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OFFICE OF THE
COMMISSIONER
612/296-2701

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC WELFARE
CENTENNIAL OFFICE BUILDING
ST. PAUL, MINNESOTA 55155

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612/296-6117

December 29, 1977

William Pembleton, Director
Division of Project Grants Administration
Health Care Financing Administration
Room 4200 C
330 C. Street Southwest
Washington, D.C. 20201

Dear Mr. Pembleton:

The Minnesota Department of Public Welfare is submitting for your approval a demonstration project as authorized under Sections 1115 a and b of the Social Security Act. Entitled "Work Equity through Meaningful Employment", this project is an effort by the Minnesota Department of Economic Security and the Minnesota Department of Public Welfare to test an alternative delivery of work and training services as required under Sections 402(a)(19), 430, 432, and 433 of the Social Security Act for AFDC recipients, and to extend those services to recipients subject to similar work requirements under the Food Stamp Act of 1964, as amended, and the Minnesota General Assistance Program.

This project was developed through a planning grant from the Department of Labor. The project design as enclosed, "Work Equity through Meaningful Employment", has been approved for implementation by the Department of Labor, and funded through \$6.8 million in CETA and WIN funds. In addition to the project design developed for the Department of Labor, please find: Request for Federal Assistance (Parts I, II, III and IV) and attachments.

Copies of this package are being simultaneously sent to the Human Subjects Committee at the University of Minnesota, and the regional and national offices of the Department of Labor for their perusal and approval.

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STATE OF MINNESOTA

AN EQUAL OPPORTUNITY EMPLOYER



DPW-825

(8-77)

Page Two
William Pembleton
December 29, 1977

Your prompt attention will be greatly appreciated. The existence of this program and its relevance to welfare reform has generated considerable interest at the national, state and local levels. The staff of the Division of Grants Projects Administration has been of great assistance to us throughout this year. My staff is available at your convenience to provide further explanation of the project and to make such modifications as may be necessary to obtain the approval of the Department of Health, Education and Welfare.

Sincerely,

Edward J. Dirkswager, Jr.
Commissioner

IW/chg

Enclosure

cc: Paul E. Webb, Regional Commissioner
Social Security Administration
300 South Wacker Drive
Chicago, Illinois 60606

Richard Palmore
Associate Regional Administrator
Employment and Training Administration
U.S. Department of Labor
230 South Dearborn Street
Chicago, Illinois 60604

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1. Work Equity Through Meaningful Employment Project Summary
2. Abt Associates Responses to Selected Items on HEW Waiver Request Package (Summary) 9 December 1977.
3. Research Design for Minnesota Work Equity Program Oct. 21, 1977

1. TYPE OF ACTION (Mark appropriate box) ☐ PREAPPLICATION ☒ APPLICATION ☐ NOTIFICATION OF INTENT (CPL) ☐ REPORT OF FEDERAL ACTION	APPLICANT CATION 19 77 12 30	b. DATE Year month day 19 77 12 30	IDENTIFIER 19	ASSIGNED 19
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SECTION I - APPLICANT/RECIPIENT DATA

4. LEGAL APPLICANT/RECIPIENT		5. FEDERAL EMPLOYER IDENTIFICATION NO.	
a. Applicant Name : Department of Public Welfare	6. PRO-GRAM (From Federal Catalog)		a. NUMBER 1131766
b. Organization Unit : Assistance Payments Division			b. TITLE Section 1115
c. Street/P.O. Box : 4th Floor			
d. City : Centennial Bldg.			
e. State : St. Paul			
f. ZIP Code : Minnesota 55155			
g. Contact Person (Name & telephone No.) : Barbara Stromer 612-296-4622			

7. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT Work Equity Through Meaningful Employment Demonstration work and training project sponsored by the Department of Labor and the Minnesota Departments of Public Welfare and Economic Security	8. TYPE OF APPLICANT/RECIPIENT A-State B-Interstate C-Substate D-County E-City F-School District G-Special Purpose District H-Community Action Agency I-Higher Educational Institution J-Indian Tribe K-Other (Specify): Enter appropriate letter: A
	9. TYPE OF ASSISTANCE A-Basic Grant B-Supplemental Grant C-Loan D-Insurance E-Other Enter appropriate letter(s): E

10. AREA OF PROJECT IMPACT (Names of cities, counties, states, etc.) Regions 6, 7, 8, and City of St. Paul, State of Minnesota	11. ESTIMATED NUMBER OF PERSONS BENEFITING 3947	12. TYPE OF APPLICATION A-New B-Renewal C-Revision D-Continuation E-Augmentation Enter appropriate letter: A
13. PROPOSED FUNDING	14. CONGRESSIONAL DISTRICTS OF:	15. TYPE OF CHANGE (For 15a or 15c) A-Increase Dollars B-Decrease Dollars C-Increase Duration D-Decrease Duration E-Cancellation F-Other (Specify): N/A Enter appropriate letter(s):
a. FEDERAL \$.00	a. APPLICANT Fourth	b. PROJECT 1,2,4,6,7,8
b. APPLICANT .00	16. PROJECT START DATE Year month day 19 78 1 15	17. PROJECT DURATION 9 months
c. STATE .00	12. ESTIMATED DATE TO BE SUBMITTED TO FEDERAL AGENCY Year month day 19 77 12 30	18. EXISTING FEDERAL IDENTIFICATION NUMBER N/A
d. LOCAL .00		
e. OTHER .00		
f. TOTAL \$ N/A .00		

20. FEDERAL AGENCY TO RECEIVE REQUEST (Name, City, State, ZIP code) N/A	21. REMARKS ADDED ☒ Yes ☐ No
--	--

SECTION II - CERTIFICATION

22. THE APPLICANT CERTIFIES THAT	a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.	b. If required by OMB Circular A-95 this application was submitted, pursuant to the instructions therein, to appropriate clearinghouses and all responses are attached.	22. Yes ☐ No ☐
	(1) N/A	(2) ☐	(3) ☐

23. CERTIFYING REPRESENTATIVE Edward Dirkswager Commissioner of Public Welfare	b. SIGNATURE <i>Edward Dirkswager</i>	c. DATE SIGNED Year month day 19 77 12 30
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SECTION III - FEDERAL AGENCY ACTION

24. AGENCY NAME Department of Health, Education, and Welfare		25. APPLICATION RECEIVED Year month day 19 77 12 30
26. ORGANIZATIONAL UNIT Health Care Financing Administration		27. ADMINISTRATIVE OFFICE Project Grants
28. ADDRESS 330 C Street, S.W., Room 4200-C, Washington, D.C. 20201		29. FEDERAL GRANT IDENTIFICATION
31. ACTION TAKEN:	32. FUNDING	33. ACTION DATE Year month day 19 77 12 30
☐ a. AWARDED	a. FEDERAL \$.00	34. CONTACT FOR ADDITIONAL INFORMATION (Name and telephone number)
☐ b. REJECTED	b. APPLICANT .00	35. Year month day
☐ c. RETURNED FOR AMENDMENT	c. STATE .00	36. Year month day
☐ d. DEFERRED	d. LOCAL .00	37. REMARKS ADDED
☐ e. WITHDRAWN	e. OTHER .00	☐ Yes ☐ No
	f. TOTAL \$.00	
38. FEDERAL AGENCY A-95 ACTION	a. In taking above action, any comments received from clearinghouses were considered. If agency response is due under provisions of Part 1, OMB Circular A-95, it has been or is being made.	b. FEDERAL AGENCY A-95 OFFICIAL (Name and telephone no.)

PART IV

The remaining materials are all part of Part IV of the 1115 proposal, and follow in the sequence set forth in the instructions. In separate sections following this are a summary of the research design (12-9-77) and the research design (10-21-77).

I. Project Title and Objectives

A. Title: Work Equity Through Meaningful Employment

B. Program Objectives

1. Work Equity will test the capability of employment and training institutions associated with the Department of Labor to create public jobs on a large scale for public assistance recipients.
2. The operational feasibility and effectiveness of a uniform work/employment training requirement for AFDC, GA, and Food Stamp populations will be tested.
3. The operational feasibility and effectiveness of a new administrative system which will directly link employment and training programs and agencies with income transfer programs and agencies will be tested.
4. The effectiveness of WEP in finding permanent unsubsidized employment for the AFDC, GA, and Food Stamp populations will be determined.
5. The costs of the Work Equity Program with the costs of the jobs/employment programs it is replacing will be compared.
6. The effects of the Work Equity Program on program participants in terms of their personal satisfaction or dissatisfaction will be determined.
7. The acceptability of the Work Equity Program to the affected communities will be determined.

C. Program Results

- The approved project application indicated that after completing the WEP activities:
 - A) Thirty percent or more of the WEP participants will be employed in unsubsidized employment.
 - B) Seventy percent or more of the employed WEP participants will be retained after 90 days of employment.

Work Equity staff feel these numeric objectives can be revised upward. This matter is being researched and new objectives will be adopted as soon as a determination can be made.

2. Uniform work/training requirements will be established for AFDC, GA, and Food Stamp recipients (quantitative estimates will be added after at least 60 days of program experience and will be developed jointly with Abt Associates and WEP staff) and these will result in:
 - A) Costs being less than those of other work and training programs.
 - B) Benefits for clients being greater than those in other work and training programs.
 - C) Processing time in WEP being less than the processing time in other work and training programs.

3. Community work projects will provide opportunities for meaningful work and community betterment.

- A) Projects and the types of work opportunities they provide will be diverse.
- B) Projects will provide placements equal to 7,545 client months or 625 man years over a period of 6 months.

Welfare recipients participating in WEP:

- A) Will have more favorable attitudes toward work.
- B) Will have less anxiety about leaving welfare programs.
- C) Will exhibit a more positive self concept.

II. Background and Importance of Project

A: Major Problem Areas Project Will Address

The problem of making adequate income available to all American families and the part that full employment must play if this problem is to be resolved has been extensively discussed and continues to be an issue. Several approaches to this problem have been implemented or proposed, including: guaranteed annual income, income transfer, work and training programs, expansion of the private sector job market, and creation of public works jobs. There has been much discussion of the ability of the private sector to expand enough to provide jobs and of the pitfalls in creating too many public service jobs to take up the slack; of "make work" versus "meaningful work" and the costs of a comprehensive system involving public sector jobs versus the costs of current systems.

The Work Equity Project will provide an experiential base for examining these national issues through:

- 1) delivery of diversified and meaningful work and training to large numbers of people in:
 - a. a densely populated, economically diversified urban area
 - b. more sparsely populated, less economically diversified rural areas;
- 2) movement of large numbers of persons into private sector jobs;
- 3) creation of large numbers of diversified and meaningful public sector jobs to supplement private sector jobs for those who:
 - a. cannot currently be absorbed in the private sector until it expands
 - b. need stable work experience and/or training before they can compete in the private sector
 - c. may not be absorbed into the private sector even after expansion because at any given point in time there will always be more persons looking for private sector jobs than jobs that can be found.

Since the emphasis is on preparing persons for movement into the private sector, while providing meaningful work and training for those the private sector may not presently be able to absorb, the project should generate information relating to: 1) the possibility of a WEP-like administrative

compared to present systems. A more detailed description of the Work Equity Program follows; an explanation of the evaluation methods to be used may be found in Section III.

1. WEP differs from WIN

The demonstration project, "Work Equity through Meaningful Employment", is designed to provide work and training services and ancillary supportive social services to a diverse group of clients on an individualized basis. WEP will deliver services more intensively, extend services to areas where they either are not available or are only partially offered, create large scale community work projects, and extend services to a larger universe of client groups than current work and training programs. WEP will provide a necessary expansion in the scope and intensity of services to be delivered to AFDC clients by guaranteeing that WEP clients are provided at least the services and rights that would be provided through WIN. The WEP will also provide an opportunity to assess the feasibility of a combined administrative framework. Some of the specific ways in which WEP will differ from WIN are:

a) Community Work Projects (CWP)

CWP's will provide diverse employment opportunities to meet individual client needs and to meet significant community needs. Some examples of CWP's: chore services for senior and disabled citizens; home health care; teacher aides; home winterization; para-nursing; after school recreation and education programs for adults and children; chemical dependency information teams. The work projects will be diverse enough to allow the matching of project to clients needs for varied work experiences that can further help them to obtain employment in the private sector. A client may participate in multiple projects while in the program.

b) WEP will serve a larger universe of client groups; General Assistance; AFDC, and Food Stamps.

c) Wage payments will be made to all participants in Community Work Projects and On-the-Job Training; all AFDC-WEP participants will receive the "\$30 plus 1/3 disregard" treatment. Participants in other components will receive a \$30 weekly allowance, similar to that paid in CETA programs.

d) WEP has activity components which will hold to a minimum the number of participants not actively working toward the goal of employment;

e) The 100 hour limit on Unemployed Fathers will be waived so they may enter relevant temporary employment components and maintain AFDC eligibility.

f) Salaried community work projects are assured for clients who have not been placed in the private sector during job search.

2. Clients and Areas Served

The WEP project will be serving an estimated 3,947 employable AFDC and General Assistance recipients during the first year. Food Stamp

recipients are projected for participation.

The project area has been chosen to test WEP concepts and procedures in a diverse number of settings: highly urban, mixed urban and rural characteristics; and predominantly rural. In selecting areas to be served consideration was given to the need for work and training programs. Minnesota Economic Development regions 6 east and west, 8 and 7 east have no WIN program and were originally passed over when WIN was established in Minnesota because a low concentration of AFDC clients dispersed over a large geographic area and a comparatively low number of available jobs and little immediate potential for creating significant numbers of new and diversified jobs. Administrative concerns made it desirable to choose areas that were geographically contiguous. More specific demographic information on the areas served is contained in Section VII-8.

In Regions 6 east, 6 west and 8, areas not having a WIN program, current GA and AFDC caseloads will be screened and all employable will be enrolled in WEP. In all areas AFDC recipients who are exempt by WIN criteria may volunteer for WEP. In Region 7 west, a WIN area, new AFDC applicants and volunteers will be referred to WEP; all employable General Assistance recipients will be enrolled in WEP; WIN registrants in unassigned recipient status who have no actual employability plan will be referred to WEP. Other AFDC recipients registered with WIN will remain with WIN to complete their employability plan. In the city of St. Paul new AFDC recipients will be enrolled in WEP, AFDC recipients exempt from WIN may volunteer and unemployed fathers currently in WIN unassigned recipient status without an active employability plan will be referred to WEP. Other AFDC recipients registered with WIN will remain with WIN to complete their employability plans. Table 1 summarizes who will participate in WEP.

Table 1

Recipient Groups to be Served by Work EquityNumber to be Served

Regions 7E, 6E, 6W, and 8 (Areas with no WIN program)*	
Current and new employable General Assistance recipients	891 over 7 to 9 months
Current and new employable AFDC recipients.	1004 over 7 to 9 months
Current and new AFDC recipients exempt by WIN criteria may volunteer.	
2. Region 7W (Area with WIN program)*	
Current and new employable General Assistance recipients	267 over 10 months
New employable AFDC recipients	195 over 10 months
Current and new AFDC recipients exempt by WIN criteria may volunteer	" " " "
Current exempt AFDC who become mandatory	" " " "
WIN registrants in Unassigned Recipient Status without an active employability plan	No figure available
Other AFDC recipients currently registered with WIN will remain with WIN to complete their employability plan.	
3. City of St. Paul (Area with a WIN program)	
New employable AFDC recipients	1590 over 9 months
New and current AFDC, now exempt, who become mandatory	" " " "
New and current AFDC, now exempt, who wish to volunteer	" " " "
Unemployed Fathers currently in Unassigned Recipient Status without an active employability plan	No figure available
Total	3947 GA and AFDC

*In addition to the groups listed above, other recipient groups may be added to the program, contingent on adequate monies and approval of the appropriate agencies.

- 1) Food Stamp recipients who are employable. Addition of their groups must be approved by the United States Department of Agriculture.
- 2) Unemployed Fathers and other WIN mandatory registrants may transfer to WIN where mutually agreed by the registrant and the assessment team. Inclusion of these groups will be considered and decided separately by the Policy Board.

State-of-the-art: Organizations, services, administrative methods
B: C

the WEP model consolidates and builds on current employment and training programs, some of the proposed services are now being demonstrated in some target areas. The programs and agencies involved are live on WIN Title XX Employability Services, General Assistance WIN Program, St. Paul CETA, Balance of State CETA, and the Job Service Work of the Minnesota Department of Economic Security. While there have been efforts to coordinate these programs in the past, nothing on the scale that WEP intends has been attempted to coordinate planning, the service delivery, funding, and reporting. A more thorough description of the programs mentioned above follows:

WIN has operated in Minnesota since 1969 and WIN staff have related much experience in registering, training, and placing adult recipients. During FY '77 more than 25,000 different registrants were involved with WIN in some capacity. WIN, however, only operates in 10 of Minnesota's 87 counties, and does not have a community work in its component. The only target areas where WIN operates are in St. Paul and Region 7W. WIN will continue in these areas but without St. Paul intake, once WEP begins in the region.

WIN Title XX Employability Services: DPW State rule 202 (see Attachment 1) requires that counties provide to AFDC clients employment opportunities which fall beyond the scope and function of adult programs such as WIN and DVR. This includes employability assessment, vocational counseling and planning, testing, services necessary to remove barriers to employment, as well as to pay training and related costs. While the program is extensive in St. Paul figures show relatively low expenditures in most counties, indicating the program is not as extensive in other WEP areas. The degree to which this service is given depends on availability of sufficient and qualified staff, amount of Title XX money available, and the stance of the county welfare board, Title XX availability of suitable community resources.

General Assistance Work Program (GAWP): This program, run by the county welfare departments, is mandated by state law as a work requirement for employable GA recipients. While in some ways it resembles the Community Work Projects of WEP, (see section VII-E-3 of the Blue Book) the small number of hours per month required (usually 40-50) and the limited variety of available work sites keep GAWP from being an effective employability tool. Hours of assignment are based on the recipient's earnings divided by the prevailing hourly wage for the work assigned. Sites are limited to government agencies and nonprofit organizations,

offering a small number of possibilities in some rural counties. While 21 of the 26 WEP target counties have GAWP, only three have programs which regularly have more than five recipients assigned per month. Institution of WEP will eliminate GAWP in all target areas except St. Paul, where WEP budget constraints exclude the GA population.

St. Paul CETA: St. Paul CETA offers a wide range of employability services including job placement, job seeking skills, On the Job Training, Public Services Employment, classroom training, and employment counseling and testing. Last year nearly 5,000 clients received one or more of the above services, with 2,027 entering employment under Title I and an additional 1,400 obtaining PSE jobs under Title II and VI. At least 50% of this population were welfare clients. St. Paul CETA has been particularly successful in formally involving other agencies in the CETA process. To date it has signed working agreements with nine agencies, including Ramsey County Welfare Department, permitting the staff of these agencies to act as agents of CETA. The agencies may then directly tap all available CETA resources including funding for training. St. Paul CETA is in the process of developing an information system which will uniformly report to each agency the ongoing activity status of each client. The effort to unify the agencies as agents of CETA into one reporting and service delivery system is the operating model which comes closest to the attempt WEP will make to merge several systems. As WEP begins, St. Paul CETA will continue its normal operation unchanged, with the exception that a quota of PSE jobs will be committed to WEP clients. St. Paul CETA will additionally and separately operate as the urban WEP prime sponsor. Minnesota Department of Economic Security (MDES) contributes to the CETA operation by loaning experienced job placement, job development, and employment counseling staff.

Minnesota Department of Economic Security Job Service Offices: MDES was formed December 1, 1977 and incorporates the following agencies which previously were separate entities: Minnesota Department of Employment Services, Governor's Manpower Office (which included WEP) and Minnesota Division of Vocational Rehabilitation. The MDES Job Service Office is now part of the same organization unit as the WEP office, which should benefit both programs. MDES Job Service Offices are located in all WEP target areas. Services include job placement, using the statewide computerized job bank system, job development, vocational counseling and testing, special services to older workers, handicapped, veterans, and minorities. Many of these services correspond to those offered by WEP. How the two programs will be coordinated has not yet been resolved.

Balance of State CETA: Activities in all WEP target areas except St. Paul currently are coordinated by Balance of State (BOS) CETA. Last year in Regions 6, 7, and 8, BOS CETA placed 4,000 people in Title I jobs and an additional 2,000 placed in Title II and VI PSE employment. At least 50% of all clients served were welfare recipients. Regionally CETA is coordinated by locally established Regional Manpower Advisory Councils. Council membership normally includes local offices of CETA, MIES, DVR, State Vocational schools in the area, and community action agencies.

The CETA and MIES Job Service Offices, along with limited Title XX Employability resource, frequently have the only manpower and training resources in rural communities, and consequently are of greater relative importance than they are in large urban areas.

BOS CETA will be the prime sponsor for all WEP areas except St. Paul.

Current Interagency Coordination: Interaction between the local offices of welfare, CETA, and Employment Security within the WEP target area is largely governed by informal agreements that vary considerably from location to location. With the exceptions given in the St. Paul CETA description and basic interagency referral procedures for AFDC-UF, General Assistance and Food Stamp applicants, no local or statewide written interagency agreements are in force. It is expected that the initiation of WEP, augmented by the establishment of a comprehensive state employment agency will bring more order and uniformity to the service delivery and reporting systems.

STATE OF MINNESOTA
DEPARTMENT OF PUBLIC WELFARE
CENTENNIAL OFFICE BUILDING
ST. PAUL, MINNESOTA 55155

• INFORMATIONAL BULLETIN #76-122

November 30, 1976

TO: Chairperson, County Welfare Board
Attention: Welfare Director

Chairperson, Human Service Board
Attention: Director

SUBJECT: DPW Rule 202, Employability Services

The attached Rule was filed with the Secretary of State, published in the State Register, and became effective on October 17, 1976. DPW Rule 202 contains the governing policies and standards for employability services, and has the force and effect of law.

If you have any questions about this Rule, please contact:

Mary Sellner
Work and Training Section
Division of Social Services
612/296-3769

Very truly yours,


Vera J. Likins
Commissioner

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

DPW 202: Employability services.

A. Introduction. The objective of employability services is to provide individuals with the training skills and social services necessary to maximize their employability potential and to assist them in obtaining, maintaining and improving employment. Such services are needed by the underemployed, the unemployed, the unskilled individuals who have never been part of the labor force, individuals who are socially or economically disadvantaged, individuals with poor job histories, the undereducated, and persons with physical and/or mental handicaps.

1. Definitions.

a. Local Social Service Agency: The local social service agency under the authority of the County Welfare Board or Human Service Board which is responsible for social services.

b. Employability service: Arranging and providing assistance to individuals in obtaining, maintaining and improving employment through the use of vocational counseling, employability testing, college and vo-

KEY: New rules and both proposed and adopted additions to existing rules are printed in boldface. Proposed and adopted deletions from existing rules are printed in [single brackets]. Underlining indicates additions from proposed to adopted rules, while [double brackets] indicate deletions from proposed to adopted rules. Existing rules are printed in standard type face.

ational training, job finding assistance and special employment services for individuals who are handicapped because of some social, economic or mental/physical health condition.

c. Non-WIN employability program: A program of employability services, authorized and funded through Title XX of the Social Security Act, which provides Aid to Families with Dependent Children (AFDC) recipients with employability opportunities which fall beyond the scope and function of other programs, such as the Work Incentive Program (WIN) and the Division of Vocational Rehabilitation (DVR) programs.

d. Public Assistance/Vocational Rehabilitation Joint Action (PA/VR): A cooperative effort by Minnesota Division of Vocational Rehabilitation (DVR) and the Minnesota Department of Public Welfare (DPW) to provide physically, mentally and emotionally handicapped individuals with the training skills and supportive services necessary to maximize their employability potential.

c. State Agency: The Minnesota Department of Public Welfare.

f. Work Incentive Program (WIN): A program designed to provide opportunities for appropriate AFDC recipients to be placed in jobs and/or to obtain the employment and social services necessary to attain employability. Applicable state and federal legislation in Minn. Stat. § 256.736 and Title IV-C of the Social Security Act.

(1) Mandatory WIN Registrant: An individual required to register for WIN as a condition of initial or continued receipt of AFDC.

(2) Voluntary WIN Registrant: An individual exempt from the WIN registration requirement who nevertheless volunteers to register for WIN.

2. Resources. Local social service agencies shall be responsible for the administration and delivery of services to Aid to Families with Dependent Children (AFDC) recipients under the WIN and non-WIN (Title XX) program. State laws also mandate work relief programs for General Assistance (GA) recipients who are unable to find employment through existing employment resources. In addition, local social service agencies have an ongoing responsibility to identify and refer to the Minnesota Division of Vocational Rehabilitation (DVR) those individuals who could benefit from vocational rehabilitation services.

B. Non-WIN title XX employability program.

1. Intent and service objectives. The intent of the non-WIN employability program is to provide C recipients with employability opportunities

which fall beyond the scope and function of other programs, such as the Work Incentive Program and the Division of Vocational Rehabilitation programs. The objective of non-WIN social services is to provide eligible AFDC recipients with the training, skills and other social services necessary to maximize their employability potential and to assist them in obtaining, maintaining and improving employment.

2. Services. Employability services is the primary service to be provided in attaining program objectives. Additional services necessary to remove barriers to employability may include, among others, day care, health, homemaking, transportation and counseling services, and referral to other agencies (e.g., Division of Vocational Rehabilitation, CETA, etc.).

3. Non-WIN college or vocational training.

a. The three basic criteria in considering and approving classroom or vocational training are:

(1) Is it reasonable to assume that the candidate possesses sufficient motivation and potential for successful completion of the training/educational sequence?

