' sporadic emergency needs, such as a utility cut-off or an eviction notice. Emergency assistance is not designed specifically to help families move to self-sufficiency, although, use of this assistance could help a family's progress.

Counties will comply with federal requirements. Emergency assistance does not trigger the 24 or 60-month time limit, nor will families receiving emergency assistance be required to participate in the Work First program. In addition, families who have exhausted their 24 or 60-month time limit are eligible for Emergency Assistance, provided all other eligibility criteria are met. These families are not included in calculating the State's participation rates.

Counties are allowed to define and describe in their plans local eligibility criteria that include, at a minimum, the following guidelines.

- The family must have a child who lives with a parent or relative as defined in Work First policy, and who meets the age requirements for Work First.
- Total income must be at or below 200% of the federal poverty level.
- Family members must meet the same citizenship requirements and resource limits as for Work First.
- Countable income is the same as for Work First.

APPEALS PROCESS

For Standard Counties, the North Carolina Department of Health and Human Services has set uniform policies for determining eligibility, providing benefits, and ensuring fair and equitable treatment. Applicants or recipients who wish to contest a decision adversely affecting their receipt of WFFA, or workers contending a breach of the non-displacement in work activity provision of federal law, may appeal in accordance with N.C.G.S. 108A-79. Families are informed of their right to appeal and are provided with copies of Work First policy upon request. Electing Counties, as required by State law, have established a local appeals process that substantially complies with the appeals process outlined in N.C.G.S. 108A-79. For Electing Counties, all appeals for Work First are heard locally, not by the State Division of Social Services. Applicants and recipients with disabilities and language needs are provided with reasonable accommodations to assist them in participating in the appeals process if requested.

WORK FIRST SERVICES

It is important that families receive the services needed to assist them in moving toward self-sufficiency. All counties have maximum flexibility in deciding how they utilize their block grants to provide services to enable families to become and remain self-sufficient. The flexibility available to county departments of social services/agencies make it impossible to outline all of the services that may be provided. Services that are not specifically prohibited by federal law or regulation may be provided. To the extent that Work First services are available, they may be provided to recipients of Work First Cash Assistance at any time to support the activities in the MRA/Outcome Plan. In addition, support and family enrichment services may be provided for families whose income does not exceed 200% of the federal poverty level. Work-related services may also be provided to non-custodial parents of Work First recipient children. The Electing County's Work First Plan describes how services will be provided.

Serving Non-Custodial Parents (Optional in All Counties)

Child support should be a primary income source for most Work First families and a way for former Work First families to remain off Work First. To enhance non-custodial parents' ability to pay child support, North Carolina allows counties to provide work-related services for non-custodial parents of minor children who are Work First recipients. The non-custodial parent's family income must be at or below 200% of the federal poverty guideline. The non-custodial parent is not considered a member of the custodial parent's or caretaker's family. In addition to the ability to provide work-related services, Work First staff is encouraged to work with their local Child Support Services Office and judicial system to have child support orders modified to require the non-custodial parent's participation in employment activities.

Serving Low Income Families

All counties are to provide in their county plan a variety of services for families with income at or below 200% of the federal poverty level that have a child who meets the same requirements as WFFA or Work First services.

Counties describe in their county plans how they will provide such services and what types of services they will provide. Services may be varied, including but not limited to, transportation, child care, job retention bonuses, case management, follow-up services, mentoring programs, after-school learning programs, parenting programs, literacy programs, and post-employment skills training. Families who have exhausted their 24 or 60-month time limit are eligible for these services, provided all other eligibility criteria are met.

Child Care Services

Counties may provide child care services subsidized by their Work First Block Grant funds. To qualify, families must be eligible for WFFA or for Work First Services as described in this plan. The child care services provided must comply with subsidized child care policies administered by the Division of Child Development and Early Education (DCDEE). All parents receiving child care subsidies have a choice of using legally operating providers and information to help them evaluate their child care arrangement.

All parents who have countable income are required to help pay for the cost of child care in accordance with the fee schedules administered by DCDEE.

Transportation Services

Counties are encouraged to develop local partnerships with other human services agencies, transit systems, businesses, workforce development agencies, faith-based community, civic organizations, etc., to develop and expand alternative transportation resources to meet the community's transportation needs. Issues such as communication, coordination, mutual trust and respect, policies, marketing, funding resources and cost sharing are all part of the discussion process.

Some counties have developed car ownership programs through partnerships with other organizations. Vehicles donated from private citizens, businesses, and/or local governments are given to select Work First families. There are many variations of car ownership programs operating in North Carolina. Most programs require that the Work First recipient pay at least a portion of the costs associated with liability insurance, repairs, taxes, and license and/or title fees. Some counties use Work First Block Grant Funds to purchase vehicles, make down payments, and assist with regular car payments or car repairs for Work First families.

Eldercare Services

The Work First program will continue to provide assistance to work eligible individuals to train for, seek and maintain employment in the eldercare workforce. Work First Employment Services job skills training, work experience and employment retention services include training and employment for certified nursing assistants (CNAs), home health aides, and other occupations related to eldercare. In addition, case management services provide employment retention services for positions that include CNAs, home health aides and other occupations related to eldercare. Assistance may include tuition, payment of course fees, books, instructional materials, special equipment (i.e., lab coats, stethoscopes, etc.) and supportive services such as child care and transportation services.

The Department will collaborate with the North Carolina Division on Aging and Adult Services (DAAS) on eldercare issues. Local agencies are required to remain informed of local economic trends and provide employment services, including job skills training and job development, based on these trends.

HOMELESSNESS

Counties may use TANF and county funds to serve homeless families and families at risk of experiencing homelessness. These families must be considered TANF eligible or TANF recipients. The services provided may include but are not limited to: payments to cover basic needs, supportive services, and employment services. Counties may partner with local

resources to coordinate and streamline services to prevent homelessness and promote self-sufficiency.

VOTER'S REGISTRATION

The purpose of the National Voter's Registration Act (NVRA) is to make available more opportunities for people to vote. The local county department of social services/agencies must ensure voter registration forms are available to individuals during their visits. The voter's registration questions are located in the WFFA Application Workbook (DSS-8228), Intelligent Evidence Gathering (IEG) and the one page application in North Carolina's Families Accessing Services through Technology (NC FAST). If the individual asks for assistance in completing the voter's registration form, the local county department of social services/agencies must provide assistance. County departments of social services/agencies inform the individual that the Board of Elections processes applications to register to vote. Questions concerning voter's registration must be directed to the Local Board of Elections.

WORKFORCE INNOVATIVE OPPORTUNITY ACT (WIOA)

North Carolina's (TANF) Work First program is a required and active partner with WIOA. Collaborative meetings are held quarterly to develop and implement best practices.

- State and County TANF/Work First representatives participate in the planning of the Workforce Innovation and Opportunity Act (WIOA) "unified plan" to identify career pathways for TANF/Work First participants. Career pathways includes a combination of education, training, credentials and career counseling that align with skill needs of state/ local industries.

- Support services needed by TANF/Work First participants to participate in career pathways through WIOA and/or the NC Community College System are included.

- TANF/Work First participants are considered a "priority of service" for WIOA. State and County TANF/Work First representatives work collaboratively with WIOA and NCWorks Career Centers to develop and implement "priority of services" policies, referral procedures and disposition tracking.

- County TANF/Work First programs partner with local NCWorks Career Centers to provide TANF/Work First participants with an array of services and labor market information offered through one-stop career services centers. State and County TANF/Work First representatives assist WIOA, Vocational Rehabilitation Services and NCWorks Career Centers in planning work-based training strategies for TANF/Work First participants with barriers to employment (including on the job training, subsidized employment and work experience programs).

- State and County TANF/Work First representatives partner with state and local workforce development boards to engage employers and stakeholders to develop workforce strategies to ensure that TANF/Work First participants have access to emerging job opportunities with local businesses and industry.

- Increase cross-program (TANF/Work First & WIOA) knowledge and training among staff members.

- Coordination of services of TANF/Work First with Workforce Development partners through a formalized appraisal/referral processes.

The Workforce Innovative Opportunity Act (WIOA) includes six core programs: Adult, Dislocated Worker, and Youth Formula Grants under Title I; Adult Education State Grants under Title II; Wagner-Peyser Employment Services under Title III; and Vocational Rehabilitation State Grants under Title IV.

Priority of Service Requirements

WIOA includes enhanced "priority of service" requirements to ensure that recipients of public assistance and other hard-to-serve populations are able to access critical employment and training services through the NCWorks system. TANF programs should work with workforce development boards and NCWorks Career Centers' staff to develop and implement new priority of service policies; ensure that TANF recipients are prioritized under such policies; and offered services to meet their needs.

Work-Based Training

WIOA strengthens the workforce system's focus on work-based training strategies for adults and youth with barriers to employment, including on-the-job training, subsidized employment, and work experience. Some TANF agencies have recent experience with such programs for disadvantaged workers, and can assist WIOA agencies in implementing them. State and local planning efforts should identify areas where WIOA and TANF resources can be aligned to support and expand these efforts.

Employer Engagement

Local workforce boards must engage employers in order to ensure that workforce investment activities meet the needs of businesses. Importantly, WIOA emphasizes the creation and use of industry or sector partnerships, which bring together stakeholders connected to local industries to develop short and long-term workforce strategies in those industries. TANF programs should be included in local sector partnerships in order to engage employers and ensure that TANF participants can access emerging job opportunities.

SUBSTANCE USE AND MENTAL HEALTH INITIATIVE

North Carolina law (N.C.G.S. 108A-29.1) requires substance use screening and testing for the illegal use of controlled substances, if there is reasonable suspicion, for each Work First program adult applicant or recipient as a condition of eligibility to receive assistance. Adult applicants or recipients will complete a substance use questionnaire designed to determine if an adult applicant or recipient is at risk for alcohol and/or substance use disorders. If the results indicate reasonable suspicion of substance use, a drug test is required within a period of time as specified by the Department. The results of drug tests will remain confidential and will not be released to law enforcement.

A voluntary mental health screening is offered to all adult Work First applicants and recipients as part of the interview process. If the screening indicates the adult is at risk for mental health issues, the applicant/recipient may be referred to a Qualified Professional in Substance Abuse (QPSA) for further assessment. If appropriate, a substance use referral is made through the Local Management Entity-Managed Care Organization (LME-MCO) to identify a provider for treatment, and then a treatment plan is developed. The QPSA serves as the care coordinator to track the adult's engagement in treatment. The QPSA and the Work First caseworker jointly

develop a plan for the family to ensure success. If an adult refuses to be screened initially for substance use, the adult is ineligible for Work First Cash Assistance. If otherwise eligible, the remaining household members can receive cash assistance.

If the adult fails to comply with the treatment plan without good cause; the adult is ineligible for cash assistance. The QPSA will assist the Work First worker in determining good cause. The family's payment is recalculated with the adult excluded from the needs unit, and the payment is made to a protective payee. Participants in treatment programs are expected to combine treatment with other appropriate work activities.

Work First Staff Training

The Division of Social Services Work First Program in collaboration with NC FAST and the Division of Mental Health/Developmental Disabilities and Substance Abuse Services provided the Work First Substance Use and Mental Health Initiative Training Webinar. This training was to assist counties in preparing for Substance Use Testing implementation on August 3, 2015. All 100 NC counties participated in the training webinar.

The Work First Program will collaborate with the appropriate partners and develop additional trainings for County TANF/Work First staff on "motivational interviewing", two-generational approaches and child development evidenced-based practice (impact of poverty on cognitive development and executive functioning).

FRAUD AND ABUSE

The Department of Health and Human Services enforce standards and procedures to detect and prevent fraud and abuse by recipients and employees of the program. An administrative hearing process enables county departments of social services/agencies to identify cases of intentional program violations. Individuals found to have committed an intentional program violation are disqualified from WFFA for 12 months for the first offense, 24 months for the second offense, and permanently for the third offense. The cash benefit is reduced by the needs of the offender, but the offender continues to be subject to time limits and work requirements. The overpayment is also recovered by repayment or payment reduction.

OUT-OF-WEDLOCK BIRTHS

Because out-of-wedlock births are so closely linked to poverty, reducing these births should improve the health of women and children and help reduce dependency on public assistance.

Circumstances contributing to out-of-wedlock births are complex. Strategies to reduce them must address a range of issues from access to family planning services to promoting abstinence and responsible behavior.

County health and social services departments/agencies continue to collaborate to ensure that all recipients receive needed family planning services. Each county health and social services departments/agencies have formulated a plan to reduce barriers and promote family planning service utilization. An indicator to determine the percentage of out-of-wedlock births have been added to the Maternal and Child Health Accountability System to monitor health departments as they strive to meet this goal. This indicator is tracked on a county-by-county basis and is used in the evaluation of each health department's effectiveness, resulting in health departments adopting strategies to improve their county performance measures.

The Department gives high priority to its adolescent parenting and adolescent pregnancy prevention programs and continues to monitor prevention efforts, particularly those aimed at reducing teen pregnancy.

