
CHAPTER I: INTRODUCTION

This report presents the findings of a study of 1,467 families who left welfare in North Carolina. The study was conducted as part of the evaluation of the North Carolina Work First program.

Work First is North Carolina's Temporary Assistance to Needy Families (TANF) program. Nationally, the TANF program was implemented by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and replaced the Aid to Families with Dependent Children (AFDC) program.

The families in the study consisted of two samples of welfare leavers:

- families who were surveyed about six months after they left welfare (the "6-month welfare leavers"); and
- families who were surveyed about 18 months after they left welfare (the "18-month welfare leavers").

A. OBJECTIVES OF THE STUDY

The study was designed to provide North Carolina policymakers with information on the employment situation, earnings, and well-being of families who have left Work First. The study was designed to answer the following major questions:

- What percentage of the families were still off welfare and how many were working?
- What was the employment situation of persons who had left welfare in terms of earnings, wage rates, work hours, occupations, employer health coverage, job satisfaction, advancement potential, work schedules, and use of the Earned Income Tax Credit?
- What was the situation of the families who were still off welfare in terms of hardships, access to food, access to health care, adequacy of income and benefits, and school performance of children?
- What were the employment barriers among families who were still off welfare but not working?
- Of the families who were still off welfare, how many were receiving child support and how many were still on various types of public assistance? How many were having problems with child care and transportation?
- What types of families had returned to welfare and why had they returned?

- Among those who had returned to welfare, what were the barriers to leaving welfare permanently?

B. SPECIFIC TOPICS ADDRESSED BY THE SURVEYS

The surveys were designed to collect information on a range of topics relating to the status of families who had left welfare. Information was gathered on the following key items:

- welfare and employment status;
- earnings, work hours, type of job, advancement opportunities, and job satisfaction;
- reasons for not working if currently unemployed;
- receipt of child support;
- employment and earnings of other household members
- use of benefit programs such as Medicaid, Food Stamps, and WIC;
- food security;
- likelihood of reapplying for welfare
- health insurance and health care access;
- children's school attendance and performance;
- child care arrangements and use of subsidized child care;
- transportation arrangements and issues;
- receipt of employment services while on Work First; and
- factors associated with returning to welfare.

C. SAMPLE DESIGN, RESPONSE RATES, AND SURVEY METHODS

This section provides information on the design of the sample for the surveys, the response rate on the surveys, and the methods used to conduct the surveys.

1. SAMPLE DESIGN AND SURVEY ADMINISTRATION

Under the sample design for the survey, a total of 2,391 families were selected for the sample frame, including 1,196 families who had left welfare 6 months before the surveys and 1,195 families who had left welfare 18 months before the surveys. The sample of families was selected randomly from welfare leavers in North Carolina. The 6-month leavers sample consisted specifically of families who had left welfare between October and December 2001. The 18-month leaver sample consisted of families who had left welfare between October and December 2000. "Child only" cases were not included in the sample.

The surveys were conducted between May and September 2002. A total of 758 surveys were completed for the study of the 6-month leavers, and 709 surveys were completed for the study of the 18-month leavers.

2. RESPONSE RATES

Exhibit I-1 shows the response rates for the surveys. As indicated, the adjusted response rates were 63.5 percent for the 6-month leavers and 59.7 percent for the 18-month leavers. One of the factors that held down the response rates is that telephone numbers for Work First families are typically not available on the state’s Eligibility Information System (EIS). Obtaining the telephone numbers for the sample members often involved asking counties to look through case records.

**EXHIBIT I-1
RESPONSE RATES ON THE SURVEYS**

Status	6-Month Leavers	18-Month Leavers
Total sample	1,196	1,195
Available for interview*	1,195	1,187
Surveys completed	758	709
Adjusted response rate	63.5%	59.7%

*Excludes persons found to be deceased, incarcerated, or unavailable for medical reasons

3. SURVEY PROCEDURES

The interviews for the study were conducted by telephone using Computer-Assisted Telephone Interviewing. The interviews were conducted from the MAXIMUS Survey Research Center located in Reston, Virginia. The first step in the process was to conduct mail-outs to the addresses on the EIS system for the sample members. Many of these addresses, however, were no longer valid. In addition, the North Carolina Division of Social Services sent listings of the names of sample members to each county for the purpose of obtaining telephone numbers and nee addresses. The University of North Carolina’s Jordan Institute conducted periodic matches of the sample against the EIS to get updated contact information for families who were still receiving public assistance.

Following the mail-outs, MAXIMUS interviewers called the available telephone numbers. Directory Assistance calls were made if no telephone number was provided or if the available number had been disconnected. A financial incentive of \$25 was offered to sample members to participate in the survey. This was later increased to \$30 in the final stages of the survey.

MAXIMUS also used the services of a commercial data broker to obtain credit bureau matches for the sample members. This data broker also matched the names of sample members against other available records, including DMV records from 27 states. However, DMV data were not available from North Carolina itself because of the state’s restrictions on the use of this information.

4. SURVEY TIME FRAME

The surveys were conducted between May and September 2002. The goal was to conduct the surveys as close as possible to the designated 6-month and 18-month follow-up periods.

D. PRESENTATION OF THE FINDINGS

The findings in the report are organized as follows:

- Chapter II examines the overall welfare and employment status of respondents at the time of the surveys.
- Chapter III of the report presents findings on employment and earnings among respondents still off welfare at the time of the surveys. The chapter also presents findings on work hours, non-traditional work schedules, job satisfaction, and employer health insurance.
- Chapter IV provides survey findings on the receipt of child support, other income, and public assistance benefits by respondents still off welfare at the time of the surveys. This chapter includes an analysis of the perceived adequacy of income and benefits to meet family needs.
- Chapter V presents survey findings on various indicators of family well-being among respondents still off welfare at the time of the surveys. The chapter examines food security, adverse events, health insurance coverage, school attendance and performance, and overall perceptions of life after welfare.
- Chapter VI presents the survey findings on use of child care, receipt of child care assistance payments, and use of other services designed to promote self-sufficiency among those respondents off welfare at the time of the surveys.
- Chapter VII presents findings on respondents who were back on welfare at the time of the surveys, including recidivism rates by respondent characteristics, participation in work activities, time limit status and expectations, public assistance benefits, employment, use of and need for services, transportation and child care situation, knowledge of health programs, depression, and the receipt of child support.