(2) Is the training facility a reputable and accredited institution?

(3) Is the self-support plan likely to lead to employment?

b. After other resources have been exhausted, the cost of tuition, books, tools, etc., may be paid by the county social service agency.

(1) The cost of tuition shall be reviewed annually in conjunction with the self-support plans and other potential funding resources shall be explored.

(2) The local social service agency shall not agree to pay more than one academic year at a time even though the individual's self-support plan relates to a four-year college education or other vocational training extending beyond one year. Non-WIN academic training shall be limited to a baccalaureate degree.

c. Non-WIN training/education allowance.

(1) This allowance is intended to cover expenses such as transportation, lunches, additional clothing and other incidental expenses related to training/educational activities.

(2) This allowance is a social service expenditure to be paid monthly to the recipient/trainee and is not to be considered a budgetable item in the assistance payment.

(3) Criteria governing the allowance:

(a) An individual in training 30 or more

hours per week shall, upon authorization and documentation of the social worker, receive a \$40 monthly allowance.

(b) An individual participating in training less than 30 hours but more than 15 hours per week shall receive \$20 per month.

(c) An individual participating in training less than 15 hours per week, but who incurs transportation and other training-related expenses, will receive an allowance of \$10 per month.

(d) When an individual incurs training-related expenses greater than the standard allowance, the county social service staff shall document the actual costs incurred by the individual and increase the allowance to cover all reasonable actual costs.

(e) In determining hours in training, class participation, home study, library work and other class preparation shall be included.

d. Non-WIN job seeking allowance.

(1) This allowance is available to AFDC recipients actively engaged in job-seeking activities and is intended to cover related expenses such as transportation, lunches, additional clothing and other incidental expenses.

(2) This allowance is a social service expenditure to be paid monthly to the recipient and is not to be considered a budgetable item in the assistance payment.

(3) This allowance shall accurately reflect additional costs related to job-seeking activities and is limited to \$40 per month.

(a) If costs incurred during job-seeking activities exceed \$40 per month, the actual costs shall be documented by county social service staff and the recipient shall be reimbursed for all reasonable costs actually incurred.

(4) This allowance shall be available to individuals who are actively seeking employment either through participation in a job-seeking skills class or by going out on a predetermined number of job interviews (agreed to by the individual and local social service staff).

(a) A "job-seeking skills class" may include information about employers, instruction in completing job applications, information and practice in job interviewing, etc.

(b) The number of job interviews is to be established by the individual and his social worker.

4. Implementation of the non-WIN employability program.

a. Local social services staff shall work with AFDC recipients and their families in an effort to evaluate potential for employment and to encourage participation in programs which have self-support goals.

b. While local social service agencies are required to affirmatively offer and provide non-WIN (Title XX) employability services, acceptance of these services is optional and no current AFDC recipient shall incur financial sanctions for refusal of employability services.

c. Local social service agencies shall screen AFDC caseloads to identify those individuals immediately referable for training and/or employment.

(1) The following individuals may be considered inappropriate for referral:

(a) Those individuals with illness, advanced age, (65 years or older) or incapacity (unless a DVR referral is indicated in the case of incapacity);

(b) Those individuals too far removed from work and training activities so as to make participation ineffective;

(c) Dependent Children under age 16 and those individuals 16 years of age or older who are in school on a full-time basis;

(d) Individuals needed in the home to care for children because adequate child care arrangements cannot be arranged or maintained;

(e) Individuals needed in the home on a substantially continuous basis because of the illness, incapacity or young age of another family member; and

(f) Mothers or AFDC caretakers who cannot cope with the dual role of being a homemaker and a wage-earner.

C. Work Incentive program (WIN).

1. Definitions.

a. Appraisal: An interview with a WIN registrant by WIN project staff and local social service staff to assess employability potential, determine the registrant's need for supportive services and initiate an employability plan.

KEY: New rules and both proposed and adopted additions to existing rules are printed in boldface. Proposed and adopted deletions from existing rules are printed in [single brackets]. Underlining indicates additions from proposed to adopted rules, while [[double brackets]] indicate deletions from proposed to adopted rules. Existing rules are printed in standard type face.

b. Certification: The formal mechanism for requesting social services necessary for implementation of an individual's employability plan, as well as for authorizing 90% federal reimbursement for those services.

c. Component: An active WIN status usually requiring an individual's active and regular participation, including training, institutional training, and other Employment Services activities.

d. Employability Plan: A plan for service established by the individual in conjunction with WIN project staff and local social service staff which includes a self-support goal, identification of activities required to attain such a goal, and identification of supportive social services necessary to implement the plan.

e. Separate administrative unit (SAU): Local social service agency staff responsible for providing or arranging WIN supportive social services.

f. Sixty-day counseling: Counseling and other services provided by the local SAU to certified WIN registrants who have been determined to have refused to participate without good cause in order to encourage such individuals to return to active WIN participation.

g. WIN project staff: State employment services staff responsible for providing or arranging WIN employment and training services.

2. Service Objective. The objective of WIN social services is to facilitate an individual's participation in WIN and remove any barriers to implementation of his employability plan.

3. Services. WIN social services are services necessary to remove barriers to an individual's active implementation of his employability plan.

a. The following mandated supportive services shall be available to WIN registrants in the State of Minnesota for the purpose of facilitating employability plans and self-support goals.

(1) Day care service (children): Personal care during the day (for less than 24 hours) in the child's own home or in a nurturing and protective setting to substitute for or supplement the child rearing provided by the child's parents; as well as integral but subordinate medical service.

(a) Child care must be suitable for the individual child, and the caretaker relative must be involved in the selection of the child care facility if more than one facility is available. If only one facility is available, the caretaker relative must accept it, unless the caretaker can show that it is unsuitable for the child. Such child care arrangements shall be maintained until the caretaker relative is able to make other satis-

factory arrangements. Child care arrangements must comply with standards as set forth in 45 CFR 228.42.

(2) Family Planning: Services provided to enable individuals to voluntarily limit the size of their family or the space between children and to prevent or reduce the incidence of births out-of-wedlock.

(a) Family planning services shall be entirely voluntary for the registrant/participant.

(3) Counseling service for families and individuals: Utilization of a professional helping relationship to enable individuals and families to deal with and to resolve whatever intra and/or interpersonal relationship problem or stress is encountered by them.

(4) Health service (employment related): Arrange and facilitate access to and use of health resources, including mental health resources, to determine if the individual has any physical or mental limitations which would restrict or limit his or her vocational options.

(a) In all instances, this medical exam is a Medical Assistance (MA) expenditure and is not to be paid for under WIN 90/10. Reimbursable expenditures would be for social worker time involved in arranging for medical appointments, requesting medical reports, etc.

(5) Vocational rehabilitation service: Special employment services for individuals who are handicapped because of some social, economic, or mental/physical health condition including such things as surgery, psychiatric treatment, prosthetic devices, speech or hearing therapy, visual services, dental care, etc., in order to correct or substantially modify a physical or mental condition which is a handicap to employment.

(a) These vocational rehabilitation services will be provided with WIN funds only when they are not available through the Division of Vocational Rehabilitation, and when there is reasonable expectation that the same services will lead to unsubsidized employment.

b. The following supportive services may be provided with WIN funds when it is determined by the WIN sponsor and the SAU that such are necessary to the successful completion of employment plans and self-support goals.

(1) Homemaking service: Provisions of surrogate care in the absence or disability of the caretaker, providing for the personal care of ill or disabled individuals, as well as instruction on more effective methods of home management, the development and maintenance of self-care and social skills.

(2) Housing service: Services to help indi-

viduals obtain, maintain and improve housing, and/or to modify existing housing.

(3) Legal service: Arrange and provide for assistance in resolving noncriminal legal matters and the protection of legal rights.

(4) Money management service: Arrange and provide assistance in developing effective budgets and managing indebtedness.

(5) Transportation service: Arrange and provide travel and escort to and from community resources and facilities.

4. Implementation.

a. Local SAU staff shall participate with WIN project staff in developing and implementing client-specific employability plans.

(1) Local SAU staff shall participate in appraisal interviews to develop, with the individual and WIN project staff, a tentative employability plan.

b. Local SAU staff shall certify all individuals who are assigned to a WIN component whether or not services are needed, as well as all other WIN registrants requiring services.

(1) Each unemployed father required to be registered for WIN shall be certified no later than 30 days from the receipt of AFDC benefits. If WIN project staff fail to request certification of an unemployed father within two weeks after registration, the SAU shall certify him without such a request. Should any social services be provided, the cost may not be claimed at the 90% rate until the services have been approved by the employment service agency.

(2) Each registrant receiving sixty-day counseling shall be certified.

c. After certification is completed, local SAU staff shall provide or arrange for all necessary and authorized social services during an individual's active participation in WIN or until the need for a specific service has ended.

5. Adjudication. Upon determining that a certified registrant has refused to participate in WIN without good cause, WIN project staff shall send the registrant a "Notice of Intended Deregistration". A copy of such Notice shall also be sent to the county SAU.

a. WIN project staff shall provide all such notified registrants with an opportunity for a fair hearing on

the proposed deregistration. Decisions of the hearing officers shall be binding on the local social service agency. Such decisions may be appealed at the state level, and following that, to the WIN National Review Panel.

b. Local SAU staff shall initiate sixty-day counseling on the fifth day following the expiration of the ten-day time period for requesting a fair hearing or the date of the hearing officer's adverse decision, whichever occurs later.

(1) The SAU shall provide the individual with a written explanation of the sixty-day counseling followed by a personal contact. The written explanation shall advise the individual of the effect of his continued refusal to participate in the WIN program and the potential effect upon his assistance payments.

(2) If at any time during the sixty-day counseling period the individual changes his mind and agrees to actively participate in WIN, the SAU shall communicate this to the WIN project staff and the individual shall be returned to "active participant" status. Also, training and incentive allowances shall be immediately reinstated.

(3) An individual refusing or terminating counseling at any time during the sixty-day period shall incur appropriate sanctions immediately.

(a) A registrant who fails without good cause to appear for two or more scheduled counseling sessions shall be considered to have terminated the counseling.

c. Certified registrants who complete the sixty-day counseling and agree to return to participation shall be reaccepted into WIN only upon approval of the SAU.

(1) An individual who has been offered the sixty-day counseling period, has been returned to "active participation" status, and has again been determined to have refused to participate without good cause, shall not be allowed a second determination of refusal to participate without good cause. The individual shall incur appropriate sanctions immediately.

D. Public assistance/vocational rehabilitation joint action (PA/VR).

1. Objective. The objective of services under Public assistance/vocational rehabilitation joint action (PA/VR) is to provide physically, mentally and emotionally handicapped persons with the training, skills

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and supportive services necessary to maximize their employability potential and to assist them in obtaining, maintaining and improving employment.

2. Referral. Local welfare agency income maintenance staff shall identify individuals appropriate for PA/VR involvement, obtain current medical information on such individuals, and refer them to both the vocational rehabilitation agency and the local social services staff.

a. Local social service staff shall follow-up on all such referrals to insure that individuals with disabling conditions who apply for public assistance (or who apply for AFDC in non-WIN counties) have been referred to the Division of Vocational Rehabilitation within 30 days of their initial contact with the local social service agency.

b. Local social service staff shall evaluate on an ongoing basis disabled clientele not currently active with DVR who have potential for vocational rehabilitation and self-support. Where appropriate, such individuals shall be referred for vocational rehabilitation services, and necessary supportive social services shall be provided by local social service staff.

3. Services. Local social service staff shall cooperate with DVR staff in a comprehensive evaluation (medical, social, emotional, etc.) of all clientele and potentially eligible individuals and their families. On the basis of this evaluation, social services shall be provided, as needed, to facilitate the rehabilitation plan. These services shall be made available, as needed, to the individual and/or other family members who are affected by the disabling condition.

a. Services available through DVR shall include vocational adjustment counseling books, training materials and tools, training-related expenses and other services necessary to develop the individual's employability potential.

E. Record keeping, access and retention.

1. In accordance with applicable state and federal laws and regulations, local social service agencies must maintain adequate employability service records and must assure privacy of these records to the extent required by these authorities.

II-C Administrative Approaches for Resolving Problems

Administration: The Work Equity Project is a work and training program administered jointly on the state level by the Department of Public Welfare; the Department of Economic Security which includes State Employment Service, CETA Balance of State, Division of Vocational Rehabilitation, and the Governor's Manpower Office; and St. Paul CETA. Each state department will have a Work Equity Section. Decisions involving program development and implementation will be made jointly as specified by interagency agreements.

The Work Equity Policy Board is a formal entity constituted by mutual agreement of the involved agencies to serve as a forum for making administrative, management and policy decisions for the Work Equity Project. The composition and activities of the board reflect the interagency responsibilities for the project. The members represent the Minnesota Department of Economic Security, St. Paul CETA and the Minnesota Welfare Department.

An advisory task force will provide the Policy Board with advice needed for the effective operation of the program in the communities served. The advisory task force will be broadly representative of the communities served by Work Equity.

The St. Paul CETA prime sponsor, through contract, will operate WEP in St. Paul and the Commissioner of Economic Security, through BCS CETA, will administer the Work Equity Program in the rest of the project area. The overall responsibilities include supervision of loaned, as well as contract staff, and management and fiscal information system reporting. CETA prime sponsors will also provide staff to WEP project offices to help establish employability plans for WEP registrants. In addition to CETA's involvement in project program decisions, input will be solicited from county welfare agencies in the project area.

The Department of Economic Security will be responsible for the establishment and administration of employment and training components, and Minnesota Department of Welfare for Income Maintenance and Supportive Social Services functions. The state offices will supervise their respective local offices.

WEP project offices will be established throughout the project area, and will use and work with local employment services and local CETA offices in the registration of clients, the development of employability plans and the provision of employment and training services. Local county welfare departments will provide income maintenance and social service staff time to WEP.

Local Income Maintenance Units will screen clients, refer them to WEP and carry out all income maintenance related responsibilities as specified in 45 CFR 224. Local social service staff will be members of the WEP team and be involved with WEP staff in appraising and certifying WEP registrants, and in carrying out all Separate Administrative Unit responsibilities as specified in 45 CFR 224.

Services: WEP is designed to provide services more intensively than WIN, while assuring that clients receive all of the basic rights and services available through WIN. Emphasis will be placed on a detailed assessment of the clients needs and abilities to tailor an employability plan to fit the individual. This highly individualized assessment of each person will be done by a WEP team that includes: a social worker, WEP interviewer, WEP counselor, employment service interviewer, job developer, and, as needed, other necessary professionals and paraprofessionals. During registration, appraisal, developing the employability plan, and in all successive program activities the emphasis will be on team work. The team will have a slightly different composition in the city of St. Paul.

The flow chart lists the various Work Equity components and indicates registrant flow through the program. More detailed information on specific components and services is found in the Project Summary, Section VII.

A client will apply for AFDC, FS or General Assistance at the county welfare agency. The local welfare agency will refer appropriate persons to the local WEP office, where the client will be registered and receive orientation to the Work Equity Project. Below is a general description of the activities that follow registration.

Project Registration Flow

EMPLOYMENT SERVICES
DETERMINES:

COUNTY WELFARE
DETERMINES:

COUNTY WELFARE
DETERMINES:

FOOD STAMP
ELIGIBLES

AFDC
ELIGIBLES

GA
ELIGIBLES

REGISTRATION
&
ORIENTATION

APPRAISAL &
EMPLOYABILITY
PLAN

- 1) SOCIAL
- 2) OCCUPATIONAL

EMPLOYABILITY
DEVELOPMENT
PLAN

- 1) ORIENTATION
- 2) IN-DEPT
ASSESSMENT
- 3) SUPPORT
SERVICES
REFERRALS
- 4) CLASSROOM
TRAINING
- 5) REMEDIAL
EDUCATION
- 6) SAU ONLY

INTENSIVE
MANPOWER
SERVICES

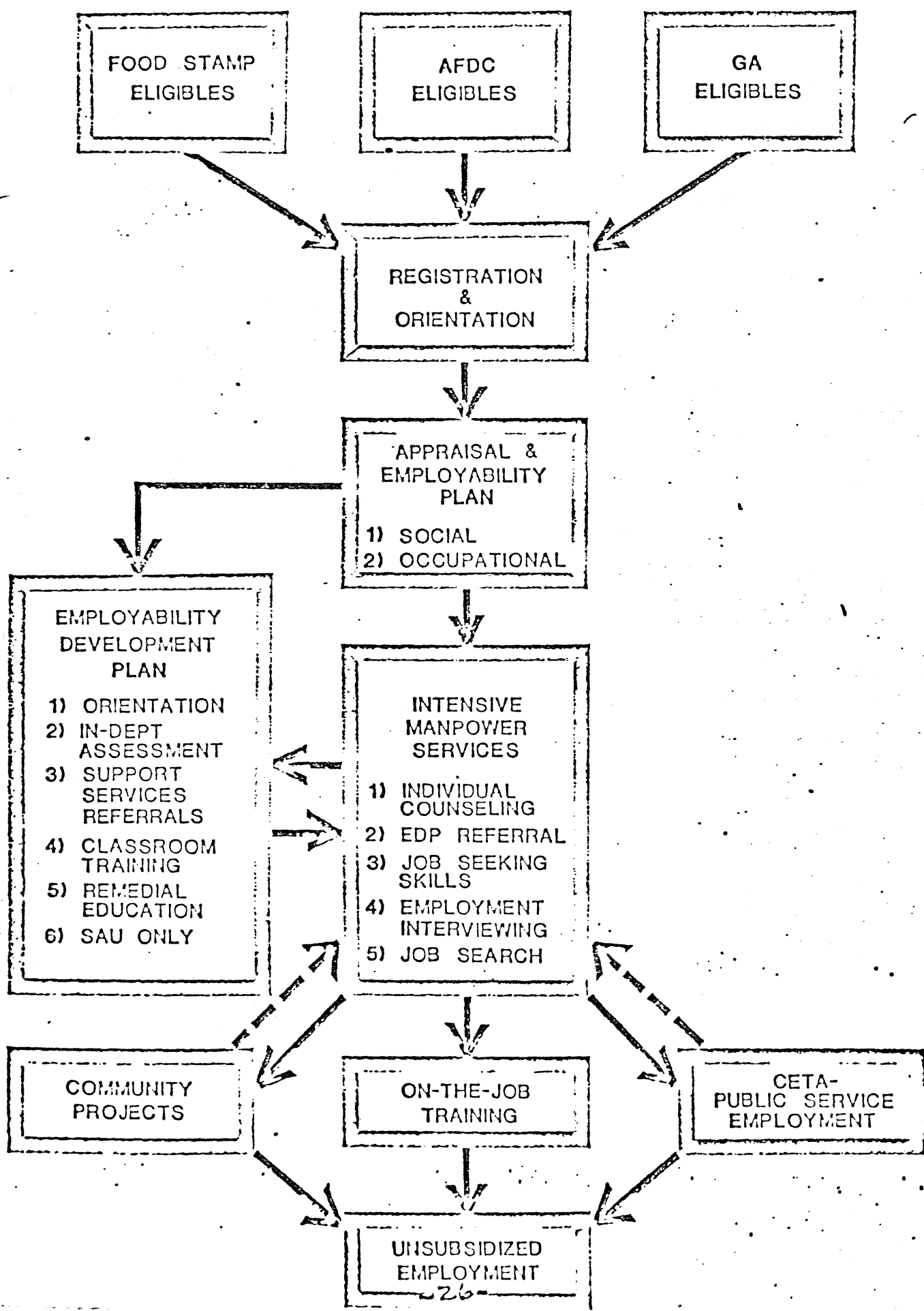
- 1) INDIVIDUAL
COUNSELING
- 2) EDP REFERRAL
- 3) JOB SEEKING
SKILLS
- 4) EMPLOYMENT
INTERVIEWING
- 5) JOB SEARCH

COMMUNITY
PROJECTS

ON-THE-JOB
TRAINING

CETA-
PUBLIC SERVICE
EMPLOYMENT

UNSUBSIDIZED
EMPLOYMENT



1. Orientation: This component involves description of program services, program expectations, registrant rights and program obligations to registrants.
2. Appraisal: This involves two determinations: Is the person job ready and which social services are needed. These two assessments result in an employability plan. Job ready individuals may go directly into Intensive Manpower Services, and from there to On the Job Training, PSE, or unsubsidized employment or community work projects if he/she is unable to obtain unsubsidized employment.
3. Supportive Social Services: Necessary social services will be requested by WEP team members and certified by the local SAU. The same 10 supportive services available to WIN clients will be available to WEP clients: Day Care Services; Family Planning Services; Counseling Services; Employment Related Health Services; Vocational Rehabilitation Services; Homemaking Services; Housing Services; Legal Services; Money Management Services; and Transportation Services. Title XX Social Services shall also be used when needed and appropriate.
4. Employability Development Planning Process (EDP): When an individual is designated as not-job-ready, the person is assigned to intensive employability development planning. This involves: 1) orientation and in-depth assessment, including special testing; 2) and this leads to referral to necessary support services, classroom training, remedial education or SAU only services. When the registrant reaches a job ready status he/she may be assigned to Intensive Manpower Services and from there enter On the Job Training, PSE, unsubsidized employment or community work projects if he/she is unable to obtain unsubsidized employment.
5. Intensive Manpower Services (IMS): This component provides the registrant with a cohesive understanding of the processes involved in seeking unsubsidized employment. This component includes: individual and group counseling, employability development planning referral, job seeking skills, job search and employment interviewing. A registrant may move from IMS to OJT (On the Job Training), CETA PSE, unsubsidized employment or CWP if he/she is unable to obtain unsubsidized employment.
6. Community Work Projects (CWP): This component has already been described in Section II A (Importance and Background of the Project). These jobs are subsidized and the registrant is engaged in job search for unsubsidized employment while he is participating in a CWP. Registrants in CWP are periodically reassessed to see if reassignment to another component will better meet their changing needs.

7. Suspense to CETA Title VI PSE: These jobs are subsidized and designed to lead to retention of registrant as an unsubsidized employee.
8. On the Job Training: This component provides opportunity to learn job skills in a setting which results in employment.

The same rights as to appropriate work criteria, hearings and grievances available through WIN will be available to individuals in the Work Equity Project.

The section on "Waivers" deals with those Federal statutes and/or regulations requiring waiver in order to operate the Program. "Costs" refers to costs for which normal financial participation is requested (whether or not those are considered Section 1115 funds). In researching possible waivers, a number of issues were raised that would not appear to need waivers, but confirmation is needed that this interpretation is correct. These issues have been labelled "Assumptions".

1. Waivers

- A. Statewideness
- B. Quality Control
- C. 100 hours limitation for Unemployed Fathers
- D. Penalties for Unemployed Fathers not registered in WIN
- E. Federal WIN Handbook and NCC and RCC Issuances

2. Costs

- A. Diversion of HEW and State funds equivalent to the Federal financial share of any grant reductions which result from participation in WEP-funded components
- B. Costs of continued eligibility of AFDC Unemployed Fathers for whom the 100 hours limitation is waived

3. Assumptions: WEP is WIN

- A. Authority for the program to act
- B. Specification of SAU responsibilities, designation of SAU and authority to act
- C. Use of WIN, SAU, and WIN Sponsor 90/10 funds
- D. 10% nonfederal contribution
- E. Possible modifications to State WIN and State AFDC Plans

II-D-1 Waivers

A. Waiver of Title IV, Part A, Section 402 (a)(1) (as regulated in 45 CFR 205.120): Statewide

Section 402. (a) A State plan for aid and services to needy families with children must—

(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them.

Rationale for Waiver: A waiver of this provision will permit the operation of the Work Equity Project in the State within a limited geographical area, and within specific recipient groups in those areas (as defined in the attachments hereto).

The State Plan (Section 205.120 of preprint; AFDC Manual IV, J, VI A VIII A, etc.) will be appropriately modified in accordance with project approval.

B. 45 CFR 205.41: Quality Control

45 CFR 205.41: Federal financial participation in relation to erroneous state payments.

Rationale for Waiver: A waiver of this section will exclude cases which contain or should contain WEP participants from the withholding or reimbursement of federal financial participation, based on AFDC error rates. This waiver will eliminate fiscal sanctions which might otherwise result if error rates increase because of the operation of Work Equity. Although a significant rise in error rates is not anticipated, some error-producing problems may initially be encountered. The State will continue to include WEP cases in the Quality Control sampling universe and will take all appropriate corrective actions.

The State Plan(preprint Section 205.41)will be appropriately modified upon project approval.

C. 45 CFR 233.100 (a)(1)(i), 45 CFR 233.100 (c)(iii): 100 hours limitation for Unemployed Fathers

45 CFR 233.100 (a) Requirements for State Plans. If a State wishes to provide AFDC for children of unemployed fathers, the State plan under Title IV-Part A of the Social Security Act must, except as specified in paragraph (b) of this section:

(1) Include a definition of an unemployed father which shall apply only to families determined to be needy in accordance with the provisions of § 233.20 of this chapter. Such definition must include any father who: (i) Is employed less than 100 hours a month; or

45 CFR 233.100 (c)(iii) Who has been deprived of parental support or care by reason of the fact that his father is employed less than 100 hours a month; or, exceeds that standard for a particular month if his work is intermittent and the excess is of a temporary nature as evidenced by the fact that he was under the 100 hour standard for 2 prior months and is expected to be under the standard during the next months.

Rationale for Waiver: A waiver of the 100 hour employment limitation for Unemployed Fathers will permit all AFDC unemployed fathers to be treated uniformly with other AFDC earners. They will be subject to the same income eligibility and ineligibility criteria as other AFDC recipients in Work Equity.