Teen Pregnancy Prevention Initiatives (TPPI), housed in the Division of Public Health, provide funding for local health departments, social services departments/agencies, school systems, and other community-based agencies to work with adolescents to prevent pregnancy among target populations. These agencies use "best practice models" in group settings. Techniques may include abstinence and life-skills education, youth development, parent workshops, counseling and referral, community awareness efforts, and male involvement. Topics include decision-making, leadership, information about specific areas of concern such as sexual coercion, statutory rape laws, and/or service learning.

STATUTORY RAPE

The Department recognizes the importance of education as a tool for the prevention of sexual violence, including statutory rape. Primary prevention focuses on developing strategies that target the behaviors prior to victimization. The Teen Pregnancy Prevention Initiatives, housed in the North Carolina Division of Public Health (NCDPH) offer training to fund parenting programs in regards to fatherhood involvement and legal issues, including child support.

NCDPH also provides a mandatory reporting webinar, delivered by a lawyer that has specific information around statutory rape. Another webinar is offered annually, which targets the area of human trafficking. A lawyer also delivered this information. Adolescent males are included in state and community level adolescent pregnancy prevention and parenting programs. The various prevention programs utilize different evidence-based curriculum. Several of the curricula specifically addresses consensual sex, albeit at an illegal age. The Department/Division is a participating member of the North Carolina Fatherhood Development Advisory Council. The Council serves as a technical assistance resource and conduit of information for fathers and families, and connects agencies (government, private and non-profit) with similar goals.

North Carolina has statutory rape laws. In an effort to reach older adults, correctional facilities have curricula that focus on modifying and maintaining permanent changes related to illegal sexual behavior. The North Carolina Justice Academy (which trains criminal justice professionals throughout the State) provides training courses which include the Sexual Victimization of Children. This is in conjunction to the cooperative education and training efforts of local law enforcement and domestic violence agencies.

Because of their knowledge and training, the Department encourages the utilization of law enforcement, domestic violence and other community based agencies to educate teen fathers, non-custodial fathers and young males within the education system, programs within local communities and DSS programs such as Child Support Services. These institutional and community based programs are ongoing and adhere to acknowledged philosophies and practices. The Department will work and continue to identify opportunities for appropriate program expansion; while reviewing the efforts of other states.

FORMATION AND MAINTENANCE OF TWO-PARENT FAMILIES

Researchers have found many benefits for men, women, children and communities who are in healthy marriages. Some individuals are less likely to remain or end up in poverty and children and youth are less likely to become pregnant as a teenager when raised by parents in healthy marriages. The mission of the Healthy Marriages Initiative is to help couples that have chosen

marriage for themselves, gain greater access to marriage education services, on a voluntary basis, where they can acquire the skills and knowledge necessary to form and sustain a healthy marriage. Local community based Family Resource Centers, provide a comprehensive array of family support programs, services and activities to encourage the formation and maintenance of two-parent families.

INDIAN TRIBES

The Eastern Band of Cherokee Indians (EBCI) are approved to operate a Tribal TANF plan by the United States Department of Health and Human Services, Administration for Children and Families. The EBCI TANF Tribal plan provides for the intake, eligibility determination, cash assistance, employment services, and case management for tribal families. The EBCI continues to operate a pre-existing Native Employment Worker (NEW) program. Therefore, North Carolina does not include these individuals in the state's federal work participation rate.

INDIVIDUAL DEVELOPMENT ACCOUNTS

Counties may establish Individual Development Accounts (IDA) projects locally based on the counties' resources available. Counties' IDA projects must comply with federal regulations and with Section 404(h) of the Social Security Act.

CONFIDENTIALITY

The Division complies with state and federal laws/regulations as it pertains to confidential information. North Carolina General Statute 108A-80 states that it is unlawful for information to be released from a family's records, except for the purposes directly connected with the administration of programs of public assistance and social services. The General Statute requires the Division to establish and enforce policies governing restrictions on the use and disclosure of any information concerning applicants and recipients of public assistance, and comply with applicable provisions of the Social Security Act concerning confidentiality.

FAMILY VIOLENCE OPTION

North Carolina has adopted the Family Violence Option. The State has developed standards and procedures to notify all Work First applicants and recipients about domestic violence and the Option; and to identify applicants and recipients with a history of being a victim of domestic violence. These individuals are referred to counseling and supportive services (while maintaining their confidentiality) and may receive a temporary waiver from one or more Work First requirements, if domestic violence is preventing them from meeting these requirements.

The Department may waive Work First requirements such as time limits, participation in work activities, child support cooperation, and family cap provisions in cases where there is good cause that compliance would make it more difficult for the recipient to escape domestic violence. These waivers also apply to situations that would unfairly penalize someone who is, or has been, a victim of domestic violence. The length of waivers is determined on a case-by-case basis, but may not exceed six months at a time, and may be reevaluated as appropriate.

LOCAL DEMONSTRATIONS OR PILOT PROGRAMS

Counties may apply to design and operate demonstrations or pilot programs to investigate various ways of meeting the Work First program purposes and goals. These demonstrations will likely be in areas in which the county lacks the authority to make specific program changes. Funding, in addition to the county's local block grant, may or may not be provided. There may

be instances in which the State asks for proposals to address a specific topic. In other situations, counties may apply to the State to operate a pilot without an official request from the State.

TANF ELIGIBLE FAMILIES

In order to achieve the goals of Work First, North Carolina opts to take advantage of the flexibility allowed in the federal law and regulations. Toward that end, the Department defines several categories of eligible families. Eligible families include the following:

- Families that meet the income and resource requirements outlined in Appendices C and D will be provided WFFA or Benefit Diversion; if Benefit Diversion is offered by the county.
- Services to prevent or delay pregnancies to unwed parents, teenage parents or other high-risk populations are provided without regard to family income.
- Pregnant women (with Work First eligible children in the household) whose income is at or below 200% of the federal poverty level may receive support services.
- Non-custodial parents of Work First children, where the non-custodial parent's family income does not exceed 200% of the federal poverty guideline may receive work-related services.
- All other services, including, but not limited to: Job retention and advancement services, employment services, support services, and preventive family services (including child protective services and related child welfare activities), but not assistance, may be provided to families with incomes that do not exceed 200% of the federal poverty guideline.
- Limited follow-up and referral services can be provided to any former Work First recipient without regard to family income.
- In addition to serving the families described above, North Carolina provides services covered in North Carolina's approved State Plan as authorized by Parts A and F of Title IV of the Social Security Act in September 1995. For a description of these services, see Appendix F.
- Child Protective Services and related Child Welfare Services may be provided without regard to family income.

GENDER EQUALITY

The Supreme Court ruling of October 2014, made same-sex marriage constitutional in all states. When determining the definition of "spouse," this would include a legally married individual regardless of gender.

USE OF FUNDS

Federal funds will be used in accordance with federal law and regulations.

TANF funds will be used to meet the four purposes specified in the P.L. 104-193. Federal, State, and county TANF funds will be invested in activities to support achievement of specified outcome measures. These activities include, but are not limited to: enhanced training for State and local staff, automation, employer incentives, family planning services, substance use treatment, child care, transportation, and other activities promoting self-sufficiency for families. In addition, federal TANF funds will be used for the services previously included in the AFDC-Emergency Assistance (EA) plan as specified in Appendix F.

Federal TANF funds may be spent as follows and in accordance with federal law and regulations.

- WFFA and Work First Services.
- Child care.
- Supportive services, including, but not limited to: work-related expenses and transportation. Educational activities intended to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures that involve the provision of services or assistance to a member of an eligible family that is not generally available to other people.
- Administrative costs (which may not exceed 15% of the total funds spent for purposes under Title I of the federal block grant) are defined as costs associated with office directors, policy, fiscal, budget, personnel, purchasing, legal, clerical support, and direct, indirect, and allocated costs in support of these positions. The costs of staff that provide case management, program supervisors, program clerical staff, and support costs of program staff are services costs rather than administrative costs. The staff time spent solely on determining financial eligibility, including evaluating assets, is counted as administrative.
- Case management services, including outreach and follow-up activities.
- Expansion of child support efforts, including fatherhood initiatives, training for eligible non-custodial parents. TANF funds or MOE will be used to fund a concentrated plan to increase the level of collections for eligible families.
- Federal funds may also be used to help meet cost-sharing requirements under the Job Access program under Section 3037 of the Transportation Equity Act for the 21st Century (P.L. 105-178).
- Automating the provisions of the law.
- Other uses that reasonably can be expected to enable families to care for children in their homes; that promote job preparation, work, and marriage; that prevent or reduce the incidence of out of wedlock pregnancies; and that encourage parents to marry and remain married.
- Any purpose for which the State was authorized to use funds received under Parts A and F of Title IV of the Social Security Act as they were in effect on September 30, 1995. This means that North Carolina will continue, as it has since 1995, to provide services (including child welfare services) to at-risk children as was approved in the Title IV-A State Plan as of September 30, 1995. A description of these services is located in Appendix F.

If federal TANF funds are insufficient to cover cash assistance costs in the event of economic downturns, other Federal, State, and county funds may be used to meet the costs of assisting needy families.

Counties are able to retain partial collections made on overpayments to recipients not due to agency error, including child care overpayments.

MAINTENANCE OF EFFORT

Under State law, both the counties and the State provide Maintenance of Effort (MOE) funds. County spending is generally through the County Work First Block Grant. This Block Grant contains an allocation of Federal funds to be used for those services that meet the requirements for TANF funds. It also contains state and county funds that are used to meet the Maintenance of Effort requirements. Additional State funds for Maintenance of Effort are spent on such items as child care, State administrative costs and automation.

In general, services provided under the first and second purposes of TANF, using TANF funds, and any of the purposes using Maintenance of Effort funds, may only be provided to families that are financially needed (i.e. with incomes at or below 200% of the federal poverty level). Services provided under the third and fourth purposes of TANF, using Maintenance of Efforts funds, may be provided without regard to income if the expenditures are pro-family. All other services provided for the purposes of using MOE funds are subject to incomes at or below 200% of the federal poverty level. Services may be provided to families or children who are experiencing an emergency as defined in the plan, and who do not have sufficient resources to alleviate the emergency.

Maintenance of Effort funds may be used for the activities listed below.

- WFFA.
- Child care.
- Supportive and preventive services, including, but not limited to: child and family enrichment services, work-related expenses, and transportation.
- Educational activities intended to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures that involve the provision of services or assistance to a member of an eligible family that is not generally available to other people.
- Administrative costs (which may not exceed 15% of the total funds spent for purposes under Title I of the federal block grant) are defined as costs associated with office directors, policy, fiscal, budget, personnel, purchasing, legal, clerical support, and direct, indirect, and allocated costs in support of these positions. The costs of staff that provide case management, program supervisors, program clerical staff, and support costs of program staff are services costs rather than administrative costs. The staff time spent solely on determining financial eligibility, including evaluating assets, is counted as administrative.
- Case management services, including outreach and follow-up activities.
- Services such as housing assistance or health care assistance that can help families meet their goals for self-sufficiency.
- Automating the provisions of the law.
- Other uses that reasonably can be expected to enable families to care for children in their homes; that promote job preparation, work, and marriage; that prevent or reduce the incidence of out of wedlock pregnancies; and that encourage parents to marry and remain married.
- Programs for at-risk youth that provide after school programming, mentorship, remediation, alternative education, dropout prevention, and other supportive services.
- Early Education and other school readiness programs intended to ensure youth are prepared to enter school.

IMPLEMENTATION

North Carolina will phase in implementation, based on resources, training needed, and automation abilities. Any changes requiring modifications to the existing Client Services Data Warehouse (CSDW), Services Information System (SIS)or North Carolina Families Accessing Services through Technology (NC FAST) that support the Work First Cash Assistance program will be delayed until the modifications can be implemented in the systems. Existing policies remain in effect until the required automation changes can be made effective or changes not requiring automation can be put into place.

AMERICANS FOR DISABILITIES ACT REQUIREMENTS (ALL COUNTIES)

In accordance with Federal law and U.S. Department of Health and Human Services (HHS) policy, county departments of social services/agencies are prohibited from discriminating against any person on the basis of race, color, national origin, sex, age, religion or disability in admission, treatment or participation in its programs, services activities, or in employment. All counties are required to have policies and practices on compliance with American with Disabilities Act (ADA), as well as the provision of interpreter services for its citizens that require such accommodations. Counties are asked to provide a detailed discussion on how the county complies with ADA, as well as how they provide requests for interpreter services.

To ensure effective communication and meaningful access to programs and services, individuals with disabilities will be notified of the availability of services at no cost. Such services may include, but are not limited to: sign language interpretation and foreign language interpretation services.

Documents notifying applicants and program participants of adverse actions will be communicated in plain language; will be provided in the applicant or program participant's primary language; or will advise the program participant how to have the document interpreted free of charge.

The Division will track statistical information as it relates to individuals with disabilities.

