



COMMONWEALTH of VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
Office of the Commissioner

S. Duke Storen
COMMISSIONER

June 1, 2018

MEMORANDUM

TO: The Honorable Ralph S. Northam
Governor of Virginia

The Honorable Thomas K. Norment, Jr., Co-Chairman
Senate Finance Committee

The Honorable Emmett W. Hanger, Jr., Co-Chairman
Senate Finance Committee

The Honorable S. Chris Jones, Chairman
House Appropriations Committee

Daniel S. Timberlake, Director
Department of Planning and Budget

FROM: S. Duke Storen *S. Duke Storen*

SUBJECT: Report on Employment for TANF Participants Program

Item 348.M. of the 2017 Appropriation Act appropriated Temporary Assistance for Needy Families (TANF) funding to provide for competitive grants for community employment and training targeted at current and former TANF participants. Item 348.M.3. directed the Department of Social Services to report on implementation by June 1 2018.

I am pleased to submit the Department of Social Services' report on this project. If you have questions or need additional information concerning this report, please contact me.

SDS:ksc
Attachment

Virginia Department of Social Services

Implementation of the Employment for TANF Participants Program

June 2018

Report Mandate

Item 348 (M) of the 2017 Appropriation Act

M.3. Community employment and training programs and ESOs shall report on annual program performance and outcome measures contained in the memorandum of understanding with the Department of Social Services. The department shall report on the implementation of the programs and any performance and outcome data collected through the memorandum of understanding by June 1, 2018.

Background

In 2017, the Virginia General Assembly, at Item 348 (M), appropriated \$7,500,000 from the Temporary Assistance for Needy Families (TANF) block grant for state fiscal year 2018. These funds were to provide funding for competitive grants for community employment and training programs designed to move current and former TANF participants and those with incomes 200% or less of the poverty level into meaningful employment with the prospect of a career path and wage growth. The program provides resources to expand and enhance evidence-based innovative types of service delivery efforts to more fully address the needs of the target population prior to their entry into work and during employment. In addition, \$2,000,000 of the appropriated amount was set aside to provide for competitive grants provided by Employment Services Organizations (ESOs).

Actions to Date

The project implementation date was July 1, 2017, with an end date of June 30, 2018. Sixteen grantees applied and each was approved for the amount requested. A total of \$5,504,617 was distributed among the grantees. ESOs accounted for \$1,191,462 and all others \$4,313,155. There were not enough applications submitted for either category, thus a balance of \$808,538 in the ESO category and \$1,186,845 for the other community employment and training programs remains.

The following organizations and agencies received grants:

- City of Charlottesville, Office of Economic Development
- Career Support Systems-Richmond
- City of Lynchburg
- City of Norfolk
- City of Richmond Office of Community Wealth
- Danville Community College SCALE UP Program
- Goodwill of Central and Coastal Virginia

- Learn to Earn, Inc.-Petersburg
- Linden Resources-Arlington
- People Inc. of Virginia-Abingdon
- Portsmouth Department of Social Services
- Rappahannock Community College-Glenns
- Rehabilitative Services and Vocational Placement, Inc.-Richmond
- Shenandoah Valley Social Services-Verona
- The Improvement Association-Emporia
- The Skill Source Group-Vienna

End of Quarter Stats

As of December 31, 2017, the end of the 2nd quarter, \$318,861 was expended. Several of the grantees had no experience with these types of grants, and start-up requirements such as staff hiring, filling positions and training new staff delayed the beginning of the projects. In some cases, grantees were required to submit a Request for Applications (RFA) to find a third-party vendor. One grantee did not find an appropriate vendor until February 2018 and their services are expected to begin in mid-April. These delays prevented half of the sixteen grantees from providing all services during the 1st quarter, of which three grantees did not provide any services in the 1st or 2nd quarter.

In the 3rd quarter, January 1, 2018 through March 31, 2018, all grantees were operational with the exception of one. As of mid-March, the programs are projected to expend as much in the 3rd quarter as was spent in the first six months of the state fiscal year.

Reporting

As part of the grant requirements, organizations are required to complete a quarterly report with the following components identified:

- Number of participants
- Number entered employment
- Number of unique employees
- Average hourly starting wage
- Number with benefits
- Number employed part-time
- Number employed full time
- Average wage increase
- Number obtaining wage increase
- Number of jobs in a career pathway

In addition, the grant projects were designed to emphasize and measure a reduction in poverty and help reduce the dependency on public assistance, identify credentials obtained and the

number of higher education certificates and/or degrees received by the end of the first year and each of the following four years of renewal. s such, these items will also be reported beginning with the required first year summary report and every year, as renewed.

Below is a chart that represents the combined results of grantee reporting during the first two quarters of the project, July 1, 2017 through December 31, 2017. It should be noted that not all individual components were reported by all grantees.

Component	1 st Quarter	Ending 9/30/17	% Achieved	2 nd Quarter	Ending 12/31/17	% Achieved
	Plan	Actual		Plan	Actual	
# Participants	346	274	79%	694	537	77%
# Entered Employment	139	83	60%	342	177	52%
# Unique Employers	63	59	94%	139	103	74%
Average Hourly Starting Wage	\$8.96	\$11.56	129%	\$8.91	\$11.26	126%
# With Benefits	58	13	22%	120	58	48%
# Employed Part Time	59	41	69%	154	76	49%
# Employed Full Time	80	42	53%	216	101	47%
Average Wage Increase	\$.27	\$.47	174%	\$.35	\$.72	206%
# Obtaining Wage Increase	47	21	45%	87	42	48%
#Jobs in a Career Pathway	68	60	88%	139	117	84%

Conclusion

Although the project started slowly, enrollment has increased over the first two quarters and results have shown steady improvement. Hiring has been completed and 3rd party contractors are in place. It is expected that outcomes will continue to increase in the coming months as grantees have launched or are in the final stage of launching their programs. The Department of Social Services will continue to work with the local programs to help them achieve their planned outcomes.