Furthermore, this will allow Unemployed Fathers to be in full-time but temporary employment (such as Community Work Projects), thus encouraging participation in all components of Work Equity, and providing greater financial stability to those families.

In counties where WEI and WEP will be operating simultaneously, possible disparity of treatment can be resolved by the Unemployed Father's transfer to Work Equity when appropriate.

The additional costs of extending AFDC eligibility for Unemployed Fathers are listed in Part III - Budget Information and further discussed in Part IV, Section II-D-2.

The State Plan (preprint Section 233.100; AFDC Manual IV-J) will be appropriately modified upon project approval.

D. 45 CFR 233.100 (a)(v)(5)(i): Penalties on Unemployed Fathers not registered in WIN

45 CFR 233.100 (a)(v)(5): Provide for the denial of such aid to any such dependent child or the relative specified in section 406 (a)(1) of the Act with whom such child is living:

(i) If and for so long as such child's father, unless exempt under 45 CFR 224.20, is not registered for the work incentive program or if exempt under clause (b)(6) of section 224.20, is not registered with a public employment office in the State, and. . .

Rationale for Waiver: A waiver of the penalty required by this section will create uniformity in sanctions placed on non-cooperative mandatory WIN registrants. The Unemployed Fathers would then be subject to the same penalties as other mandatory registrants.

E. Waiver of 45 CFR 224.10 (c) and 29 CFR 56.10 (c): Federal WIN Handbook and NCC and RCC Issuances

This waiver is based on the premise that WEP meets the Statutory requirements of work and training programs. Section 439 of the Social Security Act requires DOL and HEW to issue regulations which provide for the establishment of a "national coordination committee" whose duty is the establishment of uniform reporting and similar requirements for the administration of "work incentive programs" and for the establishment of "regional coordination committees" in each region to review and approve statewide operational plans developed in accord with Section 433(b). 45 CFR 224.10(c) and 29 CFR 56.10(c) stipulate that the National Coordinating Committee (NCC) "shall issue a WIN Handbook, establish uniform reporting procedures, establish and clarify policy under these regulations, and establish other requirements for effective administration. NCC issuances shall be binding on all regional, state and local WIN operations." This gives Issuances and The Federal WIN Handbook the force of a requirement rather than a guideline.

Rationale for Waiver: Not only will this bind us to the existing Federal WIN Handbook and NCC and RCC issuances, but it also will bind us to changes made by new issuances or revisions in the Federal WIN Handbook. Assurances have been given in Part IV, Section II-D-3 as to WEP compliance with rights and services required by the Social Security Act and the Program is subject to HEW and DOL approval and review. WEP is a demonstration project and, as such, needs latitude and flexibility to develop and try new administrative procedures, service delivery systems and concepts. If WEP is required to conform strictly to Federal WIN Handbook 318, Regional and National office WIN issuances and the Minnesota State WIN Handbook, much of the latitude and flexibility desired in a demonstration project will be impaired.

WEP shall use the State WIN Handbook, the Federal WIN Handbook #318 and NCC and RCC WIN Issuances as guidelines.

Sections 402, 403, 430, 431, 432, 433, and 443 of the Social Security Act and 45 CFR 224 and 29 CFR 56: WEP - WIN relationship

The Social Security Act mandates the establishment of "work incentive programs" that meet the specifications stipulated in the Act. It also charges the United States Department of Health, Education and Welfare and the Department of Labor with the joint responsibility for creating and funding such programs. The term "work incentive programs", as used in the Act, appears to be used in the generic sense, since there could be a number of different programs constructed, all of which could meet the specifications delineated in the Act. The Departments of Labor and Health, Education, and Welfare have translated the generic mandates in the Act into a specific program: the Work Incentive Program as established by regulations.

Work Equity Project

One aim of the Work Equity Project is to ensure that clients in the WEP project areas will receive services and rights that are, at least, equivalent to those they would receive through WIN, as stipulated in 45 CFR 224 and Sections 402, 430, 432 and 433 of the Social Security Act.

WEP will provide services to all participants in accordance with 45 CFR 224:

- a. Registration 224.20 and 224.21
- b. Appraisal and Certification 224.22
- c. Supportive Services 224.30
- d. Appropriate Work and Training Criteria 224.34
- e. Public Service Employment 224.40
- f. Intensive Manpower Services 224.41
- g. On the Job Training 224.42
- h. Institutional Training 224.43
- i. Suspense to Other Programs 224.44
- j. Deregistration 224.50
- k. Sanctions 224.51 and 224.77
- l. Rights, Grievances, Adjudication 224.36, 224.60, 224.61, 224.62, 224.63 through 224.76

The goals of the Work Equity Project are to expand the scope of those services to include community work projects and to deliver the services to an expanded universe of recipients (General Assistance and Food Stamp).

In Region 7 West and the City of St. Paul (and possibly Regions 9 and 10 in the future), WEP would gradually replace WIN. In Regions 6 West, 6 East, 8 and 7 East, the establishment of WEP would represent an expansion of present work and training programs because these regions do not currently have a WIN or WIN-like program. Our basic premise is that the WEP program, as described in this proposal, complies with all the generic mandates in the Social Security Act.

Assumptions A. Sections 402 (a) (19), 430, 432 and 433 and 45 CFR, Part 224, and 29 CFR, Part 56; Authority for Program to Act.

Sections 402 (a) (19), 430, 432, and 433 of the Social Security Act authorize the existence of work and training programs that must provide certain services, can mandate the participation of AFDC applicants and recipients, and can sanction AFDC applicants recipients who refuse to participate without good cause. 45 CFR, Part 224, and 29 CFR, Part 56 convey the statutory authority to the WIN Program.

The Minnesota Department of Public Welfare assumes that the Work Equity Program is based on the above authorities in order to function and is designated WIN in the Work Equity Project areas.

- B. Section 402 (a) (19) (G) and 45 CFR 224.10 (a) and 29 CFR 56.16: Specification of SAU responsibilities, designation of SAU unit and authority to act.

Section 402 (a) (19) (G) of the Act requires that there be a separate administrative unit with certain responsibilities and obligations and the Act conveys to this unit the legal authority to carry out all functions designated to the SAU by the Act. 45 CFR 224.10 (a) and 29 CFR 56.16 convey this requirement and the statutory authority to act to the WIN program.

The Minnesota Department of Public Welfare assumes that the Work Equity Section of the Minnesota State Welfare Department is designated as the SAU for the Work Equity Program with full authority to carry out functions designated to the SAU by the Social Security Act.

- C. Section 403 (d) and 431 and 45 CFR, Part 224.15 (c), and 29 CFR, Part 56.15 c: use of WIN SAU and WIN sponsor funds.

Sections 403 (d) and 431 of the Social Security Act authorize the use of "work incentive programs" funds to be used to meet 90% of the costs of supportive social services provided by or arranged for by the separate administrative unit, for AFDC recipients who are certified to "work incentive programs", and for separate administrative unit administrative costs for all AFDC clients registered in the work program. 45 CFR 220.61 (g), 45 CFR 224.15 (c) and 29 CFR (c) convey this funding authority to the WIN program.

Attachment 1 at the end of Section II. D. 1 consists of page II-4 from the 1978 approved State WIN Plan and speaks to the transfer of WIN 90% supportive social service funds (SAU) to the Work Equity Project in areas where WEP replaces WIN.

- The Minnesota Department of Public Welfare assumes that as WEP develops and WIN phases down in project areas, WIN 90-10 funds will be transferred to WEP, on a proportional basis, for use with AFDC clients participating in WEP. (The WEP project has been budgeted on this premise).

D. Section 443 of the Social Security Act and 45 CFR 224.16: 10% Non-Federal Contribution.

It is assumed that WEP will be construed to stand in the place of WIN and, as such, Section 443 might be applied to WEP. Section 443 of the Social Security Act requires a non-Federal contribution of 10% of the costs of "work incentive programs" established by Part C of the Act. 45 CFR 224.16 applies this requirement to the Work Incentive Program. The Work Equity Project, a demonstration project, has guaranteed that state and local government will not incur additional costs. In areas where WEP takes the place of WIN, Region 7 West and the City of St. Paul, WIN funds will be diverted to WEP to be used for AFDC clients enrolled in WEP and the 10% state and local share will continue. WEP, however, will be run in a number of counties, Regions 7 East, 6 West, 6 East, and 8, that currently have no WIN program.

No WIN funds have been allocated for AFDC clients enrolled in WEP in Regions 7 East, 6 West, 6 East, and 8. DOL demonstration project funds will pay for services in these areas.

Work Equity Project staff believe that the 10% non-Federal contribution does not apply to WEP expenditures in Regions 7 East, 6 West, 6 East, and 8.

The Minnesota Department of Public Welfare assumes that state and county government will not be required to make a 10% non-Federal contribution in areas not currently funded with WIN monies - Regions 7 East, 6 West, 6 East, and 8.

E. Sections 402 (a), 407, 433 (b), and 439 of the Social Security Act and 45 CFR 205.5, 224.10, 224.30, and 224.11: Possible Modifications to State WIN and AFDC Plans.

There are two state plans at issue here: the State WIN Plan and the State AFDC Plan. The State WIN Plan does not currently describe the locations at which WEP will operate.

The Minnesota Department of Public Welfare assumes the State WIN Plan needs to be modified to include a description of the WEP target areas and population to be served. Are there any other modifications that would be necessary?

The State AFDC Plan 224.10 and 224.30 (p. 3) describes the "Administrative Responsibility with Regard to the Work Incentive Program". There is no portion of the AFDC Plan which references or describes WEP.

The Minnesota Department of Public Welfare assumes the State AFDC Plan need to be modified to include references to WEP and description of "Administrative Responsibilities". Are there any other modifications that would be necessary?

Minnesota has been tentatively selected as one of several demonstration states to test the "Welfare Reform" concept. The Minnesota plan is known as the Work Equity Program (WEP) and is currently in its final planning cycle. There will be a close interrelationship between WIN and WEP in those areas designated for the demonstration; however, at this writing the final locations, numbers of recipients and specific target groups have not been identified to the point of being able to reference particular statistics herein. As final drafts are prepared and approved by the Chicago Regional office, the WIN Regional office will be advised.

It has been legally determined that it will be unnecessary to modify the WIN plan to allow any contemplated transfers to WEP as effective approximately November 15, 1977, the Minnesota Department of Employment Services will be encompassed in a new department, the Minnesota Department of Economic Security, which will also be the WEP contractor.

Although specific numbers, resources or locations have not yet been determined, general operating concepts of WEP have been ascertained. WEP will operate in selected counties in the CETA Balance of State (Southern) section of the state and within the City of St. Paul, not to include all of Ramsey County. WEP will operate independently in some counties and portions of counties, WIN will operate in still others and neither will operate in some areas in order to provide a true demonstration project to be evaluated in a separate contract from the Department of Labor to Abt Associates. As counties and/or locations are phased into WEP, probably not earlier than December 1 and more likely January 1 or later for most locations, new AFDC registrants will be certified to WEP instead of WIN. Ongoing WIN projects in WEP areas will continue to provide service to those in enrollment status as of the date WEP is implemented. There will be a continuing need for WIN resources and positions on a decreasing basis in all WEP areas in which WIN formerly operated.

We estimate the numbers of registrants who leave WIN will continue to be approximately the same as in past years. WIN funds and staff positions will be diverted to WEP as appropriate and used for AFDC clients only with separate accountability and MIS data maintained separate from total WEP funding. Because WEP will provide at least identical services to WIN, it has been determined by National office staff that Minnesota WIN goals will be maintained and statistics generated by WEP activities for eligible WIN clients will be credited to the Minnesota WIN plan. This will have the effect of not penalizing the Minnesota WIN program in future periods for activities diverted to the demonstration project. The National office has also determined that WIN resources, therefore, would not be withdrawn nor would goals and/or objectives be amended.

III. PROJECT EVALUATION

Assessment of the Work Equity Project will be conducted in several ways. The Department of Labor has contracted with a private social research firm, Abt Associates of Cambridge, Massachusetts, to be primarily responsible for the monitoring and assessment of the Work Equity Project.

Abt Associates has submitted a research design, attached, which describes the methods and objectives of its research. Both the Work Equity Project staff and the Department of Labor will continue to work with Abt in development of the final design.

In addition to Abt's research, both the Department of Economic Security and the Department of Public Welfare will examine various facets of WEP operations. The analysis done by the Department of Public Welfare may be expanded later, but will include the following:

A. Monitoring and supervision of WEP operations in both State and county welfare offices to:

- 1) Monitor the program to make sure that all services offered by WIN continue to be available through WEP.
- 2) Ensure that there is sufficient staff to provide necessary social services and ensure that such services are given.
- 3) Ensure that no county incurs additional costs as a result of WEP participation. WEP will be measured against pre-WEP baseline data to ascertain any increased activities.

B. Assessment and summary of:

- 1) The effectiveness of the WEP tracking system, as it compares to other current systems, including the transmittal of income information and participant progress.

operations, workability and effectiveness.

- 3) The relationship between the Department of Economic Security and the Department of Public Welfare as it relates to better coordination of effort in program administration.

The responses drafted by Abt Inc. to parts III, IV, & VII-A & C follow in that sequence, so that Abt's efforts & responsibilities can readily be distinguished from those of other actors.

V. Work Plan

Responses to Sections A, B, C, and D are included in the following charts labelled "Work Activities and Timetables." The listing entitled "Legislative and Reporting Requirements WEP" notes all presently known requirements of WIN and CETA. It is expected that DOL will require additional special reports, but none have yet been specified.

Estimated
man months

ACTIVITY/SUBACTIVITY

DEC.

JAN.

FEB.

MAR.

APR.

MAY

JN.

JLY

AUG.

SEP.

I. WEP DIVISION STAFFING

Assure competent staff are attracted, retained, and fully used in the design and implementation of the project. Many staff will be drawn temporarily from the umbrella agency for ad hoc purposes.

A. Identify organization design and staff needs

B. Hire administrative staff

C. Hire on-site staff

D. Conduct staff orientation

II. WORK PLANS

The Policy Board, in concert with WEP central staff and subgrantees, will develop detailed work plans from their general plan.

A. Central office

B. St. Paul

C. Balance of State

KEY

- A. ----- Beginning/ending events
- B. ○ Product/report
- C. ● Completed

One man month equals 22 work days

45

ACTIVITY/SUBACTIVITY	Est. Man-months	DEC. JAN. FEB. MAR. APR. MAY JN. JULY AUG. SE											
III. GRANT DEVELOPMENT Continue developmental work on sub-grantees' working agreement with provisions for resolving differences in the WEP Policy/management groups.	2												
A. Budget Development													
a. Grantee	10												
b. Subgrantees	10												
B. Grant Development	20												
C. Subgrant Development	25												
IV. RESEARCH DESIGN Assure contractor research design included in operational plans and to the extent possible, the WEP data collection system.													
A. Contractor's research design	1												
1. Complete research design.													
2. Pretest survey instruments for clients.													
3. Pretest staff surveys.													
4. Administer actual testing of project.													
5. Prepare interim reports.													11/7
6. Prepare final report.													1980
B. In home research coordination	7												
1. Devise internal research approach.													
2. Relate to planning and management reporting.													

ACTIVITY/SUBACTIVITY	Est. man-months	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JULY.	AUG.	SEP.
V. FORMALIZE INTERAGENCY RELATIONSHIPS	10										
A. Clarify role of Regional and National ETA/POC.											
B. Clarify role of Regional and National HEW staff											
C. Formalize roles and responsibilities among State DPW, DES.											
D. Expand WEP Policy Board thru Advisory Council of groups WEP affects.											
E. Determine what is required of each group.											
VI. LEGAL ANALYSIS Legal staff from the Departments of Public Welfare & Economic Security will work jointly to meet legal requirements and solve legal problems.	4										
A. Legislation											
B. Promulgation of program rules	8										
C. Client Rights	3										
D. Adjudication systems	5										

ACTIVITY/SUBACTIVITY	Est. man-months	DEC. JAN. FEB. MAR. APR. MAY JN. JLY AUG. S											
VII. REQUESTS FOR WAIVERS	5												
DPW staff, assisted by appropriate WEP staff, will develop and submit the waivers necessary for program implementation.													
A. Determine necessary waivers													
B. Determine DOL/HEW roles and responsibilities in securing waivers													
C. Develop detailed supporting documents for 1115 waivers/ other appropriate													
D. Submit waivers to HEW and Human Subject Committee													
VIII. FISCAL SYSTEM	6												
Appropriate fiscal staff from WIN, BOS, CETA, and St. Paul CETA will build on existing systems to meet the WEP fiscal and accounting needs.													
A. Determine WEP fiscal requirements	3												
B. Identify account structure(s)	1												
C. Identify client payments system	3												
D. Set up interagency transfer arrangements	3												
E. Develop audit procedures	2												
F. Develop reporting requirements	4												
G. Review monthly, quarterly fiscal reports													

ACTIVITY/SUBACTIVITY	Est. man-months	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JULY	AUG.	S.
IX. MANAGEMENT INFORMATION SYSTEM Appropriate MIS staff from WIN, BOS, CETA and St. Paul CETA will build on present reporting systems and merge/piggyback as necessary to meet the informational needs of WEP. A. Identify MIS needs B. Identify appropriate systems options C. Design system D. Implement system	6										
X. PUBLIC RELATIONS Assure the public and the public interest groups have timely, accurate information on the purpose and approach of WEP. This relates to advisory groups who will have a formal input to the WEP Policy Board. A. Develop and issue press release on WEP and funding B. Identify public and private parties to be informed about WEP. C. Develop ongoing communications mechanisms D. Identify appropriate local PR linkages	2										

ACTIVITY/SUBACTIVITY	Est. man-months	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JN.	JLY	AUG.	SE
XI. TRAINING Train the new staff in the policies, procedures, and unique purpose of the Work Equity demonstration project.	3										
A. Determine training needs	2										
B. Identify training resources	2										
C. Develop training manuals	5										
D. Identify staff to be trained	1										
E. Schedule and train staff	3										
XII. COMPONENT DEVELOPMENT BY SUBCONTRACTORS Refine the procedures developed in the September, 1977 proposal to the Dept. of Labor to better meet the objectives of the program.	4										
A. Define component objectives St. Paul Balance of State	2										
B. Develop implementation procedures St. Paul Balance of State	4										
C. Describe monitoring & evaluation St. Paul Balance of State	6										

ACTIVITY/SUBACTIVITY	Est. man-months DEC.	JAN.	FEB.	MAR.	APR.	MAY	JN.	JLY	AUG.	SEP.
XIII. COMPONENT DEVELOPMENT BY CENTRAL STAFF Refine the procedures developed in the September, 1977 proposal to the Dept. of Labor to better meet the objectives of the program	3									
A. Outline procedures for eligibility determination	2									
B. Develop guidelines for component selection	2									
C. Develop guidelines for participant selection	1									
D. Assist in developing forms to evaluate progress of participants in components	4									
XIV. MANUAL DEVELOPMENT Appropriate staff will revise/cut & paste, existing program policy and procedures manuals necessary to complement the training.	7									
A. Develop procedures manual (design)	10									
B. Develop policy manual	8									
C. Develop operations manuals (proc.) St. Paul Balance of State	10									
XV. FIELD TEST WEP MODEL	4									
A. Prepare Orientation and Training Materials.	3									
B. Introduce thru DPW and County and CETA officials.	1									
C. Train staff.	2									

(continued next page)

WORK ACTIVITIES TIMETABLES

8.

ACTIVITY/SUBACTIVITY	Est. man-months	DEC.											
		JAN. FEB. MAR. APR. MAY JUNE JLY. AUG. SEPT											
XV. FIELD TEST WEP MODEL (Continued)													
D. Implement WEP pilot.	6												
E. Assess with on-site reviews.	2												
F. Prepare evaluation and recommendation applicable to other WEP sites.	3												

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LEGISLATIVE AND REPORTING REQUIREMENTS WEP

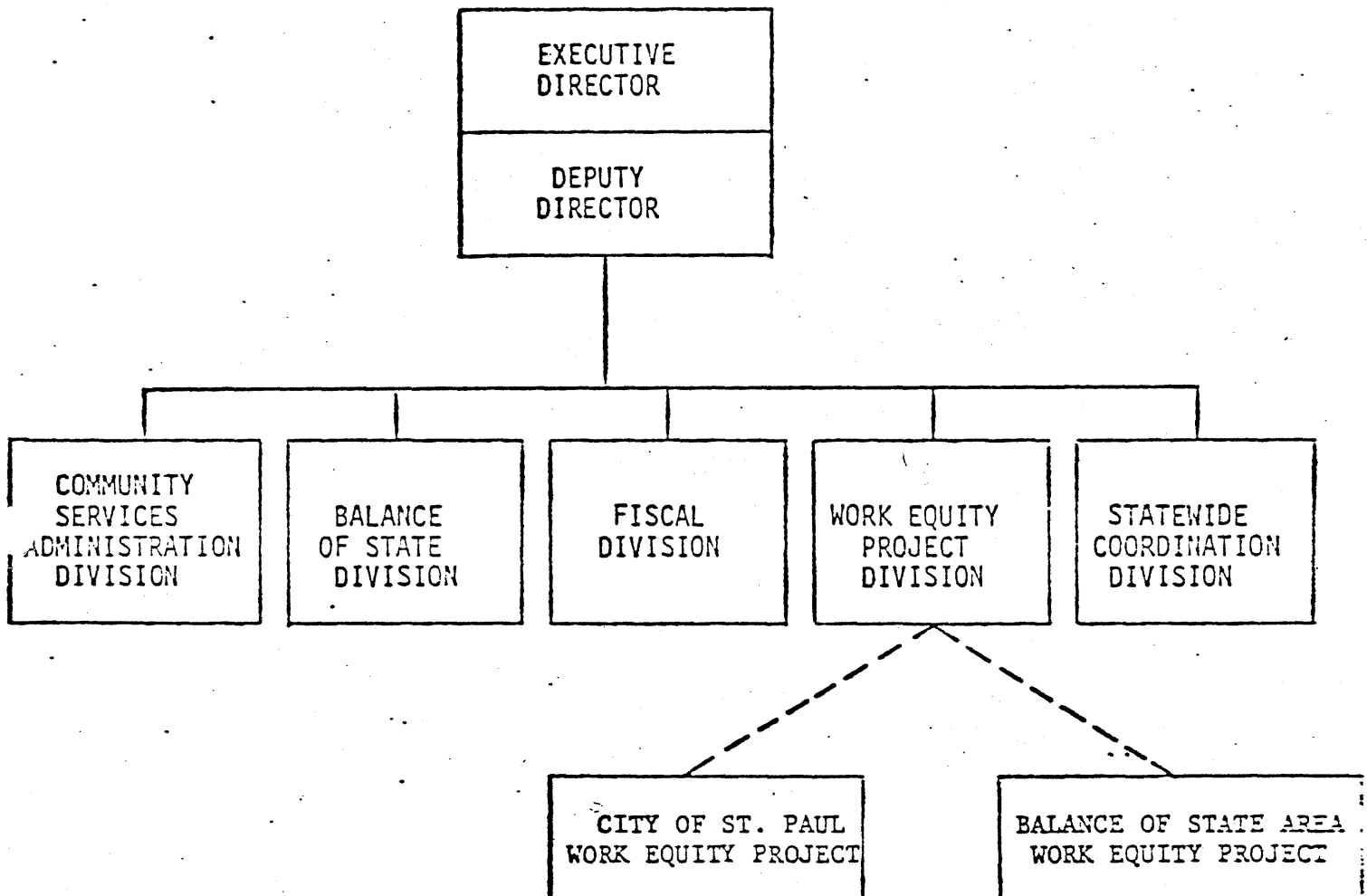
<u>rogram</u>	<u>Required Reports</u>	<u>Frequency</u>
WIN	1. Selected WIN activity by characteristics of registrants, ESARS, table 30	monthly
	2. Entrance to employment by WIN category ESARS table 31	monthly
	3. WIN registrant status, ESARS table 32	monthly
	4. Starting wages by characteristics of WIN registrants, ESARS table 33	monthly
	5. Occupational category of employment entered by characteristics of WIN registrants, ESARS, table 34	monthly
	6. PSE employment and subsidized OJT by average wage and selected categories, ESARS table 35 (All above reports have transactions and individuals)	monthly
	7. WIN program status report 67, SESA cost accounting (accrued)	monthly
	8. Status of obligational authority, 60/61	monthly
	9. YTD activity cost by appropriation, report 95	monthly
	10. Positions paid by program, report 92/95	monthly
	11. Time distribution report, 02/04	monthly
	12. SF 269 SAU cost report (cash based)	quarterly
	13. 117 A & B, WIN certs/welfare grants report	monthly
	14. NCSS form 2D, Social Services by recipients	quarterly
	15. NCSS for 5, day care services provided	quarterly
CETA	1. Special CETA monthly progress report (II, VI)	monthly
	2. Maintenance of effort (I, II, VI)	monthly
	3. Quarterly DOL Program Status Summary Financial Status report Quarterly summary of participant characteristics	quarterly

Section VI, part IV

The following section contains a description of WEP employees and descriptions of positions yet to be filled.