The Personal Responsibility and Work Opportunity Reconciliation Act requires that Title II of the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 (Section 504) apply to TANF programs. The ADA (42 USC Section 12101 *et seq.*; 28 CFR Part 35) applies to counties and other local governments administering all or part of the TANF program; and Section 504 (29 USC Section 794; 45 CFR Part 84) applies to entities which receive federal funding, either directly or indirectly, through a grant, contract, or subcontract. The two significant elements of Section 504 and Title II of the ADA are:

- Individualized treatment; and
- Effective and meaningful opportunity.

Individualized treatment means that individuals with disabilities should be treated on a case-by-case basis and not on stereotypes and generalizations. Further, individuals with disabilities must be afforded the opportunity to benefit from Work First in the same manner as those individuals who do not have disabilities. Exempting individuals with disabilities from work requirements denies these individuals access to services and may result in discrimination.

Section 504 and ADA requires that agencies:

- Ensure equal access to employment programs for qualified individuals with disabilities through the provision of appropriate services;
- Adopt methods of administration, which do not discriminate against and ensures equal access and opportunity to qualified individuals with disabilities; and
- Modify policies, practices, and procedures to provide equal access that allows qualified individuals with disabilities to participate in and benefit from employment programs; unless doing so would fundamentally change the program or cause an undue hardship.

Qualified individuals with disabilities must be provided reasonable accommodations; so they have an opportunity to participate in and benefit from services and programs that are as effective and meaningful as those available to individuals without disabilities. A reasonable

accommodation is any reasonable change in the way the Work First program administers the program, or the way it requires the participant to do something. Exempting the Work First participant for "good cause" when they are unable to meet work requirements because they have a disability, or are caring for a family member with a disability, is not an alternative to evaluating the need for accommodations.

To ensure that individuals with disabilities have equal access to employment programs, the Work First staff must screen and assess all applicants and participants to determine the participant's specific abilities and limitations. Screenings and assessments will occur periodically to address potential program participation barriers. Individuals may be referred to the Division of Vocational Rehabilitation for determination of their eligibility for such services, or to other qualified professionals for a comprehensive assessment.

Any applicant or recipient that meets the ADA's definition of disabled, and those individuals caring for family members who are disabled, should be provided reasonable accommodations, if needed. Reasonable accommodations may include but are not limited to:

- Part-time work activities;
- Reasonable accommodations for work activities;
- Job restructuring, includes part-time or modified work schedules, modification of equipment and examinations, provision of qualified readers, interpreters, or job coaches;
- Additional assistance or increased supervision in work activities;
- Assistance with application for benefits, including a notification process for those with learning disabilities; and
- Specialized child care for a child with a disability.

Accommodations will be considered even when scheduling appointments and requesting that the individual obtain and provide documents for verification purposes.

An individual, who has requested an accommodation and believes that they have not been adequately accommodated, is informed to notify the Work First case manager verbally or in writing. Within 7 workdays of the receipt of notification, the county should have a meeting to include the individual and/or his/her representative and appropriate staff. The county has 14 workdays from the date of the meeting to respond to the request. The county must notify the individual of the decision in writing within the 14 workdays from date of the meeting.
The county department of social services/agencies are required to inform the applicant or recipient that disclosure of a disability is voluntary. This includes screening for a disability, including learning disabilities and mental health disorders. Nonetheless, counties must inquire about an individual's health related limitations to determine the appropriate work assignments. The participant does not have to provide the information.

There are times when identification and treatment of a disability are necessary for program administration. Under these circumstances, a participant may be required to participate in efforts to evaluate a suspected disability and participate in necessary treatment. Those circumstances may include:

A. If a participant reports they are unable to work or have limited work capacity, the individual may be required to substantiate their statements by being required to provide medical documentation, participate in screenings and evaluations as agreed on the MRA/Outcome Plan. Failure to comply may result in a sanction of benefits. All participants are given an opportunity to provide any required medical documentation before a sanction of their benefits occurs.

B. If a participant has demonstrated an inability to successfully participate in work activities, or employment and the worker has reason to believe this is due to a disability or work limitation; the county may require the participant to be screened or evaluated to establish the necessary services to support the participant in achieving success in the Work First program. If the screening or evaluation determines that the participant requires treatment, the participant may be required to participate in the necessary treatment as a condition of the MRA/Outcome Plan.

Individuals with confirmed disabilities must be provided with reasonable accommodations and services to support their participation in employment and work related activities.

TITLE VI REQUIREMENTS (ALL COUNTIES)

In accordance with Federal law and U.S. Department of Health and Human Services (HHS) policy, county departments of social services/agencies are prohibited from discriminating against any person on the basis of race, color, national origin, sex, age, religion, political affiliation or disability in admission, treatment or participation in its programs, services activities, or in employment. All counties are required to establish policies and practices in compliance with Title VI of the Social Security Act, as well as the provision of interpreter services for its citizens that require such accommodations.

To ensure equal access to employment programs, the Work First staff must screen and assess all applicants and participants to determine the individual's specific abilities and limitations. Screenings and assessments will occur periodically to address potential program participation barriers.

To ensure effective communication and meaningful access to programs and services, individuals with disabilities or limited English proficient (LEP) will be notified of the availability of services at no cost. Such services may include, but are not limited to: sign language interpretation and foreign language interpretation services.

Documents notifying applicants and program participants of adverse actions will be communicated in plain language; will be provided in the applicant or program participant's primary language; or will advise the program participant how to have the document interpreted free of charge.

All members included in the Work First application must be US citizens or qualified or otherwise eligible immigrants.

If an applicant or recipient requires an interpreter, the county department of social services/agencies must provide such services for the applicant or recipient. Generally, this service is provided during the initial contact with the applicant as well as during ongoing contacts.

All rules of confidentiality must be applied in regards to citizenship/immigrant status. It is a breach of confidentiality to discuss an individual's citizenship/immigrant status with employers, landlords, etc.

CERTIFICATIONS REQUIRED OF THE GOVENOR

As Governor of the State of North Carolina, I hereby certify that during each fiscal year to which this state plan is applicable:

- This program will be known as the Work First program.
- The provisions described in this State plan will be carried out in accordance with Federal and State law.
- The State will operate a Child Support Services Program in accordance with the State plan approved under Title IV-D of the Social Security Act.
- The State will operate a Foster Care and Adoption Assistance program in accordance with the State plan approved under Title IV-E of the Social Security Act.
- The state will take any actions that are necessary to ensure that children receiving assistance under Title IV-E of the Social Security Act are eligible for medical assistance under Title XIX of the Social Security Act.
- The North Carolina Department of Health and Human Services is the agency responsible for supervising the program and administering program funds.
- Local governments and private organizations have been consulted regarding the plan and design of welfare services in the State, and they have been given 45 days to submit comments on the plan and design of those services.
- The State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan, with equitable access to assistance under the State program funded under Title IV-A of the Social Security Act.
- The State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.
- The State has established, and are enforcing, standards and procedures to screen and identify individuals receiving assistance that have a history of domestic violence. While maintaining the confidentiality, such individuals are referred to counseling and supportive services, and, pursuant to a determination of good cause, program requirements (such as time limits for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions), are waived in cases where compliance with such requirements would make it more difficult for them to escape domestic violence or would unfairly penalize them.

Pat McCrory

Pat McCrory, Governor
State of North Carolina

7/25/16

Date

APPENDIX A

LOCAL BLOCK GRANT PLANS

Triennially, each Electing County must submit to the Department of Health and Human Services a local block grant plan that describes its proposal for the following:

- Work First Employment Services Program,
- Eligibility Criteria for WFFA and other Work First Services,
- Emergency Assistance Program,
- Benefit Diversion Program (Optional),
- Provision of Work First Services to low-income families,
- Provision of Work First Services to former Work First recipients (Optional), and
- Provision of Work First Services to non-custodial parents of Work First children (Optional).

Electing Counties shall give the public an opportunity to review and comment on their local block grant plans before submitting to the Department. The county board of commissioners must appoint a committee of individuals to identify the needs of the population to be served and to review and assist in developing the county block grant plan in response to the needs. Membership of the committee must include, but is not limited to: representatives of the county board of social services, the board of the Local Management Entity/Managed Care Organization (LME-MCO) for Mental Health, Developmental Disabilities and Substance Abuse Services, the local public health board, the local school systems, the business community, the board of county commissioners and community-based organizations that are representative of the population to be served. In addition, faith-based organizations, service recipients, and other non-profits with experience in serving the population should be included. The Department provides to all counties a model for use in developing an electing county plan.

The electing county block grant plan should include public and private resources that will help families move to self-sufficiency and should describe how services, such as child care, transportation, housing, and skills training will be used. The plan must include the county's priorities for serving families who need child care, based on the needs of the community and the availability of services and funding.

Following review by the county social services board and other parties, the county commissioners must approve the county block grant plan before it is submitted to the Department.

The Department has the responsibility to ensure that counties' programs comply with Federal and State requirements and are consistent with the goals of the Work First program. County plans for FFY's 2016 through 2019 have been submitted and reviewed by a team representing of a wide variety of agencies and organizations. All plans were reviewed for compliance with State and Federal law and the goals of the Work First program. Counties received comments and/or feedback on innovative strategies, challenging areas, and requests for additional information or clarifications.

See Appendix D for additional information on the Electing County planning process.

Standard Counties do not have to return a Block Grant plan to the Division. All Standard Counties are required to follow policy as written in the Work First Program Manual.

STATEWIDE WORK FIRST GOALS

The Department, in consultation with the county departments of social services/agencies and county boards of commissioners, has established acceptable levels of county performance in meeting Work First expectations.

The goals and performance measures established below will reinforce North Carolina's successful caseload reduction efforts. With the Deficit Reduction Act of 2005 and the subsequent Federal Final Rule, there is an increased emphasis on meeting the federal requirements for Work Participation Rates. One factor that has helped North Carolina meet the Work Participation Rates in the past has been the Caseload Reduction Credit. By comparing the current caseload to the caseload in 1995, North Carolina could show a significant reduction in the caseload. With that reduction applied by the federal government to the actual participation rates, North Carolina has met its Work Participation Rates each year since the beginning of TANF and Work First. However, with the new law and rule, the base year for the Caseload Reduction Credit changed from 1995 to 2005. The change in the base year makes the Caseload Reduction Credit significantly smaller than in previous years and thus, makes meeting the Work Participation Rates harder to accomplish. Failure to meet the Work Participation Rates can lead to financial penalties.

Therefore, there are two goals for North Carolina's Work First program, and two goals by which county departments of social services/agencies will be measured.

1. **Meeting Federal Work Participation Rates for All Families**. Active participation in employment services and activities will lead to full time employment. Counties must ensure that at least 50% of all Work Eligible Individuals, as defined by Federal Rule, complete the required number of hours of federally countable work activities.
2. **Meeting Federal Work Participation Rates for Two-Parent Families**. Active participation in employment services and activities will lead to full time employment. Counties must ensure that at least 90% of all two-parent families with Work Eligible Individuals, as defined by Federal Rule, complete the required number of hours of federally countable work activities.

By promoting employment, job retention, diversion, and intensive work activities, these outcomes not only assure a continuing downward trend in the caseload; they also will contribute to the state's ability to meet the federal Work Participation Rates.

Tracking county performance measures will assist the Department and counties in focusing on the factors that contribute to caseload reduction, meeting Work Participation Rates, and moving families toward employment and self-sufficiency.

The following have been identified as the Work First Performance Measures:

1. Diversion Assistance Approvals

This measure represents the number of Diversion Assistance approvals for the county during the report month. Participants who receive Diversion Assistance are not included in the calculations for any of the other measures. They also do not count in the Work Participation Rate.

2. Participants with Hours Scheduled

This measure represents the number of adults in the Work First caseload who are actively receiving employment services as indicated by having hours scheduled for them in the report month.

3. Participants Who Completed 75% of Scheduled Hours

This measure indicates whether participants are completing the hours that are scheduled for them (calculated in the prior measure). Specifically it measures the number of participants who completed at least 75% of the hours that were scheduled. Significant differences between the number of participants with scheduled hours and those with completed hours may help counties identify when more research is needed to determine why participants are not completing hours and what can be done to help them do so.

4. Adults Entering Employment

This measure calculates the number of adults who entered employment during the report month. Individuals are only counted once in the year-to-date total.

5. Remaining off Work First for Employment for 12 Months

The calculation for this measure is checked each month to see if the person returned to the Work First Cash Assistance program in any of the 12 previous months. If the individual has not returned to the Work First Cash Assistance program in any of the 12 previous months (after leaving Work First for employment), the individual will be counted in this total.

APPENDIX B

PERSONAL RESPONSIBILITIES AND WORK REQUIREMENTS

The Work First Cash Assistance program is based on the premise that all parents have a responsibility to support themselves and their children. Under Work First, the Mutual Responsibility Agreement (MRA)/Outcome Plan outlines in detail the obligations of parents, relative caretakers, or legal guardians in return for family assistance. All counties require families to enter into agreements. Electing Counties may develop their own agreements to meet local needs (See Appendix D). All Standard Counties use the same MRA/Outcome Plan. However, counties may tailor the agreement to meet local and family-specific needs.