STATE OF MINNESOTA
WORK EQUITY PROJECT
GOVERNOR'S MANPOWER OFFICE

ORGANIZATIONAL CHART



VI B. Staff Qualifications

Summary of Department of Economic Security WEP Staffing

- Jil Rivera** - WEP Coordinator, Dept. Econ. Security
- 2+ years Manpower Consultant and Project Director, IMPACT: Trained CETA staff analysts for DOL in analysis and use of labor market information.
 - 2 months Manpower Consultant, Minnesota Manpower Office. Conducted Statewide CETA prime sponsor needs assessment for technical assistance in program monitoring, assessment and evaluation.
 - 2½ years Director of Planning and Development, Minnesota Urban Comprehensive Employment and Training Consortium. Supervised 14 professional staff. Administered development and operation of tactical planning, subcontracting field operations, crisis intervention and fiscal design of urban manpower delivery system.
 - 4 years Manpower Planning Specialist, New York City Human Resources Admin. Prepared papers on Civil Service reform, welfare payment transfer abuses, and was principal writer for the FY 1974 Comprehensive Manpower Plan.

Academic Background:

BA in Sociology, Russell Sage College.
Graduate Research in Labor Economics, London School of Economics and Political Science.

Pam McCrea - Balance of State Liaison

- 1 year Associate Director for Manpower Services with HIRED (Helping Industry Resolve Employment Disabilities). Implemented and administered CETA Title I agreements between HIRED and other organizations; coordinated, planned and developed programs and supervised personnel.
- 3 years Director of Personnel and Rehabilitation with Goodwill Industries of Minneapolis. Work included staff supervision, preparing coordinating rehabilitation service programs (including subcontracts with CETA and WIA.)

Academic Background:

1972 B.S. in Social Work and Corrections, Mankato State University.
1973 M.S. in Vocational Rehabilitation Counseling, Mankato State University.

Julie Palmer - (St. Paul Liaison)

- 1½ years Special grant supervisor, Governor's Manpower Office. Involved Administration of CETA and related grants, personnel supervision, Manpower policy analysis, planning and program evaluation. Liaison with state and local agencies concerning grant applications.
- 1½ years State Manpower Council Coordinator, Governor's Manpower Office. Planned, directed and wrote Annual Report to Governor and CETA Informational brochures. Reviewed and was liaison with local government officials for local and state Manpower plans.
- 2 years Manpower Planner (Minneapolis-St. Paul Metropolitan Council). Conducted research and prepared manpower issues papers and recommendations on the organizational structure of metropolitan manpower programs.

Academic Background:

B.A. in Economics, University of Colorado.
M.A. in Public Affairs, University of Minnesota.
Harvard Summer Institute in Manpower Administration.

John Fleming - Research Analyst

- 2 years Faculty Member, University of Pepperdine, Los Angeles, Teaching Human Resources Management.
- 3 years Faculty Member, University of South Florida
- 1 year Faculty Member, University of Maryland, European Division

Academic Background:

1969 PH.D Pennsylvania State University

Ph.D research was with welfare recipients, WIN enrollees and CAP participants. The research findings have been presented at professional meetings and published.

Mary Zierdt - Program Supervisor WEP

Minnesota Department of Employment Services---1947 to 1977.

- 1 year Work Equity Program Liaison
- 2 years CETA Supervisor
- 1 year St. Paul AREA WIN Manager
- 3 years State Supervisor, Services to the Handicapped
- 2 years Supervisor, Older Worker Training Project
- 20 years Unit Supervisor and Employment Specialist
- 6 years - Interviewer, Training & Intake Supervisor
- 6 years - Specialist for Placement of Handicapped

Academic Background:

2 years University of Minnesota 1940 - 1942

Ron Putz - Fiscal Unit Coordinator (on loan from Federal government).

- 3½ years Branch Chief, Planning and Financial Management, Work Incentive Program, DOL, Washington, D.C. Responsible for directing staff who developed planning guidelines for Employment service and welfare service agencies; designed and modified WIN Performance allocation formula (cost benefit approach to allocating resources) prepared CMB requests, Congressional budget justifications, developed 1st Financial Management Training program for regional and State ES and SAU staff, and prepared Financial Management Monitoring Guide for ES and SAU program managers.
- 3 years Budget chief assistant, supervisor management planning (UI) and reporting systems; directed staff in preparing budget requests; designed and maintained management planning, monitoring, and review documents which were used by Unemployment Insurance regional and state staff. Stationed in Washington, D.C., ETA, DOL.
- 3 years Manager, Manpower Development, Corporate Staff, Commercial Credit Co., subsidiary of Control Data Corp. Directed staff to install a management by objectives system in the 13 subsidiaries. Stationed in Baltimore, Md.
- 2 years Corporate staff, Control Data Corp. As member of Manpower Development Staff, assisted divisions to install management by objectives system; initiated plans for the 1st CDC plant in North Mpls., to provide employment for minorities in 1968. Also assisted in administration of the 1st Control Data Institute in Mpls.

Academic Background:

BA, St. John's University, Minn. (Economics and Psychology Concentration)
MA, Univ. of Minnesota, Industrial Relations, psychology
Univ. of Wis., graduate economics

Mark Rice - Fiscal Analyst

3 years Accounting Officer, Governor's Manpower Office. In charge of fiscal responsibilities for the CETA Balance of State Prime Sponsor.

Academic Background:

B.A. Business Administration, College of St. Thomas.

Dick Kleinbaum - Community Work Projects Specialist Coordinator.

6 months Work Equity Project

1 year Director, Governmental Services (worked as an independent consultant for private clients who had to deal with state government.)

2 years Special Assistant to Director, Minnesota Office of Economic Opportunity. Drafted legislation to get funding for Community Action Agencies and helped organize these agencies on a regional basis.

1 year Executive Director, Metro Area Community Clinic Consortium. Administrative duties with 7 neighborhood primary health care centers (free clinics). Helped establish cooperative funding program, bookkeeping system, community education programs.

Academic Background:

BA - History/English

MA - American Society and Political History, St. John's University.

SUMMARY OF DPW - WEP STAFFING

The responsibilities of the State Welfare Department (DPW), as defined in the Work Equity Project proposal, are:

- 1) DPW will promulgate any rules and regulations needed for the identification and referral of eligible AFDC, GA and Food Stamp participants;
- 2) DPW will maintain all systems to adjudicate county welfare action related to WEP;
- 3) DPW will be the liaison with county welfare agencies;
- 4) DPW will determine the county reimbursement formula for transfer of AFDC and General Assistance funds to WEP;
- 5) DPW will specify the participation and roles of the county Separate Administrative Unit (SAU) and Income Maintenance Units in WEP;
- 6) DPW Work Equity Section shall retain the responsibilities and authorities of the State Separate Administrative Unit (SAU) for the Work Equity Program pursuant to 45 CFR 224.10 (h) and Section 402 (a) (19) (G) of the Social Security Act;
- 7) DPW will remain the liaison to the U.S. Department of Health, Education, and Welfare;
- 8) DPW will request waivers and funding under Section 1115 of the Social Security Act;
- 9) DPW will monitor WEP activities as they relate to county welfare departments and affect recipients;
- 10) DPW shall retain the authorities and responsibilities of the Single State Agency in the administration of the AFDC program pursuant to 45 CFR 205.100.

In addition to the above primary responsibilities, DPW will assist in the development and administration of the training plan for local welfare agency staff involved in WEP and for other WEP staff as needed.

The Work Equity Section has been established in the Assistance Payments Division of the Minnesota Department of Public Welfare. This section is responsible for seeing that all WEP-related responsibilities assigned to the state agency are carried out. The section is funded by the Department of Labor and is currently staffed with a supervisor and two Welfare Specialists. There are additional funds for clerical, audit, and accounting functions. Brief resumes on the current staff are attached.

Robert Parke - Unit Supervisor, Ramsey County Welfare Department

On loan from Ramsey County Welfare Department (county being reimbursed with the Department of Labor funds).

5 years - Supervisor, Employment Counseling Unit, Ramsey County Welfare Department

Unit worked with non-WIN and GA cases and was responsible for establishing an ongoing working relationship with WIN and CETA.

2 1/2 years - Work Experience Coordinator, RCWD

Developed and maintained individual and group work sites to aid clients in trying out work settings, gaining work experience, and establishing references.

4 1/2 years - Employment Counselor, Minnesota State Employment Service

Worked with individual case load to define placement goal, establish and implement training objectives (MDTA).

Academic background:

1972 - MA in Employment Counseling, Mankato State

1962 - BA in Sociology, University of Minnesota

Gail Olson - Welfare Specialist

3 1/2 years - Income Maintenance Supervisor, Sherburne County

Supervised all financial assistance programs.

Implemented Food Stamp program in 1974.

1 1/2 years - Financial Intake and Food Stamp Eligibility Technician, Anoka County

Academic background:

Currently in second year at William Mitchell College of Law

Ba in Sociology, Augustana College, Sioux Falls

Ronald Abato - Welfare Specialist

9 months - Work and Training Section (Social Services-DPW)

Assisted in administration of State WIN and employability services for Title XX.

4 years - DPW regional residential treatment centers licensing consultant.

9 months - DPW Monitoring and Evaluation Unit

Monitored compliance of what are now Title XX programs.

6 1/2 years - Social worker/Psychologist/Program Director for emotionally disturbed and delinquent children and their families in public and private facilities and the public school system.

Academic background:

Licensed Psychologist with Master's Degree and credits toward doctorate, University of Minnesota.

WORK EQUITY PROGRAM
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Title:

Staff Training Specialist

Duties:

To identify Work Equity Program training needs in relation to federal, state, and local resources.

Conduct training for WEP staff, involved CETA, WIN, Welfare, and Employment Services staff engaged in planning and delivery of manpower services through WEP.

Identify manpower and related technical assistance and training needs for staff involved with WEP.

Conduct training and orientation programs at all staff levels.

Develop and implement in-service training programs for implementation of all components of WEP.

Develop training materials and outlines.

Coordinate and followup on group and conference activities.

Qualifications:

Two years experience in educational training or 2 years experience in curriculum development and staff training.

Demonstrated ability to communicate effectively both orally and in writing.

Knowledge of training concepts and techniques.

Ability to work successfully with people at all economic levels.

Recruitment:

This position has been posted and advertised. A Pool of qualified applicants exists.

WORK EQUITY PROGRAM
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title: Employability Development Planning Specialist

Position Purpose:

Responsible for coordinating staff services including but not limited to employability planning, vocational guidance counseling, job development, job seeking skills, on-the-job training, and other services which are available through WEP.

Duties:

To identify changes in and implications of regulations, policies, procedures, program design and options under the current implementation of WEP.

Perform on-site monitoring to assess program performance and contract compliance.

Develop and maintain a personnel strategy for staff persons assigned to particular WEP centers which will best implement job development and placement activities.

Coordinate efforts and develop working relations between WEP and Employment Services, WIN, DVR, DPW, and CETA area offices.

Develop written procedures for implementation of the EDP component of WEP.

Qualifications: Minimum of 2 years experience in (1) client problem/need diagnosis and employability assessment and (2) job development, job seeking skills and placement counseling.

Knowledge of employment process which handicap certain groups of persons from seeking and retaining employment.

Knowledge of Minnesota Department of Employment Services, WIN, CETA, and other local governmental structures.

Willingness to travel or relocate in the Southwestern, Southern regions of Minnesota.

Recruitment: This position has been posted and advertised. A Pool of qualified applicants now exists.

WORK EQUITY PROGRAM
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title:

Job Development Specialist

Salary Range:

Supervised by:

Duties:

Develop and maintain technical assistance for the WEP job placement component in the City of St. Paul and the Balance of State.

Develop and maintain an organizational structure for personnel assigned to WEP centers.

Develop and maintain an information communication system concerning employment opportunities between job development, job placement personnel and other related staff.

Define need areas in all facets of the job readiness and placement and development strategies and functions and make recommendations to the Unit Supervisor for program development.

Work with all WEP centers to ensure the needs of clientele regarding job search are met.

Draft and develop an on-the-job training contract in compliance with CETA and Employment Services regulations, implement and monitor all on-the-job contracts.

Qualifications:

Knowledge of factors involved in the employment process which handicaps certain groups of persons from seeking and retaining themselves in employment.

2 years of employment experiences including on-the-job training contracts, job seeking skills, job development, and placement activity.

Knowledge of federal, state, and local governmental structure and operations.

Recruitment:

This position has been posted and advertised. A Pool of qualified applicants exists.

WORK EQUITY PROGRAM
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title:

Information Officer

Duties:

Prepare WEP information which is disseminated to the general public.

May prepare internal newsletter or house organ.

Design and construct Educational exhibits.

Provide editorial and journalistic assistance to program administrators.

Prepare and edit news releases and radio spots.

Qualifications:

Knowledge of journalistic principles and practices.

Knowledge of writing requirements for press, radio and TV.

Ability to speak and write effectively.

Skill in preparing speeches and exhibiting materials involving technical and complex subject material.

Recruitment:

Currently state merit eligibility tests exist for this classification.

WORK EQUITY PROJECT
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title: Intergovernmental Liaison

Duties: Ensure Co-ordination of the WEP with all units of government and regional development commissions.

Assist in preparing informational material for distribution to other agencies concerning WEP.

Meet with local units of governments and community groups to explain the WEP and solicit input.

Qualifications: Experience in state or local units of government.

Knowledge of local government operations especially county welfare boards.

Ability to make presentations before local groups.

Knowledge of state and local manpower programs.

Recruitment: It is anticipated this position will be filled at the same time as the program start up date.

DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title: Systems Analyst

Salary Range:

Supervised by:

Duties: Assist management and staff with data analysis required for research projects.

Assist with research techniques and procedures.

Provide information systems which meet users needs.

Responsible for system design and development.

Prepare detailed system design and programming specifications.

Provide assistance to programmers, maintain system documentation, and define required system modifications.

Qualifications: Experience in performing system studies and evaluations.

Demonstrated ability to communicate effectively and to instruct others.

Considerable knowledge of the methods and techniques of data processing systems analysis.

One year experience in supervising a system development project.

Working knowledge of basic statistical techniques.

Ability to prepare research techniques and procedures.

Recruitment: This position has been posted and advertised. A Pool of qualified applicants exists.

WORK EQUITY PROGRAM
DEPARTMENT OF ECONOMIC SECURITY
JOB DESCRIPTION

Job Title: Clerk Typist, Intermediate (3 positions)

Salary Range:

Supervised by:

Duties:

Typing memos, letters, forms, etc from copy, rough draft or handwritten material.

Copying and collating of material.

Filing

Proofread all Unit material for possible typos, grammatical errors, and adherence to prescribed WEP formats.

Coordinate staff travel and meeting arrangements for Unit staff as requested.

Perform related work as required.

Qualifications: Must be an accurate typist--minimum 40-50 WPM

Must be able to work under pressure and meet deadlines.

Capable of operating adding machine and calculator.

Able to work the Xerox machines available to this office.

Ability to understand and follow verbal direction.

Must absorb and become knowledgeable of Unit programs to be able to anticipate Unit needs.

Ability to see implications, consequences, and relationships of various individual tasks and how they relate to the final product.

Able to work with a minimum of direct supervision.

Knowledge of correct English and spelling.

Recruitment:

One position has been filled on a temporary basis. The other two positions will be filled as workload increases.

VI C Qualifications of Organizations Affiliated with the Project

The Work Equity Program has already received assurances of total support from the Governor and the Mayor of St. Paul. Each participating agency has unique qualifications and strengths to contribute.

WEP Staff:

The current WEP staff has a good balance of skills and backgrounds to deal with the wide range of tasks they will encounter in coordinating WEP. They are well situated to coordinate the overall WEP team effort, particularly since they are now part of Minnesota Department of Economic Security. This will allow them to draw upon the expertise of appropriate MDES specialists as needed.

MDES:

MDES now encompasses WEP, WIN, Balance of State CETA, and Job Service Offices (more fully described in part II-B) into one administrative unit. Job Service Offices are already established in all WEP regions.

St. Paul CETA:

Many of the proposed services that will be offered by WEP are very similar to present services offered by St. Paul CETA. Their experience in developing PSE jobs will provide valuable contacts for developing a wide range of Community Work Projects. The close working relationships they have developed with other agencies through intensive coordination efforts (see II-B), plus their experience in serving welfare clients, should be of great value.

Balance of State CETA:

Like St. Paul CETA, BOS CETA has experience in serving welfare clients and has developed PSE jobs in the WEP target areas. They are already established in all WEP regions. The Regional Coordinating Committee (see II-B) will greatly aid in expediting communication and acceptance in the area.

Department of Public Welfare:

DPW currently has a good communication link to the county welfare departments. Historically, DPW has been successful in administering programs through the counties and is one of the state departments that has been more efficient in developing cost effective programs for the delivering of services. DPW has the commitment to progressive reform necessary to promote this program.

Minnesota Education System:

Public education in Minnesota has been highly rated consistently in national comparisons. The public and private trade and technical schools that WEP will use in its classroom training component are among the best in the country.

VI.D. Endorsements and Letters of Agreement.

There are no endorsements or letters of agreement at this time. An inter-agency agreement between the Minnesota Department of Public Welfare and the Minnesota Department of Economic Security is being developed. Contracts between WEP and St. Paul CETA will be developed. As these agreements become formalized, they will be forwarded to HEW.

CTH/aim

In a previous section, a general description was given of the groups and areas served and it was stated that the Work Equity Project area displayed a mix of urban and rural characteristics. The regions involved are: City of St. Paul, Minnesota Economic Development Regions 7 east, 7 west and 6 east and Regions 6 west and 8 - (roughly the southwest quarter of the state).

St. Paul has a population of about 310,000 according to the 1970 Federal census. Minorities, Black, Spanish speaking, Indian and others, constitute about 6.7% of the population. Table 1 summarizes population characteristics. Regions 7 east, 7 west and 6 east consist of 13 counties in close proximity to the Minneapolis-St. Paul metropolitan area and these counties show a mix of rural and urban characteristics. These counties occupy 9,084 square miles, have a population of about 385,000, a population density of about 42 persons per square mile and minorities constitute about .70% of the population. Regions 6W and 8 include 14 counties which are predominantly rural in character. These counties occupy 9,143 square miles, have a population of about 204,000 and a density of about 22 persons per square mile.

Table 1

Work Equity Project Area Population Characteristics 1970

Area	<u>Total Population</u>	<u>Area in Square Miles</u>	<u>Population Density</u>	<u>Total¹ Minority</u>	<u>Minority Percentage of Total Population</u>
St. Paul	309,980	57	5398	20,751	6.7
7E, 7W, 6E	385,100	9084	42.4	2,734	.70
6W, 8	203,209	9143	22.3	1,761	.90

Source: ¹1973 Pocket Data Book, State Planning Agency (August 1974) and 1970 Census of Population, Special Tabulation on Spanish Americans, 4th Count.

The population of Minnesota has increased during every year from 1960 through 1973. During the period from 1960 to 1970, 10 of 13 counties in Regions 6E, 7W, and 7E experienced population growth. On the average Region 7W experienced the greatest population growth. In Regions 6W and 8 only one county out of 13 showed population growth between 1960 and 1970. From 1970 to 1973, 12 of 13 counties in Regions 7E, 7W and 6E experienced population growth. Four out of 13 counties in Regions 6W and 8 showed population growth between 1970 and 1973 but the figures suggest a slowdown in the exodus from Theseareas. Table 2 summarizes these population shifts. The population loss in Regions 6W and 8 is primarily due to the exodus of younger persons, a trend which continues. The 1978 CETA plans for these areas indicate the out-migration is related to the lack of diversified job opportunities, low wages, the impact of drought on agriculture.

The 1970 Federal Census¹ indicates that 19.5% (741,411 persons) of the state population was 55 years of age or older. In Ramsey County (which includes the City of St. Paul) 18% of the population is 55 or older, in Regions 7E and 7W, 19.6%, in Region 6E, 24.7%, in Region 6W, 27.5% and in Region 8, 24%.

¹Minnesota Socio Economic Characteristics from the 4th Count Summary Tape of the 1970 Census Volume 3: Education and General Characteristics.

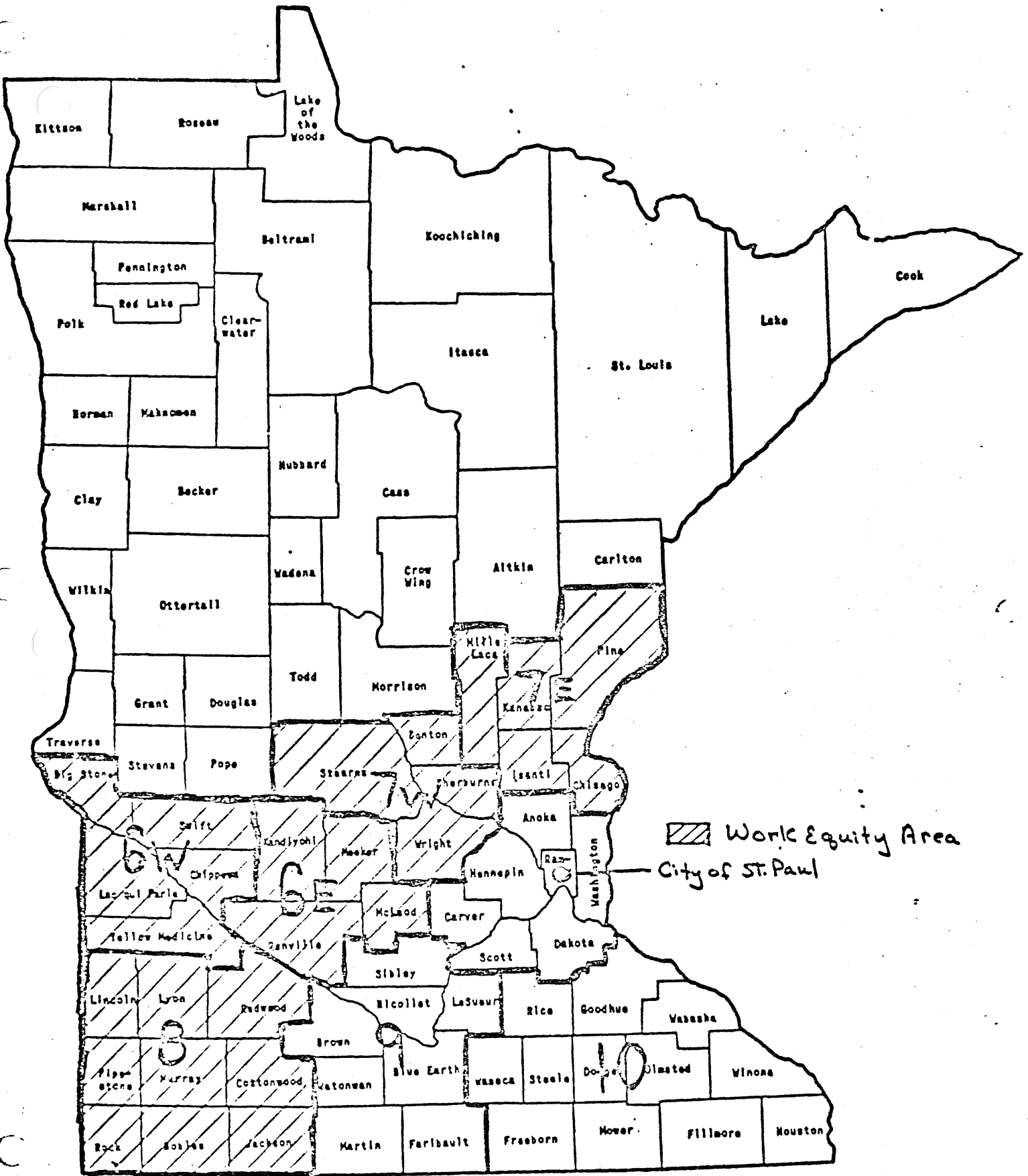


Table 2

Minnesota Population Change - Percent by County

	<u>1960-1970</u>	<u>1970-1973</u>
<u>Region VII E</u>		
Chisago	+30.4	+16.6
Isanti	+22.4	+16.8
Kanabec	+ 8.5	+12.3
Mille Lacs	+ 7.9	+ 8.2
Pine	- 1.1	+ 6.3
<u>Region VII W</u>		
Benton	+20.6	+ 5.1
Sherburne	+42.6	+24.4
Stearns	+18.7	+ 4.5
Wright	+30.1	+15.2
<u>Region 6E</u>		
Kandiyohi	+ 1.9	+ 2.8
McLeod	+13.4	+ 2.1
Meeker	- .4	+ 9.5
Renville	- 9.1	- .5
<u>Region 6W</u>		
Lyon Stone	-11.3	- 1
Chippewa	- 7.4	- .2
LacQui Parle	-16.2	- .1
Swift	-11.8	+ .6
Yellow Medicine	- 7.1	- 2.9
<u>Region 8</u>		
Cottonwood	- 7.9	+ 3
Jackson	- 7.4	- .3
Lincoln	-15.6	- .6
Lyon	+ 7.1	+ 4.3
Murray	-15.2	- 5.4
Nobles	- .7	+ 2
Pipestone	- 6	- 3.9
Redwood	- 7.8	- 1
Rock	- 4.4	---

Source: 1975 Pocket Data Book, Minnesota State Planning Agency-page 8.

Table 3 summarizes the count of employed persons in some of the industries reported on in the 1970 census. Regions 6W and 8 report 29.4 and 27.5 percent, respectively, employed on Agriculture. Region 7 and 6E report 13.3% and 21.9% respectively. Figures in the Table suggest that more people are involved in non-food products related manufacturing in Region 6E than in 6W or 8. Agriculture is less dominant in 6E than in Regions 6W and 8. The 1978 CETA plan for Region 6E indicates this region has seen: a decrease in the number of farms; an increase in size of farms; a decrease in the number of farm managers and laborers even though agriculture remains a dominant force in the areas economy; an expansion in trade services and manufacturing such as furniture, glass, cement blocks, machinery; an increase in non-durable goods manufacture such as food processing, livestock feed, chemicals, etc. Table 4 summarizes the count of persons 16 years of age and older by some of the occupations reported on in the 1970 census. Regions 7E, 7W and 6E are presently showing greater growth and job diversification than regions 6W and 8.