For the purpose of this section, there is a distinction between the requirements for families that include a "Work Eligible Individual" and those families that do not. Drug felons, fleeing felons, and recipients for SSI are not excluded from the definition of work eligible individuals. The following individuals are exempt from the work requirement.

1. Adults receiving cash assistance for a child only. (The adult is not included in the case.)
2. A non-recipient relative, other than a parent, living with a child receiving assistance.
3. A non-qualified immigrant who is ineligible for WFFA or Work First Benefits due to immigration status. (Immigration status requires third party verification.)
4. A recipient of Supplemental Security Income (SSI.)
5. Single custodial parents with a child under 12 months of age.
6. Individuals with "child" family status (youth up to age 18 and not an emancipated minor payee or age 18, if in high school and expected to graduate from high school by the month of their 19th birthday). Emancipation occurs when a dependent child marries, becomes a member of the U. S. Armed Forces, or is declared emancipated by a court. An emancipated minor parent is treated as an adult applicant to qualify for and receive Work First cash assistance for themselves and their child.
7. A parent providing care for a disabled family member living in the home. Medical documentation to support the need for the parent to remain in the home is required from the Health Care Professional responsible for the medical care of the disabled family member.

MUTUAL RESPONSIBILITY AGREEMENT/ OUTCOME PLAN

The first part of the MRA/Core Requirements, applies to all families and describes the parent's or caretaker's responsibilities. All Agreements must include:

- Contact their Work First worker if a change occurs in their situation within ten (10) days of knowing of the change;
- Keep all scheduled appointments with their Work First worker;
- Cooperate with Child Support Services for all children who receive assistance;
- Ensure that children who receive assistance get their immunizations and have regular checkups; and
- Ensure that school-aged children and minor parents who receive assistance live at home and attend school according to school attendance policy.

A family is not eligible for WFFA unless the parent(s) or caretaker(s) signs the MRA.
The second part of the MRA, The Plan of Action /Outcome Plan, is the Work Eligible parent's plan to meet the work requirements. This part:

1. Establishes employment goals for the parent(s);

2. Describes a plan for participating in work or work-related activities and the hours required in each activity; and
3. Describes the case management and supportive services that will be provided to help the family successfully meet the requirements of the MRA and move towards self-sufficiency. Supportive services may include reasonable accommodations for individuals with disabilities and language assistance for LEP populations.

All MRA-Plan of Action Agreements/Outcome Plan must include:

- Contact their Work First worker immediately if a change occurs that prevents them from completing the activities described on the MRA Plan of Action /Outcome Plan;
- Accept and keep any reasonable job offered. The participant will not quit a job, refuse an offer of employment or fail to follow up on job referrals without good cause;
- Submit verification of all activities completed each month by the fifth (5th) work day of the following month; and
- Acknowledge the requirements listed on the MRA Plan of Action/Outcome Plan and Core Requirements and their payment will stop.

A family whose parent refuses to sign the MRA-Plan of Action /Outcome Plan (if required) loses its benefits for at least one month. Benefits will not be restored until the parent signs the MRA Plan of Action/Outcome Plan.

EMPLOYMENT ASSISTANCE FOR WORK ELIGIBILBE INDIVIDUALS

The Division of Workforce Solutions (DWS)/NCWorks Career Center is the presumptive, primary deliverer of job placement services for the Work First program and a critical partner with the Department of Health and Human Services.

Registration for work with the NCWorks Career Center will be a prerequisite to participation in the Job Search component of Work First. All work eligible participants who are assessed as ready to engage in job search will be required to register for work with NCWorks Career Center. This requirement will be included on their MRA Plan of Action/Outcome Plan.

Failure to register for work with the NCWorks Career Center as part of the Job Search component will result in a sanction; which entails the loss of the WFFA payment for one month or until compliance, whichever is longer. If the parent is an ongoing Work First case, receiving "Work First cash assistance," the family will not receive their Work First cash benefits for the month that they failed to comply with Job Search requirements outlined on their MRA/Outcome Plan.

Counties also may contract with the local NCWorks Career Centers for additional services such as job search, job placement, and referrals to community services. Modifications and/or accommodations may be necessary to assist individuals with registration and with access to employment services.

WORK RESPONSIBILITIES

Work Eligible individuals are assessed for employability at application for Work First Cash Assistance and again within three months of receiving assistance. Single parents of children less than 12 months of age are excluded from the participation rate calculation; if they do not complete enough countable hours to be deemed engaged in work. This exclusion is for a cumulative total period of 12 months (lifetime exemption).

In all counties, single parents with children under age six who demonstrate that necessary child care is not available are not sanctioned. (See Child Care Section for required definitions.)

MRA Plans of Action/Outcome Plans are individualized based on an employability assessment. The MRA Plan of Action/Outcome Plan must be completed within 5 days of the Work First application date. Often, a Plan of Action will reflect fewer hours per week of activities than required to meet the Work Participation Rate. This may be due to a shortage of appropriate activities, a shortage of necessary support services, or other personal limitations of the participant. County Work First staff is responsible for balancing these limitations against the expectation of full time participation and the requirement to meet the participation rates. All work eligible individuals are expected to strive and make progress toward full time participation. County Work First plans require frequent review because some plans may be short-term. The MRA Plan of Action/Outcome Plan may be updated or re-negotiated as often as appropriate.

The Administration for Children and Families (ACF) was instructed by the Deficit Reduction Act of 2005 to provide states with specific definitions of federally countable work activities. In February 2008, the Final Rules were issued with the following work activities:

1. **Unsubsidized employment**
2. **Subsidized employment**
3. **Job Search and Job Readiness**
4. **On-the-Job Training**
5. **Work Experience**
6. **Community Service**
7. **Vocational Educational Training**
8. **GED/HS Completion for Teen Heads of Households**
9. **Job Skills Training**
10. **Education Directly Related to Employment**

Optional items and information specific to North Carolina are discussed below.

1. State Work Activities - Additional work activities that do not meet the federal definitions are also supported. A worker and the family will use the results of the employability assessment to create the most likely and timely path to self-sufficiency.

2. Post-Secondary Education - Up to 20% of Work First recipients may be enrolled, at least part-time, in a post-secondary education program. In Standard Counties, recipients who are enrolled at least part time and who maintain a 2.5 grade point average (or its equivalent) shall have their two-year time limit suspended for up to three years.

WORK VERIFICATION REQUIREMENTS

In compliance with the Deficit Reduction Act of 2005 and the subsequent Final Rule, the State of North Carolina's Work Verification Plan was submitted and approved by ACF in September 2008.that includes the following:

1. Describes the services or programs the State includes under each work activity. (Services and programs must conform to the Federal definition of these activities.)
2. Describes how the State determines the number of countable hours of participation for each activity.
3. Describes how the State verifies the actual hours of participation for each activity, including the procedures for obtaining and maintaining documentation of hours of participation.

4. Describes the methods of daily supervision for each unpaid work activity.

All county departments of social services/agencies must adhere to the requirements as outlined in the State's Work Verification Plan.

CHILD CARE DEFINITIONS

County departments of social services/agencies use the following guidelines to evaluate whether adequate child care is available for single parents with a child under age 6. At each occurrence of non-compliance with the work requirement for a single parent caring for a child under age 6, the county department of social services/agencies will document in the case record the reason for the parent's non-compliance. If the parent states that he/she is unable to participate because needed child care is not available, the county department of social services/agencies will evaluate each of the following criteria and document their findings in the case record. If the county finds that the parent's claim is valid, the sanction or loss of Work First benefits for non-compliance is not applied.

Appropriate Child Care

- Care in a regulated child care center or family child care home that has a license, or
- Care in a non-licensed child care arrangement that meets the requirements of North Carolina's Subsidized Child Care Program.
- Child care options must have hours of operation that mesh with the work schedules of parents and meet any special needs of the individual children.

Reasonable Distance

- In evaluating "reasonable distance," counties consider the total time it takes for parents to travel one-way from home to the child care provider, then to work or work-related activity. Because of the differences in North Carolina's geography and highway/road systems, county departments of social services/agencies have maximum discretion to decide what is "reasonable" for individual families based on their resources (i.e. whether they have a vehicle in working order or families' resources available for transporting the family) and local transportation considerations.
- As a guideline, counties should consider that it might not be reasonable to require families receiving Work First to travel more than 80 minutes one-way to work and child care. Eighty minutes is approximately four times the average one-way commute time in North Carolina (not including stops at child care arrangements), based on data from the U.S. Census Bureau.

This does not preclude an exemption from the sanction or a loss of Work First benefits based on a shorter commute if the county considers the commute an obstacle to children's healthy development or the family's self-sufficiency goals.

Unsuitability of Unlicensed Child Care

The unsuitability of a non-licensed child care arrangement is determined on a case-by-case basis. A non-licensed child care provider may be considered "unsuitable" for a particular family if one of the following exists:

- The non-licensed child care arrangement does not meet the requirements of North Carolina's Subsidized Child Care Program to receive subsidy payment.
- A parent does not want their child(ren) cared for by the non-licensed child care provider.

Affordable Child Care Arrangement

When a child care subsidy is available to the family, the child care is considered affordable. If the child care provider charges parents the difference in the subsidy payment rate and the private paying rate and the parent cannot afford to pay the difference, that care does not meet the definition of affordable.

HEAD START/EARLY EDUCATION

The DHHS/NC Division of Social Services continues to strengthen its' partnership with the NC Head Start-State Office. The goal of this collaboration is to:

a) increase the number of referrals of families participating in the Work First program to Head Start or Early Head Start programs for enrollment;
b) increase the number of referrals that Head Start or Early Head Start programs make to local department of social services agencies of families potentially eligible to receive Work First or other services;
c) develop an effective system of communication and information-sharing between Head Start and local department of social services/agencies; and
d) provide joint training opportunities for Head Start staff and Work First staff that have similar job functions.

APPENDIX C

STANDARD COUNTIES

Electing Counties will follow Standard Counties Work First Policy, except as indicated in Appendix D.

NON-FINANCIAL ELIGIBILITY RULES

In addition to signing the MRA/Outcome Plan and work requirements, families must meet certain eligibility rules in order to receive WFFA. The basic eligibility rules are described below.

1. Children must be age 17 or younger at application. Children may receive through the month that they turn 18. Children age 18 if in high school and expected to graduate by the month of their 19th birthday, can receive through the month they graduate from high school. Emancipated minor parents are considered adults and treated as such for Work First.

2. Children and adults who receive Social Security Income (SSI) are not included as recipients in the WFFA case. If a parent is applying for WFFA, they only have one child, and that child receives SSI or adoption assistance, the parent may receive assistance with a payment for one person.

3. Parents, including biological, adoptive, or stepparents, must be included with their child (ren) in WFFA case. All siblings, stepsiblings and half siblings living together must also be included in the case. If both biological parents and adoptive parents are living in the same residence with a child, the adoptive parents must apply and be included, but the biological parents may not.

4. If the child's parent and an individual who has legal custody or guardianship reside in the home with the child, only the individual who has day-to-day care of the child may apply for and receive WFFA for that child. The child's parent is included in the case, and child support must be pursued. The parent's income must be counted in this case. The parent must sign an MRA/Outcome Plan and is expected to complete the work participation requirements, unless the parent meets one of the exemptions from the definition of Work Eligible Individuals.

5. Children for whom Foster Care and/or Adoption Assistance payments are being made are not included as recipients.

6. Certain relatives, or a person with legal custody or legal guardianship, may apply for assistance for a child but may not be included in the payment. These cases are child-only cases. The following relatives qualify to apply for a child:

   - a blood or half-blood relative or adoptive relative limited to: brother, sister, grandparent, great-grandparent, great-great-grandparent, uncle or aunt, great-uncle or aunt, great-great-uncle or aunt, nephew, niece, first cousin, and spouses of anyone listed above even after the marriage has been terminated by death or divorce; and
   - the kinship rule does not include the spouses of step- relatives. In addition, a step-brother or step-sister may also apply for a child but may not be included in the payment.

7. An adult or child cannot receive TANF Assistance in more than one case in North Carolina or any other state for the same month.

8. An individual can be the payee for one WFFA case at a time.

9. Undocumented immigrants are not eligible to receive Work First. North Carolina elects to provide assistance to cover all optional non-citizen populations allowable under federal law.

10. A family cap on assistance is in effect. This means that a family's WFFA cash payment will not increase when a child is born ten (10) months after a month in which a family received cash assistance. There are some exceptions to the family cap rule, as follows:

    - A child who is the firstborn (including all children of a multiple birth) of a minor who is a dependent child.
    - A child who is conceived as a result of verifiable rape, sexual assault, or incest.
    - A child for whom parental custody has been legally transferred to someone other than the parent.
    - A child no longer able to live with his parent due to the parent's death, the parent's incapacity or disability, or the parent's incarceration or institutionalization if expected to last at least three months.
    - A child who is the only child in the family unit.