Table 3

Count of Employment Persons 16+ by Industry Expressed in Percent

	Minn.	Ramsey	7	6E	6W	8
Agriculture, Forestry,						
Fisheries	7.6	.4	13.3	21.9	29.4	27.5
Construction	5.7	5.1	7.1	6.2	5	5
Fabricated Metal Industries (Including non-specified metal)	1.9	2.4	2.5	1.1	.8	.2
Machinery, except electrical	4.3	5.8	2.5	1.9	1.7	1.7
Electrical Machinery Equipment & Supplies	1.5	2.2	2.5	1.8	.4	.2
Other Durable Goods	2.3	2.1	3.8	2.1	.4	.9
Food and	3.1	2.3	2.6	3.7	2.7	4.8
Printing, publishing and allied industries	1.8	3.3	1.2	.9	.7	.1
Other non-durable goods (incl. non-spec. manu- facturing)	2.8	5.3	2.6	5.4	1.4	.4
Railroads and railway express service	1.3	2.7	1.1	1.3	.9	.4
Trucking Service & Warehousing	1.5	2.1	1.3	1	1.7	1.4
Wholesale trade	4.8	4.8	3	3.4	3.5	3.8
General merchandise retail- ing	2.9	3.5	2.4	1.5	1.6	1.6
Motor vehicles retailing & service stations	2.3	1.7	2.8	2.5	3.2	3.1
Other Retail Trade	6	4.7	6.2	6.9	7.3	7.7
Insurance, real estate, other finance	3.1	4.2	1.3	1.1	1.2	1.5
Hospitals	4.5	4.7	4.8	3.1	3.1	2.7
Medical/other health services except hospitals	2.6	2.5	2.8	3.6	2.5	2.8
Government	6.5	6	7.6	5.2	7.4	6.9
Professional Services	2.1	2.6	1.3	1.6	1.2	1.5
Public Administration	3.8	5.4	3.6	2.7	3.3	2.9

Source: 1970 Census Data 4th Count Vol. II Employment Item 62

Table 5 shows regions 7E, 6E, 6W and 8 having a greater percent of people employed in agriculture and a lesser percentage involved in other industries than the state as a whole. Again Region 6W appears to have the least diversification in employment with Ramsey County having the most, followed by Region 7. This table also indicates that Federal and state government employ a smaller percent of persons in regions 6E, 6W, and 8 than in the other WEP areas while local government employs a greater percent of persons in 6W and 8 than in other WEP areas.

Table 5

Employed Population 16+ by Industry and
Class of Work Expressed in Percent

	Minn.	Ramsey	7	6E	6W	8
Agriculture:						
Employee own corporation						
Employee of Private Co.	1.3	.22	2.2	3.6	3.7	3.7
Government/Federal and state worker	.03	.03	.03	.04	0	.01
Local government worker	.01	.01	.006	.03	0	.01
Self employed	5.6	.08	10.1	16.6	24.1	21.8
Unpaid Farm Worker	.6	.02	.9	1.6	1.6	2
Agriculture total	7.54	.36	13.236	21.87	29.4	27.52
Other industry:						
Employee of own corporation						
Employee of private co.	71.5	79.1	62.6	57	45.9	47.9
Federal or state government worker	6.8	8.9	8.7	4.1	3.1	4.1
Local government worker	8.3	7.7	8.6	9.2	12.9	10.7
Self employed	5.5	3.8	6.2	7.2	8.1	8.8
Unpaid Farm Worker	.4	.2	.7	.6	.7	1
Other industry total	92.5	99.7	86.8	78.1	70.7	72.5

Source: Fourth Count 1970 Census Data: Employment Characteristics, Vol. 2, item #67.

Estimated median family income in 1974 was \$13,287 for Minnesota and 15,613 for the Twin Cities SMSA. Table 6 shows that all WEP areas have median family income lower than for the state or Twin Cities. Regions 7E, 7W and 6E have higher median income than Regions 8 and 6W, 6W having the lowest. Table 6 also shows that unemployment during 1976 in Regions 6E, 6W and 8 was lower than in the City of St. Paul, Regions 7W and 7E and even lower than the statewide annual average of 5.9%. The percent unemployment figure for St. Paul tends to show less severe cyclical variation during the year than those in the other regions of the WEP area. In considering these figures it may be wise to consider a point made in the 1978 CETA plan for Region 6W:

"Presently as the majority of the labor force is employed in agriculture, many of these people are not intensely employed five to six months of the year. However, a farmer is not counted as an unemployed person but rather a seasonal worker.... Thus it is possible that almost half the labor force is underemployed between November and April".

Table 6

Economic and Demographic Characteristics
of Work Equity Areas to be Served

<u>County</u>	<u>1974 Median Family Income*</u>	<u>1976 Annual Average Labor Force</u>	<u>1976 Annual Average Unemployment (Rate) Number</u>	<u>1976 Annual Average Unemployment Rate</u>
Region 6E				
Kandiyohi	11,545	15,329	739	4.8
McLeod	11,575	14,658	552	3.8
Meeker	10,045	9,143	579	6.3
Renville	8,751	10,654	505	4.7
Subtotal Region 6E	10,666	49,784	2,375	4.8
Region 6W				
Big Stone	9,158	3,784	151	4.0
Chippewa	8,917	6,949	402	5.8
LacQui Parle	8,942	5,351	211	3.9
Swift	8,465	6,615	348	5.3
Yellow Medicine	9,673	6,800	318	4.7
Subtotal Region 6W	9,033	29,499	1,430	4.9
Total Region 6				
Region 7E				
*Chisago(excluded)		7,839	716	9.1
Isanti	12,213	7,981	484	6.1
Kanabec	10,237	4,590	365	8.0
Mille Lacs	9,838	7,145	479	6.7
Pine	9,007	7,852	553	7.0
*Subtotal Region 7E	10,299	35,407	2,597	7.3
Region 7W				
*Benton		9,640	532	5.5
Sherburne	11,397	8,186	547	6.7
Stearns		42,464	2,879	6.8
Wright(excluded)		17,808	1,582	8.9
*Subtotal Region 7W	11,397	78,098	5,040	7.1
Total Region 7				
City of St. Paul				7.0**

*GMO Estimate

**8/75 through 7/76

Earlier it was shown that Regions 6E, 6W and 8 had a greater percentage of persons 55 years of age and older. Table 9 shows that among persons 65 years of age and older, a higher percentage of those in Regions 7, 6E and 6W have income below the poverty level than is true for this age group statewide.

Table 9

Count of Persons 65 years old and
Over by Poverty Status (percent in parenthesis)

	Minn.	Ramsey	7	6E	6W	8
Above	276,704 (73.3)	35,320	16,850	8,587	6,051	12,843
Below	100,994 (26.7)	9,292 (20.8)	8,729 (34.1)	3,826 (30.8)	3,071 (33.7)	5,169 (28.7)
Total	377,698	44,612	25,579	12,413	9,122	18,012

1970 Census Fourth Count Vol. I: Income Item #90

The city of St. Paul is an urban area with a highly diversified economy and employment picture. Region 7W does not have the concentration of population and industry that St. Paul does, but it is an area of population growth and has been moving in the direction of a diversified urban economy for the last 10 years or more. Region 7W does still possess some rural characteristics. Region 7E is also moving in the direction of population growth and greater diversification of economy and employment but is not as far down the road as 7W. Region 6E is a more productive farming area than Region 7 and agriculture is still a dominant force, but the area is experiencing population growth, some industrialization and general diversification of its economy and employment. Region 6W is primarily agricultural and is not demonstrating the kind of population growth and economic and employment diversification that other areas are. Region 8 is also primarily agricultural but some counties are experiencing population growth and data seem to indicate the area has and is developing more economic and employment diversification than region 6W, but that it still lags behind Regions 7E, 7W, 6E and the city of St. Paul.

The experiences of the Work Equity Project may be generalizable to other similar areas in the United States.

VII.D. State or Local Commitments to Continue Project After Expiration of Federal Funding.

There are currently no commitments to continue the project with state and local funding after expiration of federal grant monies.

CTH/ain

Abt Associates' Response to Selected Items
on HEW Waiver Request Package

9 December 1977

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3. Research Plan

A. List the hypotheses to be tested and explain how they relate to project objectives.

AAI's research design for the Minnesota Work Equity Program (contract No. 20-25-77-15 submitted to DOL October 21, 1977) designates the WEP's project objectives by eight policy questions. For continuity and to facilitate reference to the research design, hypotheses will be listed by the corresponding policy questions.

Policy Questions

Hypotheses

Policy Question #1: (Process Analysis)

Is it feasible to create public jobs or near the minimum wage on a scale sufficient to assume a suitable job to all families with children and possibly for other transfer recipients too?

- The WEP can create sufficient numbers of jobs in the CWPs to accommodate the program's client flow.

Policy Question #2: (Process and Impact Analysis)

Can a work/training requirement be administered uniformly across mandatory referrals from several transfer programs?

- The WEP participants will move through program stages into unsubsidized jobs faster than comparison group members.
- The WEP's more comprehensive work requirement can be implemented without increasing the refusal rate of participants.
- The WEP's work requirement will be perceived as equitable by WEP clients and program staff.
- There will not be a deterrent effect in response to the WEP.

Policy Question #3: (Process Analysis)

Is the consolidated administrative structure for the Minnesota program an appropriate model for national welfare reform?

- The WEP consolidated structure will lead to a more cost efficient and effective provision of services to clients.

Policy Questions

Policy Question #4: (Impact Analysis)

What is the impact of the WEP on participants while they are in the program?

Hypotheses

- There will be more labor force participation among WEP participants.
- WEP participants will prefer work to welfare more so than comparison group members.
- The income of the WEP participants will be higher and consist of less non-wage sources than comparison group members.

Policy Question #5: (Impact Analysis)

What is the post-program impact on WEP participants?

- Recidivism to welfare by WEP participants will be reduced as compared to non-WEP participants.
- There will be greater labor force participation among WEP participants after than before the program treatment.
- The composition of total income will consist of more unsubsidized and less subsidized earning for WEP participants after the program treatment.

Policy Question #6: (Impact Analysis)

What are the local labor market impacts of the WEP?

- The WEP will not affect local wage rates.
- The WEP will increase the availability of workers to non-subsidized employers.
- The WEP will not significantly or permanently increase the public sector of the labor market.

Policy Question #7: (Cost Analysis)

What are the comparative costs of the WEP versus straight income transfers?

- The WEP cash cost will be less than straight income transfers over some period of time.

Policy Questions

Policy Question #8:

Is the WEP politically acceptable?

Hypotheses

- Individuals who have no direct involvement in the WEP and who are aware of it will accept the program based on an accurate awareness of the program's provisions.
- Individuals who have no direct involvement in the WEP and who are aware of it will regard the program's methods, goals and procedures consistent with their own values.
- The CWPs will be perceived as providing useful services and products in the community.

B. If experimental and control groups are appropriate, discuss experimental design.

1. Discuss how control or comparison groups will be formed.

Specify how subjects will be selected and who will do selecting for both treatment and controls. (See Research Design, pages 30-37.)

- Indicate intended number of subjects to be served, treated, surveyed, etc. (See Research Design, pages 31, 36, 38.)

- Specify how size of groups was determined. (See Research Design, pages 30-38.)

Respondent Selection Plan

WEP Participants and Comparison Groups

In each of the four WEP study sites (St. Paul, 7E, 7W, 10) and the two non-WEP comparison sites (Minneapolis, 5) both concurrent and retrospective samples are to be selected for the WEP evaluation. Based upon Minnesota's 10-month estimates of new AFDC and new GA clients in each location, it becomes clear that, with very few exceptions, sampling is not an issue. In almost every cell, the entire population of clients will be selected for study.

The size of each group selected for study is constrained by Minnesota's recent estimates of new clients expected to join WEP from AFDC and GA populations. These estimates, taken from Minnesota's September, 1977 plan and/or from conversations with Minnesota officials, are presented in the middle columns of the table on the following page. In all cases but one, the concurrent groups will include the entire WEP new client group (or, in the case of comparison sites, new AFDC or GA client group). Thus, about 1590 WEP new clients in St. Paul, about 850 WEP new AFDC clients in the Balance-of-State, and about 590 WEP new GA clients in the Balance-of-State will be surveyed (including volunteers). About 490 BOS concurrent comparisons will be selected, again the likely entire population of new AFDC and/or GA clients in Region 5. The only sampling will be conducted among new WIN clients in Minneapolis. Following principles elaborated on in early submissions, we want an equal number of comparisons (1590) in

Table One

Respondent Selection Plan

Site	Minnesota Estimates of New Clients (10 months)		AAI Plan			
	AFDC	GA	AFDC		GA	
			Con.	Retro.	Con.	Retro.
St. Paul-WEP	1590	na	1590	1000	na	na
Minneapolis-non-WEP	3200	na	1590	1000	na	na
TOTAL URBAN	4790	--	3180	2000	--	--
Region 7E-WEP	150	130	150	450	130	130
Region 7W-WEP	200	210	200	200	210	210
Region 10-WEP	200	250	200	200	250	250
Region 5-non-WEP	240	250	240	240	250	250
TOTAL BOS.	790	840	790	1090	840	840
TOTAL WEP	2730		2140	--	590	--
TOTAL NON-WEP	3690		1830	3090	250	840
TOTAL N	6420			8740		
Total Projected Interviews	—			15,840		

Minneapolis to WEP clients in St. Paul. A simple random selection procedure will be employed to select approximately one-half of the new WIN clients in Minneapolis as they continuously come into the program during the same period as the WEP clients in St. Paul. Thus, the total size of concurrent groups will be 4810, 2730 WEP clients and 2080 non-WEP comparison clients.

Retrospective groups in the Balance-of-State will be selected to be of equal size to their respective concurrent groups. In St. Paul and Minneapolis, which have much larger concurrent study groups, equal size is not necessary. Retrospective groups of 1000 will be sufficient. Retrospective groups at each location will be prior WIN clients (retrospective for the AFDC-WEP groups), prior GA clients (retrospective for the GA-WEP groups) or prior AFDC clients (retrospective of the AFDC-WEP group in the non-WIN Region 7E). The total number of retrospective respondents will be about 3930.

Retrospective groups will be selected in the following manner. Give access to appropriate WIN, GA or AFDC records, cases will be identified who exited from the comparison program for any reason. Cases will be drawn going back in time as far as is necessary to fill the retrospective sample. It is important that clients identified for inclusion are those who had exited the program for any reason, including successful job placement, or drop-outs for any purpose. This criterion will insure that the retrospective group will resemble as much as possible the WEP group, since it may be assumed that WEP clients also may exit their program at various times for a variety of reasons. The follow-up interview will be administered to these retrospectives approximately twelve months after exit. If available program records are insufficient, this interview will be supplemented by several questions to secure client background and demographic data.

The retrospective AFDC group in Region 7E is, in some respects, a special case. Since Region 7E does not have a WIN program prior to WEP, the AFDC population from which retrospectives are selected will not have been declared exempt or nonexempt for WIN. Since we want retrospectives who have been (or would have been) declared nonexempt, we must "screen" the AFDC population in 7E to identify nonexempts. Program records may be some help but they are unlikely to provide information sufficient to apply the exemption criteria post hoc. Therefore, we will likely have to draw a larger AFDC retrospective group which would have

been exempt or nonexempt. Conversations with AFDC officials indicate that roughly one-third of AFDC caseloads are nonexempt. Thus, a retrospective group of about 450 will be selected in order to obtain data from about 150 nonexempt AFDC retrospectives in Region 7E.

Retrospectives will be interviewed only once, whereas concurrents will be interviewed three times.

Sampling for the Pre-WEP Attrition Study

The pre-WEP attrition study will sample cases not from the WEP or WIN population of employables, but from the segment which has been defined as exempt from the work requirements of the program. Rough estimates of the numbers of cases in this category are cited in the following table for the sites which have a WIN program. (The absence of a WIN program in site 7E precludes conducting a test of employability in that region.) These estimates are based on the following assumptions: For the AFDC population nationally, about 25% to 33% of the cases typically qualify as employable; for the GA population in Minnesota, about 60% qualify as employable according to state agency criteria. Thus, the estimated WIN case loads in the sample plan in Table One must be expanded by a factor of about three in order to arrive at the number of AFDC exempt cases at a given site. Similarly, the GA case loads cited in Table One must be reduced by a factor of about one-third to arrive at an estimated number of exempt GA cases within a given site. These rules of thumb have been applied to the numbers in Table One to obtain the exempt population estimates in the following table.

Table Two

Sample Size for the Pre-WEP Attrition Study in Relation to the Estimated Population of Work-Exempt Cases

Site		Population Estimate	Sample Plan
St. Paul	AFDC	4800	200
Mpls.	AFDC	9600	200
BOS Region			
7W	AFDC	600	100
	GA	140	50
10	AFDC	600	100
	GA	190	50
BOS non-WEP 5	AFDC	700	100
	GA	170	50
TOTAL		16,800	850

It is clear that the sample number of the pre-WEP attrition study is too small to provide much power for detecting probable "false exemption" rates in the AFDC population, particularly if the incidence of these error rates is relatively low (e.g., 10% to 15%). Although the sampling fraction is close to 15% in the BOS sites, the absolute number of AFDC cases (100) is relatively small. In the GA population even though the absolute number of 50 is quite small, the sampling fraction of about 1:4 is large enough to capture the probable error rates. The sample sizes proposed here are a compromise between optimal power and optimal costs in determining the existence of biases in the assignment of cases to employment status. If there exists a systematic bias in the assignment of individuals to employment or exemption status, this sample will detect it. However, differences between WEP and WIN sites will have to be relatively large to be reliably detected by this sample. In the context of the entire evaluation design, however, the existence of such assignment errors may be followed up by closer level agency inspections by the on-site observers. In this manner the quantitative data from the survey and the qualitative data from on-site observers may be jointly used to interpret the significance of errors in assignment to employability status.

Sampling for Other Respondents

Aside from the individual client, the evaluation design calls for an assessment of WEP agency staff, public officials, employers and the general population in order to determine the broader implications of the WEP operation in the community at large. In the case of the WEP staff, since the number of staff members will be relatively small, about 50, it is planned to interview the entire agency at two points in time--program start-up, and nine months later. In the case of public officials, employers and the general community, however, the populations are very much larger. A systematic sampling of these populations would require numbers much larger than those allocated to this part of the evaluation. Once again, the sample size will constitute a compromise between breadth of coverage and precision of estimating a given result.

A group of 200 public officials will be interviewed to determine their opinions about the operations and implications of the WEP demonstration. This sampling will include members at different levels of the

bureaucracy in several departments expected to be affected by the operation of WEP. Although the aggregate responses to the interview may not be strictly generalizable to public officials as a whole, they will at least provide politically relevant information sufficiently sensitive to alert the policy-maker to the potential dangers in such a welfare reform program as WEP as well as the likely benefits specific to different agencies.

In a similar sense the sample of 200 employers may not be strictly representative of the entire population of employers in the Twin Cities or the southern portion of Minnesota. Rather, the sample will concentrate on employers of WEP and WIN clients to determine how they feel about the programs, the clients, and how the programs have influenced their business concerns. These interviews, scheduled for the eighth month of the evaluation, will sample from the set of employers which have accumulated up until that time. Depending upon the types of employers available at the time, the sample will be selected to include businesses and industries from a variety of different areas, and a wide range of size of the business.

The general population survey of 500 cases in the ninth month of the evaluation is intended to inform us about the opinions, knowledge and reactions of the voting public concerning the welfare reform demonstration. The 500 telephone interviews will be randomly allocated within the four WEP sites in numbers proportional to their respective populations. The resulting sample sizes within site are estimated in Table Three, below.

Table Three

Estimated Sample Sizes for the General Population Survey in WEP Sites

Site	1970 Population (In 1000's)	Proportion of WEP Site Total	Sample Size
St. Paul	309.9	41.8%	209
Region 7E	88.8	12.1%	60
Region 7W	185.	24.9%	125
Region 10	157.	21.2%	106
TOTAL			500

Exhibit 1. Surveys Conducted for the WEP Evaluation

SURVEY	METHODOLOGY	TIME	GROUPS	SAMPLE SIZE
Baseline of WEP Referrals	Personal in-house interviews	At Determination of Eligibility	St. Paul Concurrent WEP Minneapolis Concurrent non-WEP BOS Concurrent WEP BOS Concurrent non-WEP Total	1590 1590 1140 490 4810
Retrospective Groups Survey	Telephone interviews using the Follow-up instrument, with personal interviews for those without telephones	Circa 12 months after exit from WIN/AFDC or GA	St. Paul Retrospective WEP Minneapolis Retrospective non-WEP BOS Retrospective WEP BOS Retrospective non-WEP Total	1000 1000 - 1930 3930
Exit of WEP Referrals	Telephone interviews with personal in-home interviews for those without telephones	Two weeks to nine months after entry	St. Paul Concurrent WEP Minneapolis Concurrent non-WEP BOS Concurrent WEP BOS Concurrent non-WEP Total	1385 1385 993 427 4190
Follow-up of WEP Referrals	Telephone interviews with personal in-home interviews for those without telephones	Twelve months after exit from the program	St. Paul Concurrent WEP Minneapolis Concurrent non-WEP BOS Concurrent WEP BOS Concurrent non-WEP Total	1180 1180 846 364 3570
WEP Exempts	Personal in-home interviews	At Determination of Ineligibility	St. Paul Concurrent WEP Minneapolis Concurrent non-WEP BOS Concurrent WEP BOS Concurrent non-WEP Total	200 200 450 150 1000
WEP-Related Staff Baseline Survey	Personal in-office interviews	Before the program begins operation	WEP-related staff	50
WEP-Related Staff Follow-up Survey	Personal in-office interviews	During 9th month of operations	WEP-related staff	50
Other Public Officials Survey	Personal in-office interviews	During 8th months of operations	Other Public Officials	200
Employer Baseline Survey	Personal interviews	Before the program begins operation	Large employers and potential employers of WEP participants	100
Employer Follow-up Survey	Personal interviews	During 9th month of operations	Large employers and employers of WEP participants	100
General Population Survey	Telephone Interviews	During 9th month of operations	General population	500

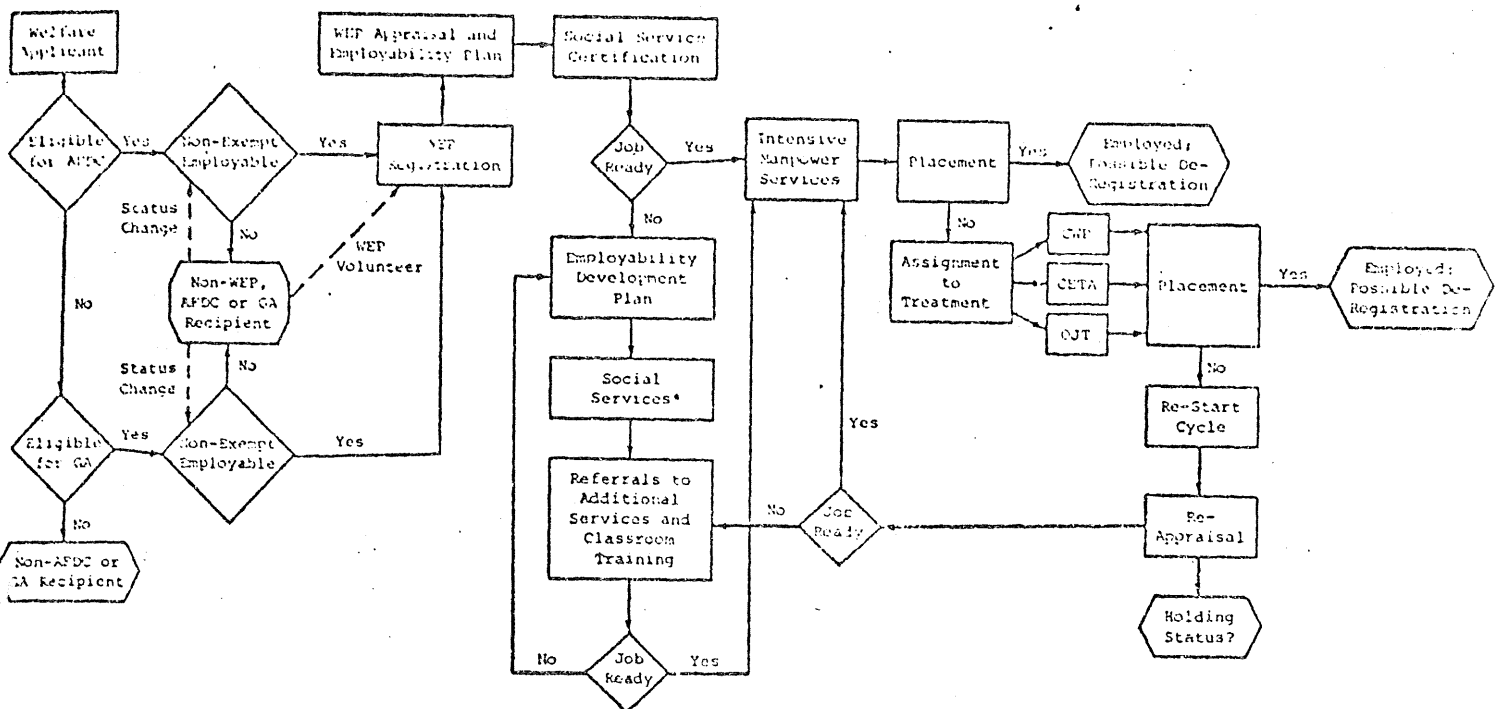
- B. If experimental and control groups are appropriate, discuss experimental design.
2. Describe process of identifying and requiring eligible subjects. (See Research Design, pages 90-93.)
-

The Department of Public Welfare and county welfare agencies will be responsible for determining which participants are eligible for the project. The county welfare agencies will then refer appropriate AFDC, GA and Food Stamp clients directly to the WEP center. The WEP field staff will conduct registration of all participants promptly when they appear at the WEP Center.