11. Minor parents (under age 18), unless emancipated, must meet special requirements:

    - They must stay in school to complete their high school education, or its equivalent. When a minor parent has completed high school or has received a GED, or is suspended or expelled from school, the minor parent must participate in an appropriate educational, training, or other work activity.
    - They must live with a parent or in another adult-supervised setting approved by the county director or his designee. Payments will be made to an adult as a substitute payee, and not to the minor parent.

12. There is a five-year, lifetime limit on receipt of federal TANF assistance. This means that, unless a hardship exemption is granted, a family is not eligible for WFFA if it contains an adult who has received WFFA in North Carolina and/or TANF assistance from another state for 60 cumulative months. The five-year lifetime time limit began in North Carolina on January 1, 1997.

A family may request a hardship exemption from the 60-month time limit.

The County Board of Social Services, or their designee, will consider and decide whether an exemption will be granted based on guidelines established by the Department. The Board or its designee must determine that:

- Both the family and the agency have made good faith efforts to resolve the problems causing the hardship during the 60 months of receipt of WFFA.
- Whether the participant is experiencing hardship as defined in the Work First Manual. Such hardships include, but are not limited to, situations where a family member has been battered or subjected to extreme cruelty, where the family is dealing with a severe illness of children or parents, or where there is a combination of factors that together constitute a hardship.

- Whether the hardship condition is severe enough to prevent the parent from working on a regular basis.

Adults included in cases that have been granted hardship exemptions are expected to have an MRA Plan of Action/Outcome Plan in place that addresses each identified hardship criterion, and they are expected to work toward resolution of the problems as appropriate. Counties are expected to continue to provide necessary services to enable the family to work towards resolution of these issues. Exemptions can be granted for one to six months. At the end of the exemption period, the family may request another exemption.

Good cause considerations include, but are not limited to:

- Disability of the caretaker;
- Disability of a child or other family member requiring the caretaker to remain at home and provide care;
- Family crisis or change including, but not limited to, death of a spouse, parent, or child;
- Lack of necessary child care; and
- Other unique circumstances that prevented the participant from getting or keeping a job as determined by the Board or its designee.

13. There is a 60-month lifetime limit of assistance in North Carolina, to custodial parents who receive Work First Family Assistance for their children. Parents who receive Supplemental Security Income (SSI) are excluded from this policy.

14. In addition to the five-year federal lifetime limit, families who are active in North Carolina's Work First Employment Services are limited to 24 cumulative months of cash assistance, unless an extension as described below is granted. Families may re-apply for Work First after being off assistance for 36 months. All counties are required to review all Work First cases no later than three months prior to the end of the 24-month time limit.

The review is to:

- Ensure that time limits have been tracked correctly;
- Ensure the family is informed about other services;
- Provide an extension if the family qualifies; and
- Review the family status and assist them in identifying resources and support they need to maintain employment and family stability.

Up to 20% of Work First recipients may be enrolled, at least part-time, in a post secondary education program. Recipients who are enrolled at least part time and who maintain a 2.5 grade point average (or its equivalent) shall have their two-year time limit suspended for up to three years.

Families may request an extension of the 24-month time limit at the end of the 24-month period or anytime following termination, including any time within the 36-month period of ineligibility. An extension may be requested verbally or in writing.

The County Board of Social Services, or their designee, will consider and decide on whether an extension will be granted. The Board or its designee must determine:

- That the Work First participant substantially complied with the MRA/Outcome Plan, including considerations for any good cause exceptions.

- That the Work First participant, through no fault of his own, is unable to obtain or maintain employment that provides a basic level of subsistence. To determine this, the Board or its designee will compare the family's net monthly income to the maximum Work First payment for the family size. If the net monthly income is equal to the maximum Work First payment or greater, the family cannot receive an extension.
- Whether the participant is experiencing extenuating circumstances.

If an extension is granted, the Board or its designee must determine the length of the extension. Each extension must be a minimum of 1 month to a maximum of 6 months with no limit on the number of extensions (within the 60-month lifetime limit).

Good cause considerations include, but are not limited to:

- Disability of the caretaker;
- Disability of a child or other family member requiring the caretaker to remain at home and provide care;
- Family crisis or change including, but not limited to: death of a spouse, parent or child;
- Lack of necessary child care; and
- Other unique circumstances determined by the Board or its designee that prevented the participant from getting or keeping a job.

15. All Work First applicants (i.e., every member of a case) must have a social security number, or apply for a social security number if they do not have one. Unless an individual has a social security number or applies for one, that individual is not eligible for Work First.

16. Individuals who are temporarily absent from the home for fewer than 90 consecutive days may continue to be eligible for Work First. Individuals who are absent from the home for more than 90 consecutive days but fewer than 12 months may continue to be eligible for Work First, if they have good cause for the absence. Good cause includes absences for medical treatment, substance use treatment, and health care. For children, good cause also includes absences for educational requirements.

17. An adult must report to the caseworker when a child is expected to be absent from the home for 90 consecutive days or longer. The adult must report the child's absence within five days of knowing the absence would exceed 90 consecutive days. Failure to report the absence within five days makes the adult ineligible for three months beginning the month after failing to make the report.

18. An individual who is convicted of misrepresenting his residence in order to receive Work First, Medicaid, SSI, or Food and Nutrition Services (FNS) in more than one state or more than one location in North Carolina is ineligible for Work First cash assistance for ten years beginning on the date of conviction.

19. Incarcerated or institutionalized individuals are not eligible for WFFA.

20. A family must apply for WFFA in the county of their residence. However, if the recipient moves to another county, the Work First case will transfer to the new county of residence.

21. Work First cash payment received solely because the timely notice (10-day notice) requirement prevents appropriate action to reduce or stop benefits is not considered an overpayment and does not have to be repaid.

22. Individuals who have been convicted of a Class H or I controlled substance felony in North Carolina may receive WFFA, or other services under the following conditions:

    - The individual may be eligible six months after release from custody; or
    - Six months after the date of conviction if the individual was never committed to custody;
    - And if there is no additional controlled substance felony offense during that time;
    - And the individual completes or continues appropriate substance use treatment as determined by the Local Management Entity. Individuals receiving Work First under these conditions are required to undergo substance use treatment as a condition of eligibility.

23. Families must legally reside in the State to receive assistance. Families that have moved to North Carolina after receiving cash assistance in another state will not be treated differently from current residents.

24. Cash assistance overpayments are recovered from the family, as allowed under State law or rule. This includes fraud, intentional program violations, and inadvertent errors by the family.

25. For WFFA cases, all changes are required to be reported by the family to the county within 10 calendar days of the date the change becomes known. This includes changes in income. All changes must be processed by the county within 30 calendar days of the report.

26. The certification period for Work First Services for families with income at or below 200 percent of the federal poverty level may be for a period of up to twelve months. Once certified, these families' eligibility does not need to be reviewed until the certification period ends.

27. All applicants and recipients for Work First must provide verification of citizenship and identity.

28. Any family that includes an adult who has quit a job without good cause, or has been fired from a job with cause, is ineligible for Work First payments the month of the job quit or firing and the two months immediately following.

29. The following applicants/recipients are subject to the substance use screening and testing requirement: single parents (biological, adoptive and step); both parents (biological, adoptive and step) of a two parent household; emancipated teen parent, as defined by Work First Manual Section 109, Age Rule for Children; any parent being added to an existing Work First case; parents who have been disqualified due to an Intentional Program Violation (IPV); parents who are ineligible due to fleeing felon and/or parole/probation violator status; parents with a Class H or I controlled substance felony conviction in North Carolina; and custodial parents who receive Work First Family Assistance for their children.

    The substance use screening and testing requirement does not apply to: child only cases with a non-parent caretaker as the case head; dependent children; or Supplemental Security Income (SSI) recipients.

FINANCIAL RULES

1. Resources that can be readily converted to cash will be counted toward a $3,000 limit. "Readily converted" means the asset can be converted to cash within 5 working days.

2. All vehicles are excluded.

3. To calculate the payment, all income of Work First recipients is counted, except the earnings of children, and the income of SSI recipients, Foster Care Assistance, Adoption Assistance, and the Earned Income Tax Credit, unless other law or regulation excludes an income type.

4. Countable income of all family members included in the case is counted. Income of parents who live in the household and are excluded from the case is counted as if they are included in the case. The exception is that no income of SSI recipients is counted.

5. For unearned income, the actual amount received is the amount counted in calculation of the payment.

6. For earned income, percentages are subtracted from the total monthly gross income as follows: 27.5% of gross earned income is excluded.

7. Job bonus is awarded to parents with new earnings for a maximum of or up to 3 months.
   - The job bonus is offered to participants whose earned income terminates them from WFFA.
   - The job bonus applies to new earned income that begins after the application is approved for Work First. The job bonus is applied for employment that is expected to be permanent and income terminates a participant from WFFA.
   - The job bonus can be applied once in a lifetime for each Work First family who becomes employed.

8. The Work First monthly payment is 50% of the difference between the total countable income and the need standard.

   The need standard is based on the number of eligible family members:

Number on Work First	1	2	3	4	5	6	7	8
Need Standard	$362	$472	$544	$594	$648	$698	$746	$772
Number on Work First	9	10	11	12	13	14	Each additional	
Need Standard	$812	$860	$896	$946	$992	$1,042	Add $50	

   - A family remains eligible as long as the result of the payment calculation is twenty-five dollars ($25.00) or more. Payments, including prorated payments for the month of application or termination, will not be made for less than twenty-five dollars.
   - For the month of application, Work First payments are prorated from the date of application with the date of application being day one. Otherwise, payments are made for the full month.

9. Proceeds from non-recurring lump sum payments are counted as a resource beginning the month after the month of receipt for ongoing cases. For pending applications, the non-recurring lump sum payment is counted as income in the month of receipt and as a resource beginning the month after the month of receipt.

10. When an adult Work First recipient or applicant is potentially eligible for other government benefits, such as Unemployment Insurance Benefits, the adult is required to apply for those benefits. If the adult fails to apply by the deadline established by the county or the adult refuses to apply, the family is not eligible for Work First.

11. Certain families, as defined in the Work First Manual, may be required to report income, participation hours, and other information to their county department of social services/agencies. Failure to submit a timely report results in termination of Work First assistance. The reporting process will be defined in the Work First Manual.

APPLICATION PROCESS

County departments of social services/agencies are responsible for developing a benefit package as quickly as possible to help families move toward self-sufficiency. As appropriate, counties should offer families other services to enable them to remain off cash assistance. Such services include Diversion Assistance, child support services, child care, and job placement services. Diversion Assistance (Benefit Diversion or Emergency Assistance) must be based on a family's specific crisis or episode of need and may not be used for ongoing or recurrent needs.

The time limit for processing applications for WFFA is 45 days. It is expected that most applications will be processed well within this time limit. In general, it is the applicant's responsibility to provide all the information, including verifications, needed to determine eligibility. Applicants may request assistance in obtaining information. The agency's obligation to assist the applicant is described in the Work First Policy Manual.

Applications may be denied within the 45-day processing period for any of the following reasons:

- The applicant fails to provide information needed to determine eligibility;
- The applicant refuses or fails to apply for unemployment benefits, when monetarily eligible, or refuses or fails to apply for other benefits, such as Social Security or veterans benefits, for which he/she may be eligible;
- The agency is unable to locate the applicant;
- The applicant refuses or fails to apply for a required family member;
- The applicant refuses or fails to sign a MRA/Outcome Plan (either Core Requirements or Plan of Action/Outcome Plan, if required);
- The applicant fails, without good cause, to keep an appointment and has not contacted the agency concerning his/her application; and
- Ineligibility has been verified including situations in which the applicant's statement results in ineligibility.

For any action or verification of information required of applicants, county departments will not deny an application without giving the applicant a written request for the action or verification, specifying a deadline that allows at least 10 calendar days in which to meet the requirement. The county must provide appropriate accommodations to assist applicants with limited language proficiency or disability in obtaining needed documentation.

Counties will not deny applications for the above reasons if good cause exists. Good cause is defined as:

- A significant family crisis or change including, but not limited to, the death of a spouse, parent, or child;

- Illness of the caretaker or child, including participation in substance abuse treatment or attendance at a medical appointment;
- Civil leave, including jury duty, or a required court appearance;
- Lack of child care for parent and/or a minor parent in school, training, or other work activity; or
- Any other reason determined by the county director or his or her designee.

An application for Work First is valid for a 45-day period. If the application is denied before the 45th day, eligibility for Work First Cash Assistance can be established at any time within the 45-day period without requiring a new interview, assessment or Workbook. This is dependent on the county worker having all information and documentation required to make the eligibility determination with the 45-day period.

ELIGIBILITY REVIEWS

Frequent contact with Work First families is critical in ensuring their success at moving to employment. Counties are strongly encouraged to review a family's progress on the terms of the MRA Plan of Action/Outcome Plan at least every three months. Families that do not participate in or allow the county to complete the periodic review will lose their Work First payment for at least one month. The family may re-apply for Work First, but eligibility can begin no earlier than the first of the month following the month of ineligibility. A face-to-face interview must be conducted and eligibility re-determined at a minimum every 12 months.

The Work First worker must provide or arrange for appropriate accommodations for families with limited English proficiency or with disabilities in order to ensure that reviews are conducted as scheduled.

CHILD-ONLY CASES

County departments of social services/agencies are encouraged to provide family enrichment services to child-only cases and to conduct home visits. Children in child-only cases are likely to be "known" to the child welfare system. Often the child is with a relative, rather than in the foster care system. In terms of eligibility, child-only cases must be reviewed within six (6) months after the application has been approved and at least every 12 months thereafter. All reviews require a face-to-face interview. Counties must evaluate and determine whether additional contact is needed for individual families. In child-only cases, there are several provisions that makes a family non-compliant. Some of these provisions include but are not limited to:

- failure to have children who receive assistance appropriately immunized and;
- failure to ensure children who receive assistance stay in school.

If the caretaker fails to provide appropriate care for the child, the caseworker must evaluate the living arrangement. The purpose of the evaluation is to help determine if there are additional services needed by the caretaker to ensure compliance in the future. The goal is to keep the child in a safe and stable environment.

BENEFIT DIVERSION (COUNTY OPTION)

Under certain circumstances, a one-time, short-term benefit package is more appropriate in meeting the needs of Work First applicants than becoming a Work First recipient. Benefit Diversion may be provided when families are in need of short-term assistance to enable them to get or keep a job or access other financial assistance that will help meet their needs. Benefit

Diversion may only be used when there is documentation of a family's specific crisis or episode of need. Benefit Diversion cannot be used to meet ongoing or recurrent needs.

- Families that receive Benefit Diversion do not have to repay the benefit amount received.
- Benefit Diversion can be received only once in a 12-month period and does not trigger any Work First time limits.
- Recipients of Benefit Diversion are not required to participate in the Work First employment program.
- These families are not considered Work First recipients, and are not considered in calculating the State's participation rate.
- Families who have exhausted any Work First time limits are eligible for Benefit Diversion, provided all other eligibility criteria are met.

In these circumstances, Benefit Diversion may provide:

1. A one-time payment.
2. Referrals to Child Support Services, Food and Nutrition Services, Medicaid and other potential resources.

In order to be eligible for Benefit Diversion, families must meet the following eligibility requirements that apply to Work First:

1. Who may apply and be included in the family unit;
2. Income guidelines;
3. Resource limit;
4. Minor parent rules;
5. State/county residence;
6. Age rule for children;
7. Rule to have or apply for a Social Security Number;
8. Citizenship/immigrant status;
9. Identity requirements; and
10. Kinship/living with rule.

No other Work First eligibility requirements apply to Benefit Diversion cases.

MEDICAID AND FOOD AND NUTRITION SERVICES (MA/FNS)

County departments of social services/agencies provide information to Work First applicants/recipients concerning other social service programs like Medicaid and Food and Nutrition Services.

Work First eligibility criteria may affect Food and Nutrition Services benefits. Work First applicants/participants are informed they can apply for Medicaid and/or be referred for Medicaid as appropriate.

WORK FIRST BENEFITS

This State Plan requires all families with a parent included in the assistance payment be subject to the "Work First Benefits" payment process. A caretaker case will receive their assistance payment at the beginning of the month.

Families in Work First Benefits status will receive their assistance payments after the end of the benefit month. To qualify for the payment, the parent must provide documentation showing that he/she has complied with the requirements of their MRA/Outcome Plan including both the Core Requirements and Plan of Action Requirements or show good cause for not complying.

When parents do not comply with their MRA/Outcome Plan during a month, their cash benefits will not be released for that month and they will not count in the Work Participation Rate. In addition, the month with no Work First Benefits will not count against the participant's 24-or 60-month time limits. If the parent has good cause for failing to meet their required hours of work activities or for not complying with other MRA/Outcome Plan requirements, their cash benefits will be released. Good cause is defined as:

- A significant family crisis or change;
- Illness of the caretaker or child, including participation in substance abuse treatment or medical appointment;
- The loss or interruption of transportation or child care for parent and/or a minor parent in school, training, or other work activity;
- Civil leave, including jury duty, or a required court appearance; and
- Any other reason deemed sufficient by the county director or designee.

If a participant fails to meet their required hours of work activities or other MRA requirements without good cause, the MRA/Outcome Plan informs them that their Work First case will be terminated. The child support payment for the following month (if they have one) will be sent directly to the recipient. The family will have to reapply for Work First following termination for failure to meet their required hours of work activities or other MRA requirements.

ELECTRONIC FUNDS TRANSFER (EFT)

All Work First cash assistance payments are issued by electronic funds transfer (EFT). The two primary methods of issues are direct deposit to a financial institution or electronic benefit transfer (EBT) card.

Direct deposit allows for the monthly cash assistance payment to be electronically deposited to a personal savings or checking account of the case head. There may be fees associated with direct deposit that are imposed by the financial institution. These fees are the responsibility of the recipient. The financial institution cannot impose charges for an account that it does not impose on its other customers for that same type of account. EBT is an electronic system that allows recipients to access their benefits with a plastic card, similar to a bank card.

Work First households will receive the initial EBT card at no cost. If the family receives Food and Nutrition Services (FNS) benefits, the Work First payment may be issued on the same card. The first cash withdrawal transaction at an Automated Teller Machine (ATM) is free. There is a $0.85 for each additional cash withdrawal. There are not any fees for point-of sale (POS) transactions.

Work First households that request a replacement EBT card shall be assessed a $2.50 fee. The fee shall be deducted from the account of the Work First household. The fee shall be refunded if the EBT card:

a) was lost in the mail or damaged by the vendor prior to receipt by the Work First household
b) is being replaced due to a name change on card
c) was lost due to a natural disaster such as a fire, flood, tornado or hurricane

d) was damaged by a retailer or vendor.

Fees associated with the use of the EBT card will be deducted from the balance of the card based on the available benefits in the account. If the recipient is receiving FNS benefits and Work First, the $2.50 card replacement fee will be deducted from the FNS allotment first. If there are not sufficient funds in the FNS EBT account or the recipient does not receive FNS, the replacement card fee will be deducted from the program account with funds available to cover the fee. If there are not sufficient funds in any single account, the EBT system will issue the card and deduct the funds at the next benefit issuance.

Federal law prohibits Work First recipients from using EBT cards "in any liquor store, any casino or gambling establishment, or retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for establishment." Recipients' cash assistance payments may be terminated if used at restricted locations.

ELECTRONIC BENEFIT TRANSFER (EBT) MONITORING

The Division implemented compliance measures to monitor usage and impose penalties when it is determined there is EBT misuse.

Monitoring includes reviewing selected cases to ensure that purchases/transactions were not made at any restricted locations: casinos, gambling casinos or gaming establishments; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.

The Division submits an annual EBT Monitoring Report to the Administration for Children and Families (ACF) providing data captured from EBT monitoring.

SANCTIONS

Work First participants may be sanctioned for non-compliance with program requirements.

There are four types of sanctions that are imposed when participants fail to comply with program requirements:

1. Non-cooperation with Child Support Services.

   When a parent or other adult caretaker fails, without good cause, to cooperate with Child Support Services, the entire family will be ineligible for a WFFA payment for one month or until compliance, whichever is later. The family remains eligible for Work First Services.

2. Substance Use Treatment

   An applicant/recipient that fails to comply with substance use treatment recommendations is ineligible for Work First Cash Assistance. If the applicant/recipient is Work Eligible, they will continue to be Work Eligible and subject to Work First time clocks. The remaining household members can receive cash assistance if otherwise eligible. The ineligible applicant/recipient's income and resources are included when calculating the amount of the cash assistance payment. However, the eligible household member's cash payment amount will be recalculated, excluding the ineligible member from the payment amount.

The ineligible applicant/recipient remains ineligible for cash assistance until he/she complies with treatment.

3. MRA/Outcome Plan Non-compliance

   Failure to comply, without good cause, with the terms and conditions of the MRA/Outcome Plan will result in the entire family being ineligible for a WFFA payment for one month or until compliance, whichever is longer. The family remains eligible for Work First Services.

4. Intentional Program Violation (IPV)

   Individuals found to have committed an intentional program violation are disqualified from WFFA for 12 months for the first offense, 24 months for the second offense, and permanently for the third. The individual continues to be included in the family and continues to be considered a Work First recipient for purposes of the work requirement and time limits. The family's payment is recalculated with the individual excluded from the needs.

Families in sanction status will be apprised of available community resources, including assistance through the county department of social services.

All agency staff are trained in indicators of child abuse and neglect and are expected to make reports as appropriate.

A family may avoid a sanction if good cause for non-compliance exists. Good cause is defined as:

- A significant family crisis or change;
- Illness of the caretaker or child, including participation in substance abuse treatment or medical appointment;
- The loss or interruption of transportation or child care for parent and/or a minor parent in school, training, or other work activity;
- Civil leave, including jury duty, or a required court appearance; and
- Any other reason deemed sufficient by the county director or designee.

APPENDIX D

LOCAL BLOCK GRANT PLANS

In general, Electing Counties and Standard Counties have the same level of flexibility in designing their employment services programs to meet the federal participation rates and statewide Work First goals while addressing local circumstances. However, Electing Counties also have the opportunity to establish their own eligibility criteria and benefit levels.

In August 2014, seven (7) counties notified the Department of their desire to be designated as Electing Counties. **The Department of Health and Human Services, Division of Social Services, recommends that the following counties be designated as Electing Counties for the next triennium: Beaufort, Caldwell, Catawba, Lenoir, Lincoln, Macon, and Wilson.**

The Department has the responsibility to ensure that the Work First program in all counties complies with Federal and State law and the Work First goals. Under State Law, Electing Counties' caseloads combined cannot exceed 15.5% of the Work First caseload on September 1 of each year.

Representatives from the following agencies of state government reviewed all of the Electing County plans: Attorney General's Office, Child Support Services, Child Welfare Services, Division of Social Services, Fiscal Compliance Monitors, Local Business Liaison Representatives, Office of Economic Opportunity, Operational Support Team, NC FAST Representatives, and Performance Management. Reviewers returned written comments to the Economic and Family Services Section of the Division of Social Services. Feedback from these reviewers was shared with the Electing Counties and revisions were requested as needed.

Because the caseloads of the counties requesting Electing status, in aggregate, are well below the 15.5% minimum, it was not necessary to rank the plans. With the requested revisions, the plans for Beaufort, Caldwell, Catawba, Lenoir, Lincoln, Macon, and Wilson will comply with applicable laws, rules, and regulations. All counties will be recommended to the General Assembly to be approved as an Electing County.

State law (NCGS 108A-27(e)) requires that a county that desires to be re-designated shall submit a request in writing to the Department at least six months prior to the effective date of the next State Plan. The six-month deadline for the current proposed State Plan is April 1, 2016.

Funding for all counties is specified in the State law. For Electing Counties, block grants are based on the percentage of each county's total AFDC and JOBS expenditures to statewide actual expenditures in 1995-96. For cash assistance, the resulting percentage is applied to the total budgeted funds for cash assistance for each year.

Electing Counties' eligibility criteria and processes, where available, are described on the following pages. Many Electing Counties chose to follow some of the Standard County rules. When and if Electing County rules change to be the same as those of Standard Counties, no State Plan amendment will be submitted. If changes other than to conform to Standard County rules are made, an amended State Plan will be submitted.

Electing Counties will follow Standard Work First Policy, except as indicated on the following pages. Each Electing County's electing policies are listed below by county.

BEAUFORT COUNTY

1. If a participant receives Benefit Diversion and subsequently applies for and begins to receive WFFA during the next twelve months, the participant will be responsible for paying back any diversion assistance that has been received.
2. A case will be ineligible for one month following termination for failure to return a completed quarterly report.
3. A case will be ineligible for one month following termination for failure to attend and complete parenting course.
4. Count real property as a resource excluding primary residence.
5. No exception to family cap policy for a child born to a minor mother.
6. A child or parent may be temporarily absent from the home only for documented medical treatment, or for up to 30 days to visit another relative.
7. All mandatory participants, excluding child only cases and cases that involve minor fathers are required to complete a parenting course. Failure to attend and complete will result in termination of WFFA.
8. Applicants must agree to and worker must complete a home visit prior to approval of an application.
9. Eliminate all re-opens. Family must reapply if terminated for any reason.
10. Applicants excluding intact families must cooperate with Child Support Services not more than 10 days prior to applying for WFFA. Applicant will see Child Support worker on date of application.
11. At or below 200% of the poverty level, an applicant must be actively seeking employment or be employed. The certification period will be for three months with the possibility of an extension not to exceed six months within a 12 month period.
12. Beaufort County will provide an emergency assistance payment to Safety Resource families that request assistance with caring for children placed in their home by Child Welfare when the permanent plan is to return the child(ren) to the parent's care within 6 months.
13. Caretakers are encouraged to seek legal custody for child(ren).
14. Single parents with a child 4 months old or younger are exempt from the requirement to participate in Work First employment activities.
15. All mandatory (able-bodied) participants will be required to complete at least 35 hours per week of work or work related activities. Two-parent households are required to complete 55 hours per week of work or work-related activities.
16. Three-step hearing process: (1) local hearing with hearing officer designated by Agency Director; (2) Hearing before DSS Board and (3) Petition to Superior Court.