The WEP staff will appraise the individuals immediately after registration to assess the registrant's employability potential and social service needs. This assessment will determine if participants are job-ready and should be referred to unsubsidized employment immediately, or whether they require a period of participation in an appropriate WEP component. This will result in an employability plan for all participants at the time of appraisal.

The following flow chart illustrates the WEP client flow and identifies the stages at which eligible subjects are determined.

Exhibit 2. Client Flow Chart: WEP and WIN Program Stages



(3a)

WEP Client Flows

Department of Public Welfare

- Registration for AFDC/GA Benefits: For the individual, this is the first step in the process. Registration is handled by Income Maintenance Unit (IMU) personnel.
- Benefit Eligibility Determination: The IMU staff decide upon eligibility for transfer program benefits on the basis of statutory criteria. This determination is subject to an appeal procedure which can be initiated by the applicant.
- Exemption Determination: At this stage, the WIN exemption criteria are applied to adult welfare applicants by IMU staff. Nonexempt applicants are referred to the WEP for mandatory registration. Exempt individuals are advised of their right to volunteer for WEP. No sanctions are applied in the event that exempt individuals drop out of the program or refuse to participate. The exemption determination is also subject to appeal by the applicant at a hearing before the State welfare agency. About 75% of all AFDC eligibles will be declared exempt. There are no comparable estimates for the GA eligibles since they have not been subject to the exemption determination process prior to the WEP demonstration. The entire process from application for AFDC/GA benefits to exemption determination does not generally exceed two weeks.

WEP Agency

- WEP Registration: Mandatory referrals (nonexempt individuals and volunteers) register with the WEP agency. Refusal to register can entail a denial of AFDC benefits. Denial of benefits is, again, subject to an appeal process. A minimum wage payment to WEP participants begins at registration. Registration will occur no later than one week after notification of nonexempt status.
- WEP Orientation: WEP staff present all new registrants with information concerning the program. This information includes (1) a description of program services, (2) a description of program expectations, (3) a statement of client rights, and (4) the nature of the program obligation to clients.
- Appraisal: WEP staff and Special Administrative Unit (SAU) personnel of the welfare agency jointly conduct an assessment of registrants' employability potential and suitability for employment. Two significant determinations are made: (1) which social services are necessary to allow the individual to actively participate in WEP?

and (2) is the individual "Job Ready"? Appraisal is generally conducted at the time of WEP registration. The development of employability plans will take place within one week of initial appraisal. WEP anticipates that 95% of registrants will be appraised and certified as job ready without provision of services.

- Certification: WEP registrants cannot be declared eligible to participate in any subsequent activities until the SAU certifies that all supportive services have been arranged or provided, or that no services are needed in order for the registrant to be ready for employment or training. A certified mandatory registrant cannot refuse supportive services specified in the EDP. Refusal is treated as a general refusal to participate in WEP.

- Employability Development Planning: WEP registrants who are determined to be "Not Job Ready" are referred to Employability Development Planning (EDP). It is anticipated that almost 5% of all registrants will be determined "Not Job Ready." The EDP process consists of setting employment goals, testing and assessment, identification of barriers to employment, provision of additional supportive services, and planning for a series of staff-registrant follow-up contacts to ensure that employability planning objectives are completed. When Classroom Training is called for in the Employability Development Plan for a registrant, the training will be provided. The training may include, but is not limited to, skill training, basic or remedial education, language and General Education Development (GED).

- Provision of WEP Treatments: WEP registrants who are initially determined "Job Ready" as well as those who are determined "Job Ready" subsequent to the Employability Development Planning process are referred to a series of treatments which begin with the Intensive Manpower Services (IMS) component. This component provides counseling, job seeking skill modules, job search, and employment interviewing. This component is expected to be of about six days duration. Individuals not placed in unsubsidized employment at the end of the IMS treatment will be referred to one of the following WEP components (assignments will be made by WEP Employment Service interviewers):

- CWP
- OJT (17-week maximum duration)
- CETA PSE (up to one year duration)

Of the WEP registrants who are assigned to Intensive Manpower Services, 8% are expected to locate unsubsidized jobs during the Job Search period. The remaining 92% are expected to be allocated among the treatments in the following proportions: 55% to CWPs, 25% to OJT, and 12% to CETA PSE.

- Restart: WEP registrants who have not located unsubsidized employment after initial WEP treatments will be recycled through the appraisal process, and subsequently to a second Intensive Manpower Services treatment. Failure to obtain unsubsidized employment at that time entails reassignment to a second CWP or other treatment component. Approximately 75% of WEP participants who are assigned to the three treatment components is anticipated to succeed in locating jobs by the end of those treatments. The remaining 25% will be reassigned mostly to CWPs for a second cycle of a reappraisal interview.
- De-Registration: Placement in an unsubsidized job is the WEP goal. Participants who have not secured jobs after the completion of Re-Start cycle will be placed in an unspecified program category.

- B. If experimental and control groups are appropriate, discuss experimental design.

3. Describe any incentives to encourage subjects to participate.

While previous research on the effectiveness of such payments has been inconclusive, it appears the utilization of such monetary incentives can be especially helpful for gaining the cooperation of comparison group respondents as well as aiding in the interviewers' tracking and follow-up efforts. As such, cooperation payments can be viewed as a technique to reduce nonresponse bias.

Abt Associates would recommend a \$5 payment for each interview to all "client" survey respondents if estimates indicate that total costs per unit of information are actually reduced thereby. This recommendation will be forwarded to POL and OMB for their consideration.

Additional costs incurred for making cooperating payments would be as follows:

		@\$5
Baseline	4810	\$24,050
Retrospective	3930	19,650
Exit	4190	20,950
Follow-up	3570	17,850
Exempts	850	<u>4,250</u>
TOTAL		\$86,750

B. If experimental and control groups are appropriate, discuss experimental design.

4. Describe how dropouts will be handled.

All participants who "drop out" will receive telephone interviews. Personal interviews will be administered to those without telephones. (See topic B1 of this document for AAI's survey plan.)

B. If experimental and control groups are appropriate, discuss experimental design.

5. Comment on methodological problems which may arise and how they will be treated. (See Research Design, pages 119-126, 138-143.)

This section contains a presentation of suggestions and comments regarding possible techniques to handle the problems arising from the analysis of data in quasi-experimental research designs. These technical discussions reflect our current thinking on approaches to the estimation of program impacts based on previous social research experience and the methodological problems involved. They are not necessarily the final or exclusive set of analytic techniques to address issues of bias or validity.

The major issues in estimating the program impacts of the WEP demonstration are:

- 1) Control for program selection bias in a quasi-experimental design
- 2) Adjustment for attrition or non-response bias
- 3) Estimation of the effects of component WEP treatments
- 4) Adjustment for demonstration effects between WIN in Minneapolis and St. Paul and the WEP experiment in St. Paul.
- 5) Problems in Measuring the Value of CWP Inputs and Outputs

These will be discussed in order.

1. Selection Bias

Since discretion is allowed in designating those who are exempt from participation in both WIN and, presumably, the WEP experiment, selection bias can exist which will distort the estimate of program impact. One form this bias takes in the selection of persons for WIN or WEP participation is to choose those persons for program participation who are more likely to benefit from the program treatment. If the variables which influence selection for treatment can be identified and measured, then this bias can be effectively eliminated.¹ Prior

¹See Glen Gain, "Regression and Selection Models to Improve Nonexperimental Comparisons," in Evaluation and Experiments: Some Critical Issues in Assessing Social Programs. (New York, New York: Academic Press, 1975), pp. 297-317.

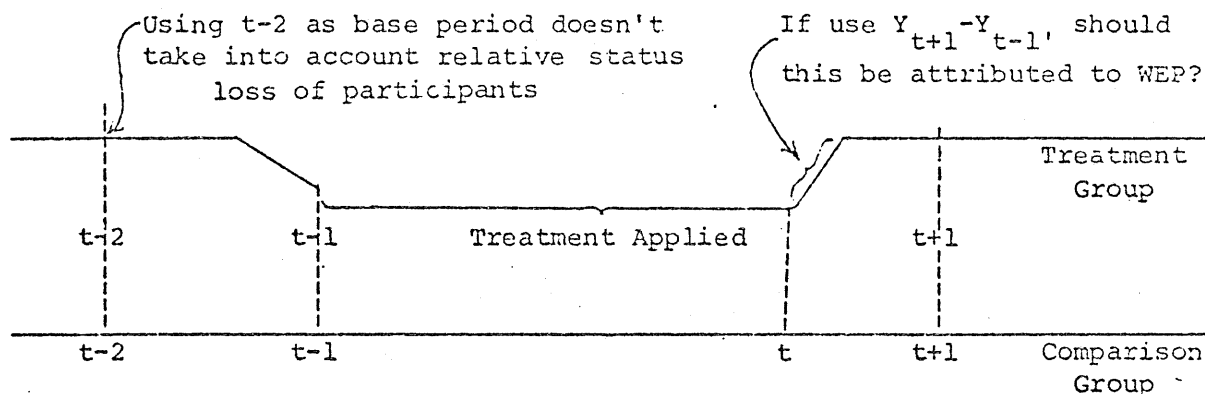
earnings and employment experience are two such variables which may serve as the basis for selection and inclusion into either WIN or WEP.

For instance, if WEP is operated similarly to other employment and training programs, individuals selected for WEP and the receipt of its services may be more likely to have experienced a recent loss in earnings. It is plausible to expect a recent dip in earnings to be transitory and recovery from this deterioration in status would occur to some extent without the WEP treatment. Therefore, individuals whose earnings had recently declined would be more likely to experience earnings gains than individuals who had maintained the same level of earnings previous to the WEP treatment. Excluding the change in earnings previous to WEP entry would be expected to impart an upward bias to an estimate of the net impact of WEP.

The exclusion of a variable measuring pre-WEP (and WIN) change in earnings is directly related to the question of which period or set of periods should be used to measure the change in earnings. There are several problems involved in making this determination. For instance, using change in earnings from, say, one period of six months before treatment to one period of six months after treatment ($Y_{t+1} - Y_{t-1}$), may impart an upward bias to the estimate of the WEP net impact. This is because the WEP participant group may experience a greater decline in earnings in period $t-1$ than the WIN comparison group and the participants' earnings during this period may be low both in relation to their previous experience and in relation to the comparison group. Alternatively, measuring change in earnings two periods before treatment to one period after treatment ($Y_{t+1} - Y_{t-2}$) may impart a downward bias to WEP impact estimates since this procedure would not take into account the potential relative status loss of participants. The picture might be depicted as below in Figure 1.

Figure 1

Controlling for the Effect of Pre-WEP Earnings
on Post-WEP Impact



It may be that using either period t-1 or t-2 would impart a bias to the estimate of WEP impact. However, we would argue that since recent earnings loss is likely to be a major reason why persons engage in WEP participation, this aspect of the selection process should be controlled for in order to obtain unbiased estimates of the net impact of WEP. Therefore, one should control not only for previous level of earnings but also for change in previous earnings. An example of the modified analysis would be:¹

$$Y_{t+1} - Y_{t-1} = \alpha + \beta_1 Y_{t-1} + \beta_2 (Y_{t-1} - Y_{t-2}) + \beta_3 T + \beta_4 X + \epsilon$$

(previous level of earnings) (change in previous earnings) (whether received treatment) (other variables)

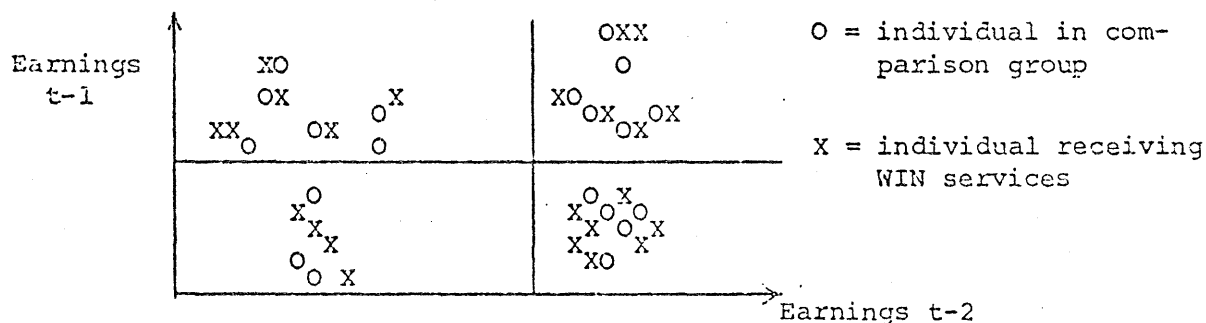
An alternative approach would be to separately analyze individuals according to the type of change in earnings they had experienced previous

¹ Using ordinary least squares (OLS) with a lagged dependent variable as one of the explanatory variables would lead to inconsistent estimates of the coefficients if the error term is serially correlated. This possibility will be investigated and analytic methods will be modified accordingly if such serial correlation exists.

to the WEP treatment. Thus, the relationship between change in earnings previous to treatment to change in posttreatment minus pretreatment earnings would not be restricted to a linear relationship. This procedure is demonstrated in Figure 2 below. The northeast and southwest quadrants contain individuals who experience no change in earnings previous to treatment application. That is, earnings were low in both periods. The northwest quadrant contains individuals whose earnings increased beyond the time when the WEP treatment was applied and the southeast quadrant contains those individuals whose earnings decreased before the WEP treatment time. That is, earnings were higher in t-2 than in t-1. A separate analysis would be done for each of the quadrants. We expect the net impact of WEP to vary with the level and change in previous earnings of individuals.

A separate analysis on each of these subgroups will allow one to determine if the WEP program effect varies significantly with the pattern of pre-WEP earnings.

Figure 2
Change in Earnings, Pre and Post-WEP



Other Relevant Explanatory Variables

Two other relevant explanatory variables should be added to the analysis list. These are the level of welfare benefits an individual receives and the marginal tax rate (including cashed-out value of nonmonetized benefits) he or she faces. We would expect both of these variables to affect the effort individuals would exert to enter the labor force and find employment and the earnings they would strive for.

Additionally, these variables might be correlated with the selection-for-treatment process. For example, individuals with low transfer benefit levels may have been more eager to receive WEP services. Individuals facing high marginal tax rates on earnings might be less interested in obtaining WEP services.

Additional Methods for Handling Selection Bias

There are two additional alternative methods of analysis for handling potential selection-for-treatment bias. The first involves the estimation of a structural model and the second involves the use of an instrumental variable.

Estimation of a Simple Structural Model

The first approach worth exploring is to specify and estimate a simple structural model which simultaneously predicts selection for treatment and program impact. The basic idea motivating such an approach is as follows. Participation in WEP affects the employment and earnings or recidivism of any given individual. However, as noted above, individuals considered to be more employable may be more likely to be selected for WEP participation. That is, whether an individual was selected for WEP services depends in part on the expected outcome of his or her participation. There are, then, two relations operating simultaneously which determine the net impact of WEP. One is a relation for participation and treatment and the other is a relation for outcome. These two relations are estimated simultaneously to obtain an unbiased estimate of the net impact of WEP.

An illustrative model of this type would be:

$$(1) Y_{t+1} = \beta_0 + \beta_1 T + \gamma_1 ED + \gamma_2 R + \gamma_3 F + \gamma_4 Y_{t-1} + \gamma_5 M + \Gamma Z_Y + \epsilon_1$$

$$(2) T = \delta_0 + \delta_1 Y_{t+1} + \alpha_1 ED + \alpha_2 + \alpha_3 F + \alpha_4 Y_{t-1} + \alpha_5 M + \lambda Z_W + \epsilon_2$$

Where ED is education, R is ethnic origin, F is number of children, M is labor market variable(s), and where Z_Y are variables which affect the labor market and Z_W are variables which affect treatment but not labor market outcomes. The inclusion of Y_{t-1} in equation (2) is based on the idea that program managers have informal ways of evaluating who is likely

to benefit from treatment. This is known as "creaming." Econometric Identification of the model requires discovery of Z_Y and Z_W . Although this is likely to be difficult in practice, it may be possible that some treatments were allocated as a result of variables unrelated to personal or labor market characteristics. If this is true then to some extent the treatments were "experimental" in that they were given independently of personal and other variables likely to influence outcomes. As a specific example, it is possible that some treatments were given to those with transient income declines but that transient income declines have relatively little to do with long run income.

Use of an Instrumental Variable to Correct for Treatment Selection Bias

The second procedure involves the use of a technique developed by James Heckman. In two recent papers Heckman has shown that problems of sample selection bias can be analyzed as problems of specification error, that is, problems of omitted variables.¹ In addition, Heckman developed an estimator that essentially replaces the omitted (and unobserved) variables by an instrumental variable. The first step to create this instrumental variable is to estimate a probit equation to predict the probability that a person of given sociodemographic characteristics will receive WEP services (be a participant). The parameter estimates of this probit equation are then used to construct a variable that is then included as an independent variable in all benefit equations.²

¹James J. Heckman, "The Common Structure of Statistical Models of Truncation, Sample Selection and Limited Dependent Variables and a Simple Estimator for Such Models," The Annals of Economic and Social Measurement (Dec. 1976), and "Sample Selection Bias as a Specification Error (With an Application to the Estimation of Labor Supply Functions)," Report 7720, Center for Mathematical Studies in Business and Economics, University of Chicago, 1977.

²This variable is

$$\lambda_i = \frac{\phi(-X_i \hat{\beta})}{1 - \Phi(-X_i \hat{\beta})}$$

where ϕ and Φ are respectively the density and distribution function for the standard normal random variable, $\hat{\beta}$ represents the parameter estimates from the probit model and X_i is the vector of personal characteristics.

This variable serves two purposes in the equations. First, when its coefficient is significant it indicates that treatment selection bias exists. Second, it corrects for the treatment selection bias.¹

This approach differs from the estimation of the simultaneous structural model above in that we are not estimating the relation for participation and the relation for outcome simultaneously. Rather, we are first estimating an equation to predict participation in WEP. The information obtained from this estimation is then used to construct a variable which reflects the selection-for-treatment process. This variable is included in the relation for outcome (i.e., $\Delta Y = \alpha + \beta_1 T + \beta_2 X + \epsilon$). Its inclusion in the equation for estimating outcome controls for the selection for WEP participation and thereby allows the unbiased estimation of the net impact of WEP. Given the difficulty in specifying a structural model which simultaneously estimates the relation for treatment and the relation for outcome, the preferred approach may be using the Heckman procedure.

2. Attrition or Nonresponse Bias

Estimating accurate net impacts of WEP services over an extended post-program period entails the problem of adjusting for attrition or nonresponse bias. To deal with this general problem of nonresponse bias, the Heckman procedure of estimating an instrumental variable to predict presence or absence of an observation in the third wave interview, given a sample unit's original inclusion in the Baseline interview, is proposed. Once the instrumental variable is estimated, it is included as an independent variable in all benefit equations using the final impact analysis sample. This is the Heckman procedure which was discussed in connection with selection for treatment bias. This procedure can be applied to the problem of nonresponse bias in the following manner.

Assume that the Baseline sample is representative of the WEP participant universe. Under this assumption, attrition from the final sample poses two different problems depending upon the nature of the attrition.

¹The procedure has two more steps intended to correct for heteroscedasticity. In addition, after the exploratory stage of the analysis the equations may be reestimated using a maximum likelihood technique.

If attrition is random, or not correlated with dependent variables of interest (earnings, employment, recidivism, etc.), then attrition only reduces the size of the sample, and, hence, only the efficiency of the estimates is reduced. There is no bias, since to the extent that estimates based on the initial sample were unbiased, the estimates based on the final sample are unbiased.

However, if attrition is systematic, and in particular, if it is correlated with the dependent variables, parameter estimates would be biased to some degree. This problem of sample selection bias can be analyzed as a problem of specification error, or of omitted variables. The estimator developed by Heckman essentially replaces the omitted (and unobserved) variables by an instrumental variable. The procedure utilizes the fact that the initial sample is representative of the WEP participant universe. The first step is to estimate a probit equation of the probability of being a member of the third wave sample given the individual's characteristics at the initial wave.¹ The parameter estimates of this probit equation are then used to construct a variable that can be entered in any equation that is estimated using only the sample used for final impact analysis. This variable serves two purposes in the equations. First, when its coefficient is significant it indicates that attrition bias exists. Second, it corrects for the attrition bias.

To summarize, while attrition from the initial sample is unavoidable, the problem of possible attrition bias can be overcome in whole or in part by using recently developed econometric methods.

¹ The terms Probit, Logit, Tobit, Multinomial Logit and Multinomial Probit can be confusing. The differences among them are as follows. Probit and Logit analyses are used when the dependent variable is a simple qualitative variable that describes a dichotomous condition. For instance, one is either in or out of the labor force. The resulting coefficients are interpreted (after proper transformation) as probabilities or percentages. Tobit analysis is used when the dependent variable represents both a dichotomous state and the extent to which one participates in that state (for instance, whether one is in the labor force, and, if one is in the labor force, for how long). Finally, multinomial logit and probit are extensions of simple logit and probit analyses. They allow a dependent variable with three or more qualitative states. For instance, one can be out of the labor force, employed in either the private or public sector or else unemployed.

3. Estimation of Net Impact of Different Types and Combinations of WEP Services

The WEP program consists of several different types of treatments including job search and employment on a CWP. One of the objectives of the proposed study is to determine which components of WEP (types of services), or mixes of components, have been most effective in achieving gains in earnings and employment or reduction in recidivism. Therefore, the composition and structure of WEP treatments will be entered in all analyses as a set of independent variables. In contrast to using a dummy variable to denote WEP treatment, this procedure will allow us to detect if differences in the composition and structure of treatment matter.

Next, we desire information on net impact not only by type of treatment, but as a function of duration, too. In addition to obtaining better estimates of the net impact of the different components of the WEP program, we would also like to learn about the effect of the duration of the WEP treatment on earnings and employment. This is especially relevant in a longer term evaluation of the WEP program, since it is expected that some WEP participants may have left treatment and returned for more WEP services of the same or different type later on. Clearly, we should also get an estimate of the impact of length of time spent in the program. To achieve this, we can include in our list of independent variables the number of weeks an individual received a given treatment in the program along with the dummy variable specifying whether an individual was in the treatment or the comparison group. Our modified equation would be:

$$\Delta Y = \alpha + \beta_1 T + \beta_2 WKS + \beta_3 X + \epsilon$$

where $T = 1$ if participant

$= 0$ if control

WKS = number of weeks in the WEP program

X = a vector of other explanatory variables

α and $\beta_1, \beta_2, \beta_3$ = parameters to be estimated

ϵ = an error term.

The coefficient of WKS, β_2 , may be interpreted as the number of additional dollars a participant will earn if he or she stays in the program an additional week. If this is estimated for periods before training, β_2 gives an estimate of the additional earnings earned before the WEP treatment by people who later stayed in the program an additional week.¹ The parameter, β_2 , estimated for time periods after WEP participation, could be either positive or negative. A positive estimate would show that those who stayed longer in the program benefited by getting greater earnings increases. A negative estimate might be the result of less employable individuals remaining in and returning to the program. Also, the parameter estimate for weeks in the program could be positive or negative when estimated for time periods before the treatment. A negative estimate would show that participants who earned less before treatment subsequently remained in the program longer. A positive sign would indicate that participants who earned more before treatment subsequently stayed longer in the program. As Kiefer points out, both of these results are plausible. The first is plausible since such individuals faced lower opportunity costs and possibly higher expected gains than other participants. The second is also plausible since the perseverance needed to remain in the program may have resulted in higher earnings before the treatment.²

Estimation of the pattern and the mix of WEP treatments is also possible since labor market and program participation data will be collected 12 months after the exit from the initial set of WEP treatments have concluded.

4. Problems of the Demonstration Effect

A major problem of the potential bias concerns the fact that WIN administrators in Minneapolis may respond to the presence of the WEP experiment by increasing their efforts to place their own clients. If such adjustment occurs, then the impact of WEP will be underestimated.

¹ See Nicholas Kiefer, "The Economic Benefits from Manpower Training." Technical Analysis Paper #43, U.S. Department of Labor, Office of the Assistant Secretary for Policy, Analysis and Research, November, 1976.

² Ibid., pp. 57-8.

Therefore, in order to compensate for this potential behavior, it will be necessary to rigorously control for the composition and intensity of treatments. Thus, this analysis is related to the analysis in Section 3 immediately above. In addition to the inclusion of detailed variables on program treatment, it may also be necessary to include information on the characteristics of specific program administrators who have the responsibility of selecting individuals for treatment or for selecting the specific treatments to be given to individual clients or participants. Such variables might include the percentage of exemptions a given administrator has authorized, the percentage of clients sanctioned by an administrator or the average age, education, or employability of the clients subsequently referred to WIN or WEP.