CALDWELL COUNTY

1. Applicant is responsible for all verifications needed to complete the application. Caldwell County will assist applicants with disabilities or limited English proficiency upon request.
2. Benefit Diversion may be offered only once every two years.
3. Applicants will be denied if the applicant does not comply with a signed MRA if good cause is not met.
4. All applicants must attend Economic Literacy training within 12 calendar days of applying for WFFA, unless they have successfully completed the training within 30 calendar days prior to application date. Failure to do so will result in denial of the application.
5. If both quarterly reporting deadlines are missed without good cause, there will be one month of ineligibility.
6. Participants' statement of kinship will be acceptable at review unless questionable.
7. There will be no re-opens unless it is an agency error. The applicant/recipient may reapply for Work First Cash Assistance.
8. Each adult budget unit member can receive the Job Bonus if the following are met:

A. The employment is new or there is an increase in hours;
B. The employment is expected to be permanent; and
C. The employment is expected to be a minimum of 25 hours per week.

9. All WFFA cases will be reviewed every 12 months.
10. School attendance - The caretaker must provide proof of school attendance for all school age children at application and review by providing a current report card or attendance summary print-out from the school. Work First Social Workers verify school attendance with the School Social Workers on a monthly basis. Therefore, it is not necessary for them to call the schools when a Quarterly Report is received. Failure to provide proof of school attendance at review results in an incomplete review.
11. All school age children cannot have more than 10 unexcused absences in a school grading period unless good cause exists. More than 10 unexcused absences in a grading period will result in a sanction of 1 month or until compliance whichever is greater.
12. Cases where all children in the household are on SSI will not be eligible for WFFA as there is no eligible child in the home.
13. All applicants must meet and cooperate with child support within 10 calendar days of applying for Work First. Failure to do so will result in the application being denied unless there is good cause.
14. All income, with the exception of SSI income, will be counted for parents living in the home to determine Work First eligibility.
15. Single parents may claim their "S" exemption for the first 3 months of a child's life. Once the 12-month lifetime exemption has been exhausted, the parent will be required to participate in the employment program as soon as authorization is given from her medical professional. Also, if a parent volunteers to participate in the employment program, he/she may not reclaim the exemption for the same child.
16. All parents in the home must have their GED or high school diploma or be enrolled in and satisfactorily attending education enhancement classes (i.e.: GED, Adult High School, ESL, Literacy, etc.) unless there is good cause.

CATAWBA COUNTY

1. To approve a Benefit Diversion application, Applicants must complete the following requirements:
   A. cooperate with Child Support;
   B. apply or be receiving Food and Nutrition Services;
   C. register with Division of Workforce Solutions – NCWorks if not already employed or job being held for the applicant and
   D. if monetarily eligible for Unemployment Benefits (UIB) must apply for the UIB.
2. Applicant must cooperate with child support within 12-calendar days of applying for WFFA. If the applicant fails or refuses to do so without good cause, deny the application for WFFA.
3. Applicant must be receiving Food and Nutrition Services (FNS) (food assistance) or be evaluated for FNS within 12 calendar days of applying for WFFA. If the applicant fails or refuses to do so without good cause, deny the application for WFFA and notify the Medicaid worker (applicants must apply for Medicaid before applying for WFFA).
4. Applicant must be assessed for Economic Literacy within 12-calendar days of applying for WFFA by Work First staff. The Economic Literacy assessment is an integral part of the application process. If the applicant fails or refuses to be assessed, deny the application for WFFA and evaluate for Medicaid.
5. All Work First applicants and recipients referred to Vocational Rehabilitation must complete the application and comply with all recommendations. Failure or refusal to comply without good cause will result in the case being denied or terminated. Future eligibility is contingent upon completing application and cooperating with Vocational Rehabilitation.

LENOIR COUNTY

1. Applicants, excluding intact families, must cooperate with the Child Support Program before applying for WFFA.
2. Benefit levels may be adjusted at the Director's discretion based on the availability of funding.
3. A child may be temporarily absent from the home up to 6 months when placed with a safety resource by Child Welfare, provided that the permanent plan is to return the child to the parent/caretaker within that timeframe and the parent is compliant with the Child Welfare family plan.
4. All unemployed or under-employed adult applicants/participants must register for work at the Lenoir Community College (LCC), NCWorks Career Center and local temporary payment agencies within 2 weeks of their application for WFFA benefits. Work First Eligible (WFE) participants must complete the Work Keys testing and Key Train on-line classes to obtain necessary skills for their desired field of work.
5. The family is not eligible for WFFA benefits for 3 months after voluntarily quitting a job, or a WFE work experience placement, voluntarily reducing work hours or abandoning a job without a good cause reason. The family is not eligible for WFFA for up to 3 months if the parent is fired from a paid job or WFE work experience placement without good cause. WFFA benefits will terminate if the WFE participant is non-compliant with the MRA for 3 consecutive months. Quitting a job or reducing work hours in order to attend college, training, or other post-secondary education does not meet the definition of "good cause." Job abandonment is defined as failing to go to work and failure to notify the employer. For applicants, the 3 months of ineligibility begin the month the parent stops work or the work experience or reduces work hours or rate of pay. For recipients, the 3 months of ineligibility begin the month following expiration of an advance notice. The participant may cure this sanction by returning to work at an equivalent rate of pay and number of work hours compared to the last job. The family is not eligible for WFFA for up to 3 months if the parent is fired from a paid job or work experience placement unless there is good cause.
6. WFFA recipients who are terminated because of non-compliance with their MRA/Outcome Plan requirements are not eligible for WFFA benefits for one month following termination. (Example: If the client is terminated in August for failure to meet their MRA/Outcome Plan requirements, they will be ineligible for the month of September.)
7. First level hearings will be heard by Agency Supervisors not involved with WFFA or WFE. Second level hearings will be heard by the Lenoir County DSS Board. The appellant may petition the Lenoir County Superior Court if dissatisfied with the result of the Level 2 hearing. The Lenoir County DSS Board will serve as hearing officer for Hardship Extensions to the 24 and 60 month time limits.
8. Transportation reimbursement is limited to $8 per day for in county travel and $11 per day for out-of- county travel when the participant provides his/her own transportation. Transportation services for non-custodial parents of a WFFA child and non-WFFA families with a total income not exceeding 200% of the federal poverty limit are limited to $600 per month up to a maximum of $1200 or 4 consecutive months in a State Fiscal Year.
9. If funding allows, Lenoir County will provide an emergency assistance payment to Safety Resource families that request assistance with providing temporary housing for WFFA children placed in their home by Child Welfare, when the permanency plan for the children is to return them to the parent's care within 90 days. This payment is intended to help with the one-time costs of temporarily caring for a new child or children in the household. The payment to a Safety Resource family will not exceed $600 without the Director's approval.

LINCOLN COUNTY

1. All applicants seeking cash assistance for children with an absent parent are referred to Child Support immediately after signing an application for Work First.
2. An assessment will be completed for child only cases to include but not limited to: immediate home visits and interviews with all adults and child(ren). These visits will continue at least annually with contacts at least every 6 months.
3. Benefit Diversion requirements will be as follows: able-bodied single parent and two-parent households being considered for Benefit Diversion must have employment (35 hours per week) beginning within 2 weeks of WF application.
4. Work First participants are not required to do Community Service. Instead, Work Experience is offered after 2 months of participating in Employment Services without obtaining gainful employment.

MACON COUNTY

1. To receive Work First, the children must live with an adult relative who is within a certain degree of kinship:

    A. Parent, including a biological mother, father, and adoptive parent.
    B. Legal father or mother, step-parents.
    C. An alleged father or other alleged paternal relatives.
    D. Spouses of these individuals also meet kinship even if the marriage has been terminated by death or divorce.
    E. Grandparents, great-grandparents, great-great-grandparents.
    F. Uncles or aunts, great uncle or aunt, great-great uncle or aunt, nephew, niece, first cousin.
    G. Brother, sister, half-brothers, half-sister, step-brother and step-sister.
    H. Other adults who have court ordered legal custody or legal guardianship of a child.
    I. Brother, sister, including half-brothers and sisters.

    Biological parents and relatives are not eligible to receive Work First for the adopted child. This relative must be providing care for the child on a day-to-day basis and be responsible for ongoing decisions regarding the child's well-being. A relative who meets the above relationships must be included in the case with the child, unless they are an SSI recipient receiving SSI benefits.

2. All Work First applicants will have a three month penalty imposed for quitting a job unless "good cause" is established by intake caseworker and supervisor. The ineligibility period is defined as the month of application and the next three months. The individual may reapply for Work First at any time, but are not eligible during the job quit penalty period. There is no cure for the job quit penalty once the penalty begins. It continues until the full four months is completed, even if the individual obtains employment.
3. Vendor payments will be agreed upon by the families and DSS and documented in the MRA upon signing that form. Families who fail to complete their required hours as agreed upon in their MRA are in non-compliance. Families must complete the required hours to be eligible to receive the benefit assistance.
4. All Work First work eligible individuals are required to be actively participating in work and work related activities for a total of 40 hours per week. Participation will be a combination of activities which include but not limited to employment, subsidized employment, vocational training, skills training, education, work experience, substance abuse counseling, mental health, vocational rehabilitation, job readiness/job search, etc.
5. Reviews for Child Only cases will be completed every two years except for the following: child ages out, child moves out of the casehead's home or in case of death of the casehead.

WILSON COUNTY

1. All WFFA "work eligible" individuals are required to be actively participating in work and work related activities for a minimum of 35 hours per week, and the first 20 hours of their participation must be in federally countable activities.
2. Continue the Educational Incentive Rewards Program in order to reward families who achieve their GED, obtain a skills training certificate or a two year degree.
3. Eliminate the Resource Limit for families applying for Work First.
4. All WFFA participants whose employment results in termination of their Work First benefits or who are receiving Job Bonus will be referred to our Financial Social Work Services at Career Plus to develop a Financial Education and Savings Plan. Families that follow through with their Financial and Savings Goals and achieve outcomes/goals will be eligible for a financial education incentive bonus. Bonuses will be authorized once the family meets any of their identified goals. A family may receive up to three (3) financial incentive bonuses per year based on achieving behavioral changing goals.
5. If a WFFA child only casehead fails to return a Quarterly Review and requests reopening due to termination from that non-compliance, the participant/family's WFFA case will be re-opened with a one-month penalty for failure to comply.
6. All Child Only Kinship Care cases that have a prior involvement with CPS, Prevention, Juvenile Justice, or Foster Care within the last 6 months will be required to comply with the Kinship Care Family Assessment.
7. All Child Only WFFA cases with children age 6-17 who are not attending school regularly or whose grades are not on grade level will be required to comply with the Kinship Care Family Assessment. Caretakers who do not comply with the school requirements, and participate in the Kinship Care Family Assessment and who are determined to not have good cause will be sanctioned and may not be eligible to receive WFFA payment (Work First Manual Section 103).
8. Work First "work ready" families will be directed to participate in Express Employment Pathways Program.
9. Work First applicants are required to make a Child Support Establishment application prior to making a Work First Cash Assistance application.
10. All WFFA applicants will have a 1 month penalty imposed for quitting a job unless "good cause" is established.

APPENDIX E

WORK OVER WELFARE IN CABARRUS COUNTY

In legislation ratified June 12, 2003, the North Carolina General Assembly provided for the continuation of the Work Over Welfare (WOW) Program in Cabarrus County as a demonstration welfare reform program for certain Work First and Food and Nutrition Services recipients.

Except as described below, Work First in Cabarrus County operates under the standard policies described in the State TANF Plan.

The Cabarrus County WOW Program provides job opportunities to all able-bodied Work First and FNS who are required to participate in Work First Employment Services.

WOW is primarily a wage-supplementation program that diverts the Work First benefits that would be paid to recipients to match employer funds and subsidize the recipients' wages.

Wages paid to WOW participants, which contain grant-diverted funds, are exempt from income for purpose of determining eligibility for assistance.

Participants are subject to termination of Work First benefits for the household the month following any month in which they fail to comply with participation requirements. Benefits are restored after the client agrees to comply with requirements and files a new application.

To ensure that children are not harmed, sanctioned households are monitored by social workers, and benefits may be paid directly to vendors for basic needs.

All individuals will be evaluated for ongoing Medicaid any time Work First terminates.