5. Problems in Measuring the Value of CWP Inputs and Outputs

Valuation of CWP Inputs

There are two problems to solve in the valuation of CWP inputs. First, one must measure the number of inputs, by type, required to produce a given unit of output. Then, one must assign prices to the units of input that are employed in the production in question.

We will adopt the convention used in the Kemper-Moss study, which is to estimate first the physical productivity of the labor inputs in question.¹ Second, we will attempt to then estimate the value of that physical production. In both cases, we must look to similar production processes in the private sector, or the relevant non-WEP public sector, first to estimate the typical amount and mix of factor inputs, including labor, to produce a given output, such as mowing a 1,000 sq. ft. of lawn area or painting a 1,000 sq. ft. of surface of a given type. Then we attempt to estimate the market value of the labor inputs used. This procedure is useful for the following reasons pointed out in Kemper and Moss.

First, researchers, policy makers and other interested parties such as taxpayers are likely to disagree over the going wage rate which should be assigned to a project (or how much the value of labor input differs from the actual money wage paid). Thus, we describe the quantity and quality of labor being used. Estimates of the amount of labor used to produce an output--such as clean the trash from one mile of central city street--can be separated from the wage rate paid per hour. One can then judge, for instance, if WEP laborers take the same, a longer or a shorter period of time to produce some given unit of output compared to the same physical input cost of other regular government or private sector laborers.

¹ This chapter section is heavily based upon the work of Peter Kemper and Phillip Moss, "The Efficiency of Targetted Job Creation: Conjectures Based on the Early Supported Work Experiment;" Robert H. Haveman, "Public Employment of Less Productive Workers--Lessons for the U.S. from the Dutch Experience;" and Johnathan R. Kesselman, "Displacement and Productivity of Work Relief: Lessons of the Great Depression," papers presented at the Brookings Institution, Conference on Public Service Employment, Supported Work and Job Guarantees: Analytic Issues and Policy Implications, Washington, D.C., March, 1977. An additional source for this analysis is Lee S. Friedman, "An Interim Evaluation of the Supported Work Experiment," Policy Analysis, Volume 3, Number 2, Spring, 1977.

Second, separating the value of inputs into its two components simplifies measurement.

Third, it is easier to appraise the physical efficiency to the WEP labor inputs than it is to measure the value of their output. If WEP laborers expend the same labor effort to produce a given output as regular government or private sector workers, but the value of that output is different due to different marketing procedures, the issue of efficiency in producing an output is separated from efficiency in allocating inputs among competing outputs.

As indicated, this two-stage valuation process is crucial from the standpoint of society since it is necessary to know the value of the labor inputs in order to establish wage rates for a permanent WEP or welfare reform program. Apart from a concern over restricting the size of the government sector, we are less concerned when persons do not leave public service jobs if the wages they are paid are equal to the value of the output the workers produce.

Finally, the taxpayers' concerns tend to coincide with society's concerns in this area. Namely, taxpayers would prefer not to subsidize either a private or public sector job if at all possible. However, they may likely prefer a wage subsidy to a welfare payment, as long as the former is equal to or smaller than the latter. But given that a subsidy is paid, the lowest possible subsidy is desirable consistent with maintaining a given number of persons off the welfare rolls. Finally, the welfare system is indifferent to these issues, except insofar as it may be providing the wage subsidy from its revenues. Then, depending on what goals the welfare system is attempting to maximize, it may have greater or lesser concern over the average size of the wage subsidy (e.g., a higher wage subsidy will restrict the absolute number of clients who can be served).

Operational Strategy for Measurement of CWP Labor Inputs and Outputs

The measurement of CWP inputs and outputs could best be accomplished by examining a random sampling of CWP projects, jobs, products and services delivered. These projects, jobs and products and services must then be compared against a random sample of similar jobs and projects in the private or non-WEP public sector. The major cost is in generating the detailed records necessary to, in effect, trace out the process of production of both the CWP jobs and output and the comparison jobs and output. It is necessary to draw up a list of the output produced by CWP and, standardizing for quality, compare the structure of physical inputs used to produce these outputs against the same or similar private or public sector outputs. This can become a very complex task, especially if data on prices and quantities of complementary inputs do not exist or are not easily measurable. This is very likely to be the case, particularly for non-WEP jobs. We should have a reasonably complete picture of the production process for major categories of WEP jobs, but it is beyond the current scope of this study to conduct the detailed field work necessary to develop comparably complete data on non-WEP jobs, products and services.

Indeed, measuring the shadow prices of CWP inputs as well as the value of outputs will be quite difficult. One major reason for this is that there is no such thing as a homogenous good or service which sells at an equilibrium market price. There is a continuum of inputs and outputs which vary in price and quality. Choosing among these to set the value of an input or an output can be a very arbitrary exercise. The wide leeway for judgment in selecting market prices with which to shadow price CWP inputs and outputs thus means that the resulting estimates are subject to considerable error. To compensate for this problem we will attempt to measure an upper and lower bound to the prices in question.

In summary, we intend to build on procedures established by the Mathematica research group in their analysis of the value of outputs of the Supported Work Experiment. The OSRs will be responsible for the collection of the necessary accounting records and output measures. The completeness of the analyses, however, will depend upon the degree to which data, particularly on non-WEP sectors, is readily obtainable.

The Problem and Measurement of Displacement

The above techniques for measuring the value of CWP outputs is sharply complicated if other public or private sector labor, and, hence, output is displaced by the CWP output and labor. In such a case, the net social value of the CWP correspondingly falls. And, depending on the assumptions made, the value of the CWP to the State of Minnesota and the Federal Government could also be less. The value of the CWP to the WEP participant remains unchanged. As noted above, the Minnesota Welfare System could easily have a concern, however, to the extent that the newly displaced workers now become an additional case load. Taxpayers per se may be indifferent to this displacement as long as the possibility for increased output occurs, but they may respond negatively (or positively) to the equity considerations of "robbing Peter to pay Paul" depending on the relative weights they attach to Peter's and Paul's separate wellbeing. Thus, a whole series of changes in the accounting of CWP values occurs if displacement occurs.

From a social standpoint both equity and efficiency concerns are paramount when displacement occurs. The quantitative and qualitative concern of society or the Federal Government over both equity and efficiency changes (either losses or gains) can vary as the economy moves from full employment to less than full employment. For instance, at full employment, non-WEP labor and output may be displaced, but the displaced labor, after adjustment costs have been incurred, can be quickly re-absorbed and used to produce more output for society elsewhere. Re-employment reduces the cost of compensating those people who get displaced. Two problems remain. First, is the increment of increased output large enough to compensate for both economic and non-economic (including psychic) costs of displacement and subsequent adjustment? Second, will compensation, in fact, be paid? If full compensation is not paid, even though there is a positive residual of output, then there is no necessary gain for society unless one is willing to make interpersonal comparisons between WEP and non-WEP persons; that is, attach values to the psychic gains and losses of each group, independent of the values these persons themselves would attach.

At less than full employment, the gains in output by CWP clients are sure to be partially or wholly offset by losses in output by displaced workers who will become unemployed for some time period. As in the above, the empirical question of measuring these losses per unit of time, what their pattern is over the business cycle and how long they persist, becomes even more complex due to the problem of having to attach values to (or shadow price) unemployed resources.

Procedures for Measurement of Displacement

As can be seen, the measurement of displacement costs presents extremely complex problems.

The method we will use to measure displacement will deal only with the displacement of labor. We have no cost feasible way at present to measure the expected value of displaced output. Briefly, a random sample (or, if the number is small, the universe) of public and private employers which hire WEP clients will be studied. Data on the numbers of employees by occupation, as well as their relative wage rates, levels of output (for public and private employers), and the value of sales (for private employers) will be collected for periods before, during and after the WEP experiment. In addition, information on lay offs, new hires and rehires of previously laid off workers will be collected. If there is a change in the composition of employment, holding constant the value or quantity of output, in favor of WEP participants, then there is prima facie evidence that displacement has occurred. Regression analysis will be used to estimate the change in the composition of employment over time, holding constant the output of the employer.

Perceptions of Value

The procedure for the valuation of CWP inputs and outputs is symmetrical. Expressing the value of CWP output first in terms of the physical inputs used in producing a given unit of output and then in terms of the social value of that output has useful practical and conceptual advantages. However, here, as in the valuation of requests, the perception of the value of these outputs differs.

Except insofar as pride in work is a consideration, the individual may be indifferent to the social value of the output produced by his or her efforts.

Taxpayers are not indifferent, of course, since they can either reduce their tax bill, keeping social output constant, or increase the total value of social output, keeping their tax bill constant, if WEP clients, for the same expenditure as was previously expended on welfare, produce any output valued greater than zero.

In this case, the Federal Government would perceive the value of output similar to the perceptions of the taxpayer. Given a wage bill for CWP labor no greater than the previous welfare budget, an attendant output large enough to cover the variable costs of inputs complementary to that labor and still leave a surplus is preferred.

Finally, the welfare system may be indifferent to the value of social output. Its major concern with the CWP lies in the effectiveness of the rehabilitative services supplied by formal and informal on-the-job training that attends CWP. With increased effectiveness in delivering appropriate services there is a consequent ability of the welfare system to expand other services to remaining clients (for a given budget) or to hold services (per client) constant and expand them to a broader set of clients (for a given budget). However, worker displacement is a potential concern for the welfare system since such displaced workers may then go on welfare.

C. Explain by what procedures the hypotheses will be rejected or accepted.

For each hypothesis standard statistical measures of significance will be employed.

4. Evaluation Plan

A. Discuss criteria by which the project will be judged a success or failure.

Abt Associates Inc. (AAI) will not judge the Minnesota WEP as either a success or a failure; rather AAI will objectively evaluate the program and present our findings to the DOL.

AAI findings will focus on the program aspects covered by the eight policy questions in our research design. (Refer to page 2 in Research Design.)

The ultimate purpose of the WEP upon which its success will be based, of course, is its ability to assist eligible AFDC and General Assistance Recipients to gain job experience and skills which will enable them to enter jobs in the private sector.

However, the Work Equity Program should also seek to develop a wider range of human skills in addition to providing more opportunities for employment. There are four major concepts associated with WEP. These include:

1. Assisting participants in achieving economic self-sufficiency,
2. Developing individual human skills,
3. Providing individualized comprehensive approaches for all participants in the program,
4. And providing unified, comprehensive job development.

In evaluating the WEP's ability to achieve these goals we will present findings on the ability of the program to achieve its major goal of providing unsubsidized employment to all eligible clients. In addition, we will monitor how successfully the program is implemented; its cost-effectiveness; the number of CWP jobs provided to participants who need them; the composition of income, welfare recidivism and program benefits of WEP as opposed to non-WEP participants. Also, we will evaluate the local labor market impacts and political feasibility of the program.

B. List data to be collected.

- Indicate by what procedure data are to be collected (survey, computer tapes)
- Discuss how data are to be analyzed.

(See Research Design 48, 49, 54-57, 62, 63, 66-69, 101, 105, 106, 113.)

The following tables are extracted from AAI's research design. The tables include seven of the eight policy questions by corresponding research questions, data items, data sources and the proposed analysis format. Policy question seven's data needs and analysis plan is presented on pages 131-137 in AAI's Research Design.

Question #1: Is it feasible to create public jobs at or near the minimum wage on a scale sufficient to assure a suitable job to all families with children, and possibly other transfer recipients as well?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. How are CWP's planned, developed, approved, staffed, operated, and phased out?	• WEP administrators • CETA staff • Local governments and non-profit institutions • CWP proposal review boards	• Specific steps taken in CWP planning process • Level of WEP staff involved in each phase of CWP planning and development • Procedures for soliciting CWP proposals • Number of proposals received • Number of proposals accepted • Procedures for monitoring CWP's • Procedures for terminating CWP's • Number of proposals submitted • Procedures for implementing approved proposals • Procedures for staffing CWP's • Elements in review process • Reasons for approval/disapproval of proposals • Number of proposals approved/disapproved	• Open-ended interviews with WEP staff by OSRs • OSR observations • Written reports and planning documents on development of CWP's • Census/sponsors of CWP's • Written planning reports on CWP development • OSR observations • Open-ended interviews with local officials by OSRs • Census of CWP sponsors • Review checklists and reports • OSR observations • Written planning reports on CWP development • Open-ended interviews with review board members	• CWP development history and process descriptions, focus on CWP developer roles • CWP development history and process description, focus on CWP sponsor roles • Elicitation of formal and informal rules for approving CWP proposals • Flow chart of approval/disapproval CWP proposal process
2. What organizational relationships develop in creating and implementing the CWP's?	• WEP agency • CETA • Local officials • Non-profit organizations	• Formal organizational relationships • Informal authority and communication flows • Allocation of responsibilities among agencies involved in CWP development • Incidence and nature of contacts among agencies involved in CWP development	• Organization charts • Interagency memos, written reports, and correspondence • Open-ended interviews with staff by OSRs • OSR observations	• Organizational analysis • Network analysis documenting informal organizations
3. What is the nature of the relationship between the eligible client flow and the availability of CWP slots at a given time and location?	• WEP registrants • WEP staff	• Numbers of slots in each component each week • Numbers of registrants assigned to each component by week • Numbers of WEP registrants completing IMS component at each WEP site - Numbers awaiting referral to CWP • Numbers of CWP slots available by WEP site • Type of CWP slots created at each WEP site • Previous work experience of WEP registrants awaiting referral to CWP's • Response to insufficient or excess CWP slots - Prolongation or reduction of time spent in IMS component - Change in number of registrants allocated to treatments other than CWP - Slowdown or speedup of client flow	• WEP MIS • CWP planning reports • OSR observation of waiting lists, bottlenecks in flow • OSR interviews with WEP staff responsible for registrant assignment to components • OSR interviews with WEP staff responsible for development of CWP slots • OSR interviews with WEP staff responsible for registrant assignment to components • OSR observations • WEP MIS	• Calculation of possible "mismatches" between CWP slots and registrants awaiting referral to CWP • Calculation of possible "mismatches" between type of CWP slot and occupational needs of registrants awaiting referral to CWP • Elicitation of staff procedures for handling shortages or overages of CWP slots
4. How many jobs are created, of what type, duration, and wages?	• WEP staff	• Numbers of CWP slots developed each month in each WEP area - Type of work performed - Start-up and phase-out dates of each project - Wages of jobs in each CWP	• CWP planning reports	• Tabulations of total number of slots developed • Crosstabulations of total number of slots in each WEP area by job type, duration, and wage

Figure 3.2

(continued)

Research Questions	Actors	Data Items	Data Sources	Analysis Format
5. Are funds adequate for supervision, materials, and supplies in CWP? At what level of operation? To what extent is there variation among projects?	• WEP staff • CWP supervisors	• Supervisor/worker ratios in CWPs - By location - By status of sponsor - Public - Private non-profit • Dollar value of material inputs - By location - By status of sponsor • Wage level of supervisors • Supervisor assessment of adequacy of supplies and supervision • Output produced • Output planned • Comparison data on similar projects in the private or public sector	• CWP planning reports • OSR open-ended interviews with supervisors and project sponsors at 10 CWPs • OSR interviews with supervisors on selected comparable activities	• Case studies of CWPs to document problems in accomplishing task objectives • Comparison of inputs (by dollar value) for CWP with comparable public and private projects. Development of unit of output cost comparisons.
6. What personal, locational, or other factors are associated with referral to CWPs (as opposed to other treatments)?	• WEP registrants	• Registrant characteristics - Age - Sex - Education - Ethnicity - Employment experience - Program affiliation - AFDC - GA - Food Stamps - Location (rural versus urban) • Numbers of registrants referred to CWPs • Numbers of registrants referred to other treatments - OUT - CETA PSE	• WEP MIS	• Crosstabulations of referrals to CWPs by registrant characteristics
7. Are CWP participant needs met? Do participants and WEP staff consider the jobs suitable?	• WEP registrants • WEP staff	• Index of registrant satisfaction with CWP job • Employability development needs for registrants • Type of CWP job registrant has held • WEP staff perceptions of CWP job suitability - Appropriateness of jobs for registrant needs - Adequacy of wage levels - Social value of work performed - Value in increasing registrant employability	• WEP Exit Survey • Employability Plan/Employability Development Plan • WEP Staff Survey (exit)	• Distribution of index of registrant satisfaction with CWP jobs • Comparison of CWP jobs developed for registrants with registrant employability development needs • Perceived CWP job suitability by WEP staff
8. What is the nature of community needs and how well do the CWP's meet these needs?	• Community Officials	• Local assessments of community unmet needs • Perceptions of success of CWPs in meeting these needs • CWP proposed outputs • CWP actual outputs	• CWP proposals • CWP planning reports • OSR observations • OSR sample interviews with local sponsoring officials	• Comparisons of perception of community needs with perceptions of fulfillment of those needs by CWPs • Comparisons of proposed output measures with actual output measures

Policy Question #2: Can a work/training requirement be administered uniformly across mandatory referrals from several transfer programs?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. What proportion of welfare applicants are declared mandatory referrals to the WEP and to WIN?	- Welfare applicants - Food Stamp applicants	Number of applicants declared nonexempt for WEP	Welfare MIS	Proportion of total applicants mandatorily referred to WEP and to WIN
2. What proportion of welfare applicants volunteer for the WEP and WIN programs?		Number of volunteers for WEP	Welfare MIS	Proportion of total applicants who volunteer
3. What characteristics differentiate volunteers from nonexempt referrals?	Welfare applicants	- Characteristics of program participants - Sex - Age - Education - Ethnicity - Employment experience - Program affiliation - AFDC - GA - Food Stamps	- Welfare MIS - Baseline Survey	Crosstabulations of client characteristics by voluntary and mandatory status
4. Are differential screening procedures utilized for WEP as opposed to WIN?	Welfare eligibles	- Characteristics of eligibles declared exempt for WIN and WEP - Sex - Age - Education - Ethnicity - Employment experience - Program affiliation - AFDC - GA - Food Stamps - Location - Characteristics of eligibles declared nonexempt for WIN and WEP - Characteristics of volunteers - Formal exemption determination criteria (decision rules) - Numbers of individuals applying for welfare - By location - By program category - AFDC - GA - Food Stamps - Numbers of eligibles declared exempt and non-exempt for WIN and WEP - By location - Numbers of eligibles volunteering for WIN and WEP - By location	- Pre-WEP/WIN Attrition Survey - Welfare MIS, retrospective - WEP, WIN MIS, current and retrospective - Participant Baseline Survey - Welfare Manual, WEP, WIN handbooks - Welfare MIS, current and retrospective	- Examination and identification of possible differential screening of welfare clients for WEP and WIN concurrently and retrospectively - Determination of error rate in screening decisions for WEP and WIN and by location - Examination of participant population differences across locations and time between WIN and WEP - Rates of exemption determination at each location over time
5. What proportion of referrals to WEP and WIN is declared "Job Ready" immediately or is declared "Job Ready" after provision of services?	- WEP registrants - WIN registrants	- Number of persons referred to WEP and WIN - Number declared immediately "Job Ready" - Number of persons referred to Employability Development Planning (EDP) - EDP referrals declared "Job Ready"	- WEP MIS, WIN MIS - WEP MIS, WIN MIS - WEP MIS, WIN MIS - WEP MIS, WIN MIS	- Proportion of all referrals declared "Job Ready" - Proportion of referrals to EEP subsequently declared "Job Ready" - Calculation of proportion of all WEP referrals eventually declared "Job Ready"

Research Questions	Actors	Data Items	Data Sources	Analysis Format
6. What are the formal decision rules which govern the movement of registrants through program stages? Are they applied consistently?	• WEP registrants • WIN registrants	• Formal criteria governing - Exemption determination - Employability ("Job Ready") - Provision of services - Assignment to treatments - Deregistration - Placement in adjudication status • Outcomes of decisions governing above decisions	• WEP, WIN Handbooks, Manuals • OSR observations • WEP, WIN MIS • Participant Baseline and Exit Surveys	• Calculation of "exception cases" as proportion of all decisions • Identification of major sources of exceptions to formal criteria
7. What are the major barriers to employability for given types of participants?	• WEP registrants • WIN registrants	• Participant service needs identified - Day care - Family planning - Counseling - Health - Homemaking - Legal - Transportation - Classroom training - Type • Types of services provided to participants • Number of referrals to the Division of Vocational Rehabilitation • Participant characteristics - Sex - Age - Education - Ethnicity - Employment experience - Program affiliation - AFDC - GA - Food Stamps	• Employability Development Plan • WEP/Welfare MIS • WEP MIS • WIN MIS	• Calculation of major services provided • Crosstabulations of service categories by client characteristics • Proportion of registrants referred to DVR
	• WEP, WIN staff	• Staff perceptions of barriers to participants' employability	• Staff Survey	• Distribution of staff survey responses
8. What is the average duration of each treatment or component for participants and the average amount of time spent between treatments or components? Does this timing vary according to participant characteristics?	• WEP registrants • WIN registrants	• Registrant characteristics (as specified above) • Dates of entry and exit from each treatment or component - Registration - Appraisal - Intensive Manpower Services - Employability Development Planning - CWP - OJT - CETA PSE - Re-start cycle	• WEP MIS, WIN MIS • Participant Baseline Survey • WEP MIS • WIN MIS	• Calculation of average durations of treatments on components • Calculation of average time spent between treatment assignments • Crosstabulations of average duration of treatment by registrant characteristics
9. To what extent must coercion be applied to assure program participation, especially in the child?	• WEP registrants • WIN registrants	• Number of clients who initially refuse to participate • Number of clients who continue to refuse to participate - Refusals to register - Refusals to accept social services - Refusals to accept assignment to treatments • Reasons for registrant refusal to participate	• WEP MIS, WIN MIS • Welfare and WIN adjudication records • Participant Exit Survey • Open-ended interviews with WEP and WIN staff by CSRs • Open-ended interviews with refusers by CSRs	• Tabulation of numbers of refusals by circumstances and by reasons for refusal • Tabulation of reasons for refusal by circumstance of refusal • Case histories of refusers

Research Questions	Actors	Data Items	Data Sources	Analysis Format
10. What sanctions are imposed for failure to participate in WEP or WIN treatments, especially the CWP? How many sanctions are imposed, after what period of time, by type and circumstance? How are decisions to impose sanctions made?	• WEP staff • WIN staff	• Number of sanctions imposed upon registrants - Type of sanction - Circumstances under which sanction was imposed • Duration of time between threat of sanction and imposition of sanction • Formal rules governing sanctionable behavior • Who is responsible for the imposition of the sanction	• WEP MIS, WIN MIS • WEP, WIN adjudication records • OSR observations • Open-ended interviews by CSRs with WEP and WIN staff imposing sanctions • WEP, WIN Manual • Participant Exit Survey	• Tabulation of sanctions by type and circumstance • Elicitation of formal and informal criteria governing the circumstances in which sanctions are imposed on participants
11. What characteristics or circumstances are associated with participants' acceptance or rejection of CWP employment?	• WEP registrants	• Characteristics of registrants (as specified above) • Number of registrants who refuse assignment to CWPs when referred • Reasons for refusal of assignment to CWPs - Health - High reservation wages - Dissatisfaction with type of work - Location - Do not wish to work	• WEP MIS • WEP Baseline Survey • WEP Exit Survey • WEP Exit Survey • Open-ended interviews by OSRs with refusers • OSR observations	• Profiles of registrants who refuse referral to CWPs • Profiles of registrants who accept referral • Case histories of CWP refusers • Crosstabulations of refuser characteristics by reasons for refusal to accept assignment to CWPs
12. How do referred participants respond to the CWP experience? What is the nature of their behavior on the project?	• WEP registrants	• Attendance at CWP sites--number of days missed • Tardiness on job--number of days late • Productivity--accomplishment of assigned tasks • Cooperation with coworkers	• CWP Supervisor Reports • OSR observations • Open-ended interviews with CWP staff and coworkers	• Index of WEP registrant behavior on CWPs • CWP case histories (10)
13. do CWP staff respond to negative participant reactions?	• CWP staff	• Supervisor-worker interactions	• OSR observation • Open-ended interviews with CWP staff	• CWP case histories
14. Can sufficient unsubsidized jobs be developed in the private sector for WEP and WIN registrants?	• WEP staff • WIN staff	• Number of contacts made with employers • Employer characteristics - Public versus private - Company size - Industry classification - Urban versus rural location • Types of jobs developed - Wage rate - Occupation - Location • Number of registrants placed in unsubsidized jobs • Characteristics of registrants - Age - Sex - Ethnicity - Education - Previous work history - Program affiliation - GA - AFDC - Food Stamps	• WEP and WIN Job Development reports • WEP MIS • WIN MIS	• Tabulation of number and percentage of registrants placed in unsubsidized jobs by job type and location • Crosstabulations of client characteristics with job types • Crosstabulations of employer characteristics by numbers of jobs developed
15. What are staff and participant perceptions of the equity and efficiency of the work training requirement?	• WEP staff • WEP registrants	• Perceptions of equity of work/training requirement - Acceptability of work/training requirement - Fairness for participants • Expectations of equity of work/training requirement • Perceptions of efficiency of work/training requirement - Capacity to enhance employability of registrants - Contribution to placement of registrants in unsubsidized jobs • Expectations of efficiency of work/training requirement	• WEP Staff Surveys Baseline and 9-month • Participant Surveys Baseline and Exit	• Perceived equity and efficiency features of work training requirement • Changes in perceived equity and efficiency of work/training requirement during first nine months of program operation for staff and between program entry and exit for participants