A recipient who voluntarily terminates employment without good cause will be ineligible for Work First until the individual returns to work, provided work opportunities are available.

Failure or refusal to pursue child support without good cause is grounds for denial of benefits.

Benefit Diversion payments will be made in amounts up to one thousand two hundred dollars ($1,200). Applicants receiving the diversion payment will not be eligible for ongoing Work First benefits for a period of three months from the date of receipt of the diversion payment. Individuals receiving a diversion payment must attend budgetary counseling and may be required to have a protective payee for the diversion payment.

Federal funds may be transferred from the TANF Block Grant to the Social Services Block Grant to be used to pay for home studies, attorney fees, and ongoing cash payments for the adoptive family, and other adoption expenses for Work First children who are living with relatives other than their biological parents.

APPENDIX F

SERVICES FUNDED UNDER AFDC- EMERGENCY ASSISTANCE (EA)

North Carolina will continue to provide services to families as approved under Parts A and F of Title IV of the Social Security Act as in effect on September 30, 1995. North Carolina defined a comprehensive services program under the AFDC-EA service component and intends to continue to fund these services. Only federal TANF funds will be used under this provision.

Specifically, the services listed in the plan will be provided to families or children who are experiencing an emergency as defined in the plan and who do not have sufficient resources to alleviate the emergency. Services specifically include all child welfare services (e.g., child protection, preventive family services, family preservation, and foster care and adoption services including foster care payments. Residential and emergency placement services can also be funded through this provision.

The approved plan that was in effect on September 30, 1995, is included on the following three pages for reference.

SECTION 3 EMERGENCY ASSISTANCE TO NEEDY FAMILIES WITH CHILDREN

Citations:
233.120

A. Emergency Assistance to needy families with children under the age of 21 is provided in accordance with 45 CFR 233.120.

( ) No (Paragraphs B. - D of this Section do not apply.)
(x) Yes, as specified below:

Emergency Assistance shall be provided to or on behalf of a needy child under the age of 21, the specified relative of the needy child, and any other member of the household in which he is living. The needy child under the age of 21 who is within the specified degree of relationship must be living with the specified relative or have lived with the specified relative within six months prior to the month in which Emergency Assistance is requested.

B. Families of migrant workers are covered.

( ) No.
(x) Yes, on statewide basis.
( ) Yes, but only in the following areas of the State:

C. Other eligibility requirements are in effect.

( ) No.
(x) Yes, as specified below.

1. To be eligible for AFDC-Emergency Assistance, the applicant family must be without resources available to pay for what is needed to alleviate the emergency.

2. An individual who is an illegal alien is not eligible for AFDC-Emergency Assistance.

D. The kinds of emergency situations which are covered by this program and the kinds of assistance and services provided to meet the emergency situations are detailed in Attachment 3-A.

ATTACHMENT 3-A

A. Kinds of emergencies covered.

1. A crisis situation resulting from a catastrophic illness
2. Substantial loss of shelter, food, clothing, or household furnishings due to fire, flood, or similar natural or man-made disaster, or a crime of violence
3. Emergency situation over which there was no control and which left the family homeless or in immediate danger of eviction or foreclosure
4. A situation in which Emergency Assistance is necessary to avoid destitution of the needy child or to provide shelter for the child
5. Emergency situation which could lead to destitution and the destitution or need for a living arrangement did not arise because the child or a specified relative refused, without good cause, to accept employment or training for employment
6. Mass emergencies
7. Loss of a relative who has been responsible for support and/or care of one of his family members
8. Abuse, neglect, or dependency of children
9. Situation in which a child is at risk of removal from the home
10. Situation in which return to the home of a child who is currently separated from his family may create an emergency.

B. A heating or cooling-related emergency shall not be covered.

C. Kinds of assistance provided to meet emergency situations.

1. Cash assistance up to a maximum of $300 to alleviate the emergency by meeting basic needs for families whose total net income is at or below 110% of the current poverty level and total countable reserve is at or below $2,200. (Liquid assets must be at or below $300.) Basic needs include:

   (a) Temporary shelter, food, and clothing;
   (b) Transportation;
   (c) Home repairs such as repair of frozen pipes and plastic covering for windows;
   (d) Replacement or repair, when appropriate, of necessary appliances, household items, or furniture;
   (e) Outpatient medical services such as prescriptions, eyeglasses, and doctor visits if the expense is not covered by the Medicaid Program, or the individual needing the care is either not receiving or is ineligible for Medicaid; and
   (f) In-kind goods such as clothing, blankets, food:

2. In-Home Services including Assessment; Case Management/Service Planning and Coordination; Counseling and Treatment Services; Family Support/Family Preservation: Day Support Services: and Psycho-Educational Services.
3. Out-of-Home Services, including Residential Placement; Care and Treatment in a Family Setting; and Care and Treatment in a Group Setting.
4. Other Services, including Consultation and Education; Other Child Welfare

Services; and, Transportation.

NOTE: The above assistance must be authorized within a single 30-day period; no less than 12 months after the beginning of the family's last EA authorization period, and are limited to a maximum duration of 364 days.

APPENDIX G

Electronic Funds Transfer

Section 4004 of the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) amends the Social Security Act, adding a requirement for states receiving TANF grants to "maintain policies and practices necessary to prevent assistance provided under the State program funded under this part from being used in any electronic benefit transfer transaction in any liquor store, any casino or gambling establishment, or retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for establishment." The new requirements aim to ensure that cash assistance is used in a manner consistent with the purposes of TANF and to serve to promote the integrity of the program and the responsible stewardship of public funds.

There are currently two methods of issuance for Work First cash assistance payments, electronic funds transfer (EFT), or electronic benefit transfer (EBT) card. This allows benefits to be provided in a timely manner, reduces theft and fraud, and eliminates the need to pay check-cashing fees. The methods of issuance are direct deposit to the individuals' checking or savings account or EBT card. Direct deposit allows for the monthly cash assistance payment to be electronically deposited to a personal savings or checking account of the case head. EBT is an electronic system that allows recipients to access their benefits with a plastic card, similar to a bank card.

Procedures and Strategies

In accordance with federal law, the Division is required to develop policies and procedures to prevent access to cash assistance payment through electronic fund transactions at casinos, liquor stores, and establishments providing adult-oriented entertainment, ensure that recipients have adequate access to their cash assistance, and ensure recipients incur minimal fees or charges when using or withdrawing cash assistance funds.

For compliance, the Division implemented an education campaign for all Work First program applicants and recipients for compliance with the federal law. There was mass mailing to all Work First recipients regarding the transition to electronic payments in English and Spanish text. The electronic benefits brochure was revised and is distributed at initial application, eligibility review, and upon participant request. Work First applications are completed onsite at the local agency unless reasonable accommodations are required. The brochure explains the EBT payment process including; transaction restrictions for Work First cash assistance, related fees and access schedules. The Public Assistance Rights and Responsibilities Form, which is given to all applicants and recipients, were revised to include language regarding EBT use restrictions. A Frequently Asked Questions (FAQ) about Electronic Benefits document was developed and is posted on the Division of Social Services public website for public viewing. The online FAQ reflects the EBT brochure's information which is accessible for public viewing and agency use at all times.

The Division collaborates with State and local agencies which regulate gaming, adult entertainment and liquor stores. The agencies are the North Carolina Alcohol Beverage Control (ABC) Commission, the local ABC Boards, North Carolina Public Safety and the

Tribal Gaming Commission. Letters were mailed to the aforementioned regulatory and licensing agencies to educate and inform of the federal law regarding EBT transactions in the proscribed retail establishments. A request was also made to these agencies to partner and collaborate with the agencies in developing additional strategies for enforcement. These regulatory and licensing agencies were provided with a facsimile of the EBT card to acquaint them with this prohibited method of payment. The Division will have ongoing dialogue with the agencies to evaluate the effectiveness of this initiative and to implement additional strategies as necessary.

The Division provided local social service agencies policy guidance regarding the transition to electronic payment issuance and EBT restrictions. Local social service agencies have access to EBT brochures and FAQ for distribution when engaging applicants and recipients to ensure that recipients are aware of the EBT fees and restrictions. Local social service agencies are encouraged to ensure that Work First recipients are informed and reminded of the restrictions on a regular basis.

The Division continues to develop strategies to implement the EBT restrictions. These ongoing steps include developing a new Request for Proposal (RFP) for the EBT vendors to identify and block access to restricted Automated Teller Machines (ATM) and to monitor, and maintain a current list of prohibited locations. Specific control methods and/or system enhancements may include, but not be limited to:

a) Identifying locations where EBT cash transactions are prohibited;

b) Blocking ATM cash transactions at specified locations; and

c) Blocking EBT cash purchase transactions at specified locations.

Vendors are encouraged to recommend new and innovative technologies that will provide a solution that meets program needs.

The Division will periodically evaluate the effectiveness of the policies and procedures to prevent the use of Work First payments via electronic benefit transactions at specific locations and adjust policies as necessary.

Policies and Fees

There may be fees associated with direct deposit that are imposed by the recipients' financial institution. These fees are the responsibility of the recipient. The financial institution cannot impose charges for an account that it does not impose on its other customers for that same type of account.

Work First households will receive the initial EBT card at no cost. If the family receives Food and Nutrition Services (FNS) benefits, the Work First payment may be issued on the same card. The first cash withdrawal transaction at an Automated Teller Machine (ATM) is free. There is a $0.85 for each additional cash withdrawal. There are not any fees for point-of sale (POS) transactions. Work First households that request a replacement EBT card shall be assessed a $2.50 fee. The fee shall be deducted from the account of the Work First household. The fee shall be refunded if the EBT card:

a) was lost in the mail or damaged by the vendor prior to receipt by the Work First household

b) is being replaced due to a name change on card
c) was lost due to a natural disaster such as a fire, flood, tornado or hurricane
d) was damaged by a retailer or vendor.

Fees associated with the use of the EBT card will be deducted from the balance of the card based on the available benefits in the account. If the recipient is receiving FNS benefits and Work First, the $2.50 card replacement fee will be deducted from the FNS allotment first. If there are not sufficient funds in the FNS EBT account or the recipient does receive FNS, the replacement card fee will be deducted from the program account with funds available to cover the fee. If there are not sufficient funds in any single account, the EBT system will issue the card and deduct the funds at the next benefit issuance.

Ensuring Adequate Access

Many Work First households do not have access to transportation or the funds for transportation if ATM or POS machines in their neighborhoods are restricted and they are forced to travel further to obtain benefits. To ensure adequate access, the Division: (1) allows recipients to withdraw funds based on their needs, without any restrictions on frequency or amount; (2) provides the choice to receive funds via direct deposit or EBT; (3) provides information regarding fees and surcharges, at minimum, during the application and review process.

All local county agencies are required to inform and discuss with all applicants/recipients the Electronic Issuance process so the best decision can be made for the family. EBT Brochures and a Frequently Asked Questions (FAQ) flyer are available at the local county agency. Counties maintain inventory of EBT brochures. Counties can order brochures yearly or as needed. The FAQ is also available on the NC DHHS/DSS website. The Division continues to collaborate with local agencies to ensure adequate access to benefits and to mitigate any access barriers as identified for participants.

Misuse

The Division will implement compliance measures when it is determined there is EBT misuse. At the initial infraction, a protective payee will be assigned for period of 6 months or until the next case review, whichever is less. If a protective payee is assigned the cash assistance payment will be issued on a separate EBT dedicated to the Work First payment only. Co-mingled funds (Work First and FNS funds) issued on the same card will be issued on a separate EBT card if a violation occurs.

Subsequent infractions may result in the case head being excluded from the cash assistance payment. The children will remain eligible for the reduced cash assistance payment with an assigned protective payee. The case head will remain subject to the cash assistance time limits, program requirements and work requirements if applicable. In addition, efforts will be made to recoup any funds accessed or used in the restricted locations.

Individuals who inadvertently use an EBT card at prohibited locations will be evaluated on a case by case basis to ensure non-discrimination. When violations are identified, such actions are subject to applicable appeals procedures needed to meet due process

requirements. The Division will determine on an individual basis and/or evaluate for good cause if benefits should be terminated for the whole family or adults only.

Monitoring

The Division is implementing a variety of approaches that aim to prevent and monitor the recipients' use of Work First assistance at prohibited locations. The Division will collaborate with regulatory agencies, public reports and recipient self-disclosure to prevent and monitor the use or access of EBT transactions at restricted locations. The Division will also view the transaction history reports accessible via the EBT vendor website. A new Request for Proposal (RFP) is under development for EBT Services.

APPENDIX H

SUMMARY OF PUBLIC COMMENTS RECEIVED

In compliance with federal and state statutes, the North Carolina Temporary Assistance for Needy Families (TANF) State Plan for FFY 2016-2019 was developed in consultation with local governments and private sector organizations regarding the plan and design of public assistance in the State, so that services are provided in a manner appropriate to local populations. The draft of the Plan was posted for public comment on December 21, 2015 and was posted for the required 45-day period. There were no public comments received.