Research Questions	Actors	Data Items	Data Sources	Analysis Format
16. Are work refusals considered legitimate behavior by significant fractions of clients and staff?	• WEP registrants	• Number of registrants, both those accepting and refusing work assignments, who perceive work refusal legitimate	• Participant Survey (exit) • Open-ended interview with work refusers by OSRs	• Distribution of participant responses • Refuser case studies • Proportions of registrants and staff who consider refusals legitimate
	• WEP staff	• Perceptions of WEP staff of legitimacy of work refusal by registrants	• Staff Survey • Open-ended interviews with WEP staff by OSRs	• Distribution of staff responses
17. Could an unacceptable incidence of work refusals be significantly reduced by feasible program modifications?	• WEP registrants	• Registrant views on feasible program modifications	• Participant Survey (exit) • Open-ended interviews with registrants by OSRs • OSR observations	• Compilation of suggestions and observations of registrants; identification of principal modification alternatives
	• WEP staff	• Staff views on feasible program modifications	• Staff Survey (exit) • Open-ended interviews with staff by OSRs • OSR observations	• Compilation of suggestions and observations of staff; identification of principal modification alternatives • Development of feasible program modifications

Questions	Actors	Data Categories	Data Sources	Analysis Format
1. Admini- strative ??	• MDES, St. Paul CETA, DPW Staff	• Roles of specific agencies involved in WEP - Administration - Provision of services - Referral of participants • Authority relationships among the participating agencies • Channels of inter-agency communication • Incentives/disincentives for cooperation among agencies • Procedures for insuring compliance with WEP goals and operations • Informal network of authority and communication flows	• WEP Organization Chart • WEP Manual • Written WEP information on consolidated structure • Open-ended interviews with WEP administrative staff, MDES, St. Paul CETA, and DPW staff by OSR's • OSR observations	• Description and institutional analysis of the consolidated WEP structure • Comparison of WEP administration in St. Paul versus SOS
2. Is the current planned, and ??	• MDES, DPW administrators	• Individuals/agencies responsible for initiating planning process • Roles of specific agencies in planning process • Procedures for selecting agencies for participation in the planning process • Level of staff participating in the planning process • Interagency agreements or protocols • Changes in the plans for an integrated structure occurring during the planning process • Major planning issues encountered • Resolution of major issues • Steps taken in the implementation of the consolidated structure • Incidence of resistance to inclusion in the structure • Rationales for possible resistance to inclusion in the structure • "Hidden agendas" for agencies in deliberations on the development of the consolidated structure	• WEP planning documents and reports • Meeting minutes • Interagency memos, protocols • Open-ended interviews with planning staff by OSR's • OSR observation of planning process prior to program start-up	• Organization developmental history of WEP consolidated structure
3. Are the major conflicts upon the of the structure?	• MDES, DPW staff, St. Paul CETA staff	• Conflicts among agencies regarding operation of the WEP • Bottlenecks in client flows, provision of needed services	• OSR observations • WEP MIS • WEP Staff Surveys • Open-ended interviews with MDES and DPW staff by OSR's • Interagency memos, correspondence	• Issue paper on obstacle and issues in implementation of the WEP.
4. Willers have in the opera- the WEP pro- result organizational ??	• MDES, DPW staff, St. Paul CETA staff, WIN staff	• Direct average unit costs of WEP and WIN • Direct per participant costs of WEP and WIN • Changes in the level and composition of income and services to WEP and WIN registrants • Changes in labor force participation of WEP and WIN registrants • Roles of WIN sponsor, WEP, Welfare Department (SAU) and service providers • Organizational relationships among cooperating agencies • Authority relationships among cooperating agencies • Incentives/disincentives for interagency cooperation • Procedures for insuring compliance with WEP and WIN program goals and operations • Informal network of authority and communication flows	• Cost analysis report (to be conducted by AAI) • Impact analysis report (to be conducted by AAI) • OSR observations • Internal memoranda, agency records • Organizational charts • Open-ended interviews with WEP and WIN officials, administrative and operations staff • WIN reports • OSR observations	• Cost analysis - comparisons of relative program costs • Impact analysis - comparison of relative program costs • Comparative institutional analyses of WIN and WEP

Research Questions	Actors	Data Categories	Data Sources	Analysis Format
6. The consolidated administrative structure led to changes in perceptions of • efficiency • effectiveness • self-image • control over - budgets - other agencies?	• MDES, DCW staff, St. Paul WTA staff, WIN staff	• WEP, WIN, and WEP-related staff perceptions of - WEP and WIN program efficiency, effectiveness, and image - Budgetary control - Authority over other agencies • Staff characteristics - Current and past agency affiliation - Credentials and experience • Media reports on WEP	• Staff Survey (exit) • Open-ended interviews with WEP and WIN staff by CSRs • Newspaper clippings	• Distribution of survey responses • Comparison of survey responses by - Current agency affiliation - Past agency affiliation - Staff experience and credentials • Content analysis of media reports
7. What effect would the WEP consolidated structure and program features have in regard to the equity features (the distribution of benefits and costs) of the current welfare system?	• Welfare recipients and applicants	• Level and composition of benefits allocated to welfare recipients in WEP as opposed to non-WEP program • Level and distribution of costs for WEP and non-WEP programs: - clients - state and local governments - state welfare system - federal government - society	• Cost analysis reports • Cost analysis reports	• Calculation of charges in distribution of costs and benefits of WEP versus non-WEP welfare programs

Policy Question 1: Is the WEP demonstration politically acceptable to the community?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. What is the level of knowledge about WEP and other welfare programs among the various relevant groups (selected officials, taxpayers, employers, union, etc.)?	• General Population	• Specific knowledge of program features (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program participants (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program personnel (AFDC, GA, WEP) • Source of knowledge of programs (AFDC, GA, WEP)	• General population survey	• Distribution of accurate knowledge of AFDC, GA, WEP by contact with program participants or with program personnel • Distribution of accurate knowledge of AFDC, GA, WEP by respondent characteristics • Distribution of accurate knowledge of AFDC, GA, WEP by source of knowledge
	• Public officials and community representatives	• Specific knowledge of program features (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program participants (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program personnel (AFDC, GA, WEP) • Source of knowledge of programs (AFDC, GA, WEP)	• Survey of public officials and community representatives	• Distribution of accurate knowledge of AFDC, GA, WEP by contact with program participants or with program personnel • Distribution of accurate knowledge of AFDC, GA, WEP by respondent characteristics • Distribution of accurate knowledge of AFDC, GA, WEP by source of knowledge
	• Employers	• Specific knowledge of program features (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program participants (AFDC, GA, WEP) • Kinds/quantity/intensity of contact with program personnel (AFDC, GA, WEP) • Source of knowledge of programs (AFDC, GA, WEP)	• Employer survey	• Distribution of accurate knowledge of AFDC, GA, WEP by contact with program participants or with program personnel • Distribution of accurate knowledge of AFDC, GA, WEP by respondent characteristics • Distribution of accurate knowledge of AFDC, GA, WEP by source of knowledge
2. What are the perceptions of these groups regarding the WEP program? What distinguishes WEP from regular welfare programs in their minds?	• Employers	• Perceived differences between WEP and AFDC/GA	• Employer survey	• AFDC/GA perceived program features • AFDC/GA perceived program goals by WEP perceived program goals • AFDC/GA perceived program costs by WEP perceived program costs • AFDC/GA perceived program impacts by WEP perceived program probable program impacts/consequences by WEP perceived probable program impacts/consequences. • Distribution of perceived differences between WEP and AFDC/GA. • All above by - Respondent characteristics - Accurate knowledge of program (Dep. Q. #1) - Contact with program client/personnel (Dep. Q. #2)

Research Questions	Actors	Data Items	Data Sources	Analysis Format
	• General population	• Perceived differences between WEP and AFDC/GA	• Survey of general population	• AFDC/GA perceived program features by WEP perceived program features • AFDC/GA perceived program goals by WEP perceived program goals • AFDC/GA perceived program costs by WEP perceived program costs • AFDC/GA perceived program impacts/consequences by WEP perceived probable program impacts/consequences • Distribution of perceived differences between WEP and AFDC/GA • All above by - Respondent characteristics - Accurate knowledge of programs (Res. Q. #1) - Contact with program clients/personnel (Res. Q. #1)
	• Public officials and community representatives	• Perceived differences between WEP and AFDC/GA	• Survey of public officials and community representatives	• AFDC/GA perceived program features by WEP perceived program features • AFDC/GA perceived program goals by WEP perceived program goals • AFDC/GA perceived program costs by WEP perceived program costs • AFDC/GA perceived program impacts/consequences by WEP perceived probable program impacts/consequences • Distribution of perceived differences between WEP and AFDC/GA • All above by - Respondent characteristics - Accurate knowledge of programs (Res. Q. #1) - Contact with program clients/personnel (Res. Q. #1)
	• WEP-related staff	• Perceived differences between WEP and AFDC/GA	• Staff baseline survey • OSR interviews during program operation	• AFDC/GA perceived program features by WEP perceived program features • AFDC/GA perceived program goals by WEP perceived program goals • AFDC/GA perceived program costs by WEP perceived program costs • AFDC/GA perceived program impacts/consequences by WEP perceived probable program impacts/consequences • Distribution of perceived differences between WEP and AFDC/GA

Research Questions	Actors	Data Items	Data Sources	Analytic Format
				• All above by - Respondent characteristics - Accurate knowledge of programs (Res. Q. #1) - Contact with program clients/personnel (Res. Q. #1)
1. To what extent do these groups perceive WFP's objectives and goals, methods and procedures as consistent with their own norms and values?	• Employers	• Expectations that WEP will be (as compared to regular welfare programs): - Cheaper or more expensive - More or less efficient - More or less politically acceptable - More or less acceptable to welfare clients • Importance of each of the above to self • Importance that given categories of potential welfare clients who have employment skills/ actually work: - Mothers with children over age 6 - Men - Women without children • Agreement that welfare recipients who are able but refuse to work should have their benefits cut off	• Employer survey	• Crosstabulations of WEP expectations by importance of each • Crosstabulations of work expectations for welfare clients by actual WEP program requirements • Distribution of "work or cut off benefits"
	• General population	• Expectations that WEP will be (as compared to regular welfare programs): - Cheaper or more expensive - More or less efficient - More or less politically acceptable - More or less acceptable to welfare clients • Importance of each of the above to self • Importance that given categories of potential welfare clients who have employment skills/ actually work: - Mothers with children over 6 - Men - Women without children • Agreement that welfare recipients who are able but refuse to work should have their benefits cut off	• General population survey	• Crosstabulation of WEP expectations of importance of each • Crosstabulations of work expectations for welfare clients by actual WEP program requirements • Distribution of "work or cut off benefits"
	• Public officials and community representatives	• Expectations that WEP will be (as compared to regular welfare programs): - Cheaper or more expensive - More or less efficient - More or less politically acceptable - More or less acceptable to welfare clients • Importance of each of the above to self • Importance that given categories of potential welfare clients who have employment skills/ actually work: - Mothers with children over 6 - Men - Women without children • Agreement that welfare recipients who are able but refuse to work should have their benefits cut off	• Survey of public officials and community representatives	• Crosstabulation of WEP expectations by importance of each • Crosstabulations of work expectations for welfare clients by actual WEP program requirements • Distribution of "work or cut off benefits"
	• WEP related staff	• Expectations that WEP will be (as compared to regular welfare programs): - Cheaper or more expensive - More or less efficient - More or less politically acceptable - More or less acceptable to welfare clients • Importance of each of the above to self • Importance that given categories of potential welfare clients who have employment skills/ actually work: - Mothers with children over 6 - Men - Women without children • Agreement that welfare recipients who are able but refuse to work should have their benefits cut off	• Survey of WEP related staff	• Crosstabulation of WEP expectations by importance of each • Crosstabulations of work expectations for welfare clients by actual WEP program requirements • Distribution of "work or cut off benefits"

Research Questions	Actors	Data Items	Data Sources	Analytic Format
4. Are CwPs perceived as meeting community needs in terms of providing useful services or products?	• General population	• Proportion who are familiar with CwPs • Source of knowledge of CwPs - Participant (client, staff) - Know participant(s) • Proportion who feel CwPs serve community needs	• General population survey	• Distribution by feeling that CwPs serve community needs, by familiarity and source of knowledge
	• Public officials and community representatives	• Proportion who are familiar with CwPs • Source of knowledge of CwPs - Participant (client, staff) - Know participant(s) • Proportion who feel CwPs serve community needs	• Survey of public officials and community representatives	• Distribution of feeling that CwPs serve community needs by familiarity and source of knowledge
	• Employers	• Proportion who are familiar with CwPs • Source of knowledge of CwPs - Participant (client, staff) - Know participant(s) • Proportion who feel CwPs serve community needs	• Employer survey	• Distribution of feeling that CwPs serve community needs, by familiarity and source of knowledge
	WEP related staff	• Proportion who are familiar with CwPs • Source of knowledge of CwPs - Participant (client, staff) - Know participant(s) • Proportion who feel CwPs serve community needs	• Survey of WEP related staff	• Distribution of feeling that CwPs serve community needs, by familiarity and source of knowledge

Policy Question #5: What are the post-program impacts of WEP participation?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. What is the transition rate among program stages and unsubsidized jobs (from CWP's as well as from other treatments)?	• WEP registrants • WIN registrants • Employable GA recipients	• What proportion of WEP participants move from initial CW assignments to unsubsidized jobs at a similar time period? • What proportion of WEP participants move from other statuses (other WEP and non-WEP treatments, CTA, PSE, unemployment, out of WEP, OJT, job search) to unsubsidized employment as compared with comparison group members making similar/comparable movements at a similar time period? - Time spent in job search - Time spent in training - Hours of work - Percentage of time employed - CWP employment - Other subsidized employment - Reasons why people are not in labor force - On welfare and not working	• WEP MIS • WIN and non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Crosstabulation of status at a given time period with status at another time period • Multi-nomial logit maximum likelihood estimation • Tobit analysis • Probit analysis
2. Is recidivism to welfare by WEP participants reduced?	• WEP registrants • WIN registrants • Employable GA recipients	• What proportion of WEP participants move from WEP to unsubsidized employment (or out of WEP because of refusal to participate) at given stages or time periods as compared with comparison group members who move from WIN/welfare to unsubsidized employment? - Time spent in job search - Time spent in training - Hours of work - Percentage of time employed - CWP employment - Other subsidized employment - Reasons why people are not in labor force - On welfare and not working	• WEP MIS • WIN/non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Crosstabulation of status at a given time period with status at another time period • Multi-nomial logit maximum likelihood estimation • Tobit analysis • Probit analysis
3. Has the labor force participation of WEP participants increased?	• WEP registrants • WIN registrants • Employable GA recipients	• Distribution of participants among labor force and non-labor force activities and mean value for each activity • Labor force participation: - Time spent in job search - Time spent in training - Hours of work - Percentage of time employed - CWP employment - Other subsidized employment - Reason why people are not in the labor force - On welfare and not working	• WEP MIS • WIN and non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Statistical analysis including: - Tobit analysis - Probit analysis
4. What type of employment do WEP participants find compared to comparison group members?	• WEP registrants • WIN registrants • Employable GA registrants	• What proportion of WEP participants are employed in each of the following types of jobs, as compared with comparison group members at specified times? - CETA, PSE - Other public employment - Unsubsidized private employment • What occupations are persons employed in? • What industry or economic sector (public, private) are persons employed in?	• WEP MIS • WIN and non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Crosstabulation of status at a given time period with status at another time period • Multi-nomial logit maximum likelihood estimation • Tobit analysis • Probit analysis
5. How have the level of income and benefits of WEP participants changed?	• WEP registrants • WIN registrants • Employable GA recipients	• How much accrues to WEP participants from the following sources as compared with comparison group members? - Wages - Allowances - Stipends - Grants - Food stamps - Medical services and counseling - Transportation - Homemaking - Legal aid - Institutional training - Money management • What proportion of income of WEP participants is attributable to each of the following sources? - Wages - Allowances - Stipends - Grants - Food stamps - Medical services and counseling - Transportation - Homemaking - Legal aid - Institutional training - Money management	• WEP MIS • WIN and non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Crosstabulation of treatment status by value of income and benefits • Tobit analysis

Research Questions	Actors	Data Items	Data Sources	Analysis Format
• Labor force participation and employment differences among participants in WIN and the comparison group?	• WEP registrants • WIN registrants • Employable GA recipients	• Distribution of WEP and non-WEP participants among labor force and non-labor force activities and mean values for each activity • Labor force participation: - Time spent in job search - Time spent in training - Hours of work - Percentage of time employed - GA employment - Other subsidized employment - Reasons why people are not in labor force - CA welfare and not working	• Baseline, 1985, and followup surveys of WEP and non-WEP participants	• Comparisons among WEP, WIN, GA, and regular welfare cases of distribution of activities • Statistical analyses, including - Crosstabulating - Tobit analysis - Probit analysis - Multi-nomial logit

FIGURE 4.2

Policy Question #4: What is the impact of the WEP on participants while they are in the program?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. How do the amount and composition of the support and social services provided to participants in WEP and the comparison programs differ?	• WEP registrants • WIN registrants • Employable GA recipients	• How much of each of the following is received by WEP participants? • How much is received by WIN and GA participants? • How much is received by non-WIN/non-WEP welfare cases before and during the program? - Day care (duration and cost: hours per week per child) - Family planning consultation (duration and cost of service) - Mental health consultation (duration and cost of service) - Employment counseling (duration and cost of service) - Homemaking (duration and cost of service) - Legal services (duration and cost of service) - Money management (duration and cost of service) - Vocational rehabilitation (duration and cost of service) - Institutional training (duration and cost of service) - Work experience by types (duration and cost of service)	• WEP MIS, fiscal records, service provider records • WIN MIS, fiscal records, service provider records • Non-WIN/non-WEP welfare MIS, fiscal records, service provider records • WEP, non-WEP client questionnaires • GA MIS, fiscal records, service provider records	• Comparisons among WEP, WIN, GA, and regular welfare cases of total services received in each category before and during the program
2. How do the amount and composition of the income of participants in WEP and the comparison programs differ?	• WEP registrants • WIN registrants • Employable GA recipients	• What proportion of the income of WEP participants, WIN participants, GA recipients, and regular welfare cases is attributable to each of the following sources before and during the program? - Wages - Allowances - Stipends - Grants - Taxes - Work expenses - Other sources of income	• WEP MIS, fiscal records, service provider records • WIN MIS, fiscal records, service provider records • Non-WIN/non-WEP welfare MIS, fiscal records, service provider records • WEP, non-WEP client questionnaires • GA MIS, fiscal records, service provider records	• Comparison among WEP, WIN, GA, and regular welfare cases of total services received in each category before and during the program
3. How do other program entitlements differ between WEP and non-WEP participants in terms of amount and composition, e.g., food stamps, medical services, rent subsidies?	• WEP registrants • WIN registrants • Employable GA recipients	• What is the amount of each of the following received by WEP, WIN, and GA participants and regular welfare cases before and during the program? - Food Stamps (\$ amount of stamps and cost to family) - Medical services (type and cost of service) - Training (type and cost of service) - Wages in CWP (type and cost of service) - Nature of counseling (type and cost of service) - Value of job search (type and cost of service) - Transportation (type and cost of service)	• WEP MIS fiscal records, service provider records • WIN MIS, fiscal records, service provider records • Non-WEP/non-WIN welfare MIS, fiscal records, service provider records • Survey of WEP participants • Survey of non-WEP participants • GA MIS, fiscal records, service provider records	• Comparisons among WEP, WIN, GA, and regular welfare cases of total benefits received of each kind before and during program • Comparisons among WEP, WIN, non-WEP/non-WIN welfare cases of distribution among types of benefits before and during the program
4. Are participants satisfied with the program? How does it affect their preferences between work and welfare? What differences exist between WEP and non-WEP participants?	• WEP registrants • WIN registrants • Employable GA recipients	• Proportions of participants (WEP, WIN, GA, and regular welfare cases) who expected a given program benefit and were satisfied/dissatisfied with program delivery of that benefit • Work-related benefits: - Assistance in developing career goals - Assistance in job search - Assistance in getting a full time job - Assistance in developing work skills - Provision of a government-sponsored job • Social service benefits - Day care - Counseling (family, mental health, personal) - Medical services - Subsidies (food stamps) - Homemaking - Housing - Legal services - Money management - Transportation - Vocational rehabilitation - Institutional training - Work experience by types	• Baseline, exit and followup surveys of WEP and non-WEP participants	• Comparisons among WEP, WIN, GA, and regular welfare cases of discrepancies between program expectations and program benefits • Comparisons among WEP, WIN, GA, and regular welfare cases of distribution of activities

Research Questions	Actors	Data Items	Data Sources	Analysis Format
How has the composition of total income in terms of earnings from self-employment, subsidized employment, transfer income and other non-wage income changed?	• WEP registrants • WIN registrants • Employable SA recipients	• What proportion of the income of WEP participants is attributable to the different income categories, as compared with comparison group members? • What are the principal independent variables associated with sources of income?	• WEP MIS • WIN and non-WIN welfare MIS • Baseline and followup surveys of WEP participants • Surveys of non-WEP welfare cases • GA MIS	• Crosstabulation of treatment status by distribution of income across sources of income • Tobit analysis

Question for: What are the local labor market impacts of the WEP experiment?

Research Questions	Actors	Data Items	Data Sources	Analysis Format
1. How is the local wage structure affected by the WEP program?		- Are WEP participants highly concentrated among a few occupations, employers, or industries? - Have wage rates among WEP occupations, employers, or industries changed during the course of the program, in directions or magnitude not experienced among similar occupations, employers, or industries not having a concentration of WEP participants?	- Employer survey - OSR observations - General labor market conditions from published and unpublished data	Distribution of changes in wage rates for WEP-concentrated and non-WEP-concentrated occupations, employers, and industries by occupation and industry
2. Does WEP affect the availability of workers to nonsubsidized employers?		- What proportion of employers perceive that the labor supply for low to moderate wage jobs has changed since the inception of WEP? What proportion attributes this change to WEP? - What changes have occurred in the number of low to moderate job listings with the employment service?	- Employer survey - OSR observations	- Distributions of employer perceptions of labor supply by occupation and industry - Distributions of employment service job listings over time by occupation and industry
3. Does WEP increase the labor supply by drawing in new labor force members or encouraging in-migration to project areas?		- What proportion of WEP participants, as compared with comparison group members, had little or no labor market experience prior to entering the program and are now defined as in the labor force? - What proportion of WEP participants, as compared with comparison group members, are recent in-migrants to CWP areas? Were they drawn by the WEP program or other factors?	- WEP participant MIS - Non-WEP welfare MIS - Surveys of WEP participants - Surveys of non-WEP welfare cases	- Rates of new labor force participation among WEP participants, compared with rates of new labor force participation among comparison group members - Rates of area in-migration among WEP participants, compared with rates of area in-migration among comparison group members
4. Do CWPs induce employment substitution in local public agencies and employment substitution within private employers?		What proportion of "normal" employment increase failed to take place among public and private employers involved with or in projects similar to CWPs?	- Records of public and private employers - Revenue or budgets - Sales - Output - New hires, layoffs - Levels of wages - Distribution of job categories - Rehires	- Comparison of actual employment levels with estimated "normal" levels for specified time periods - Econometric time series analysis of changes in the composition of employment
5. Do CWPs induce budget substitution in local public agencies?		- What proportion of "normal" budget allocation failed to take place in public agencies involved with CWPs or in similar projects? - What deviations from "normal" budget composition failed to take place in public agencies involved with CWPs or in similar projects?	- Records of public agencies or public projects - Size and composition of budgets, structure of public labor force - Structure of wages by occupation	Comparison of actual budget allocation and project distribution with "normal" budget allocation and project distribution for specified time periods

- C. Who is to conduct the evaluation? If independent contractor include the scope of work for RFP.

The Department of Labor, Employment and Training Administration has a contract with Abt Associates, a social science research organization in Cambridge, Massachusetts to evaluate the program.

The scope of work as described in the RFP is presented below.

1. Background, Objective, and Scope

The Employment and Training Administration (ETA) of the Department of Labor (DOL) has executed a planning grant^{1/} with the Governor's Manpower Office of the State of Minnesota for the full operational planning of a demonstration program entitled "Work Equity Through Meaningful Employment." This program is designed to test the operational feasibility and the social and economic effectiveness of a new service system which would provide guaranteed work or training as an alternative to income transfer programs.

The major configurations of this program are described in the attached proposal prepared by the Minnesota Governor's Manpower Office (Attachment I). The proposal represents a certain level of operational planning, within an actual real-world setting, for a program concept which has been under development in ETA for several years.

ETA views this Work Equity Program (WEP) concept as an important programmatic development in the employment and training field. It is a system which has not been operationally tested before, even though some of its individual elements have been so tested. The major elements or aspects of this system, on which ETA wants documentation as to their feasibility and effectiveness, both individually and as a total

^{1/} Work Statement of Minnesota Planning Grant appended as Attachment II.

the following:

1. It is a new service delivery system, involving coordination with other human resource development, which provides work or training as an alternative to transfer programs; the emphasis is on putting able persons to work as the first priority and the help in the process.

2. A single uniform work requirement, made meaningful by the provision of sufficient real job opportunities, applied to populations presently subjected to different requirements.

3. A large-scale public job creation component will be created, involving primarily employment of a project type nature; the scale of this effort will exceed previous efforts.

4. Voluntary participation will be provided for certain segments, permitting some examination of the effects of work and work incentives and disincentives.

5. Certain income transfer funds will be converted to work. This will facilitate and highlight a comparative analysis of the costs of providing jobs for employable persons on WEP as opposed to income payments for the

The objective of the project specified in this announcement is to develop a comprehensive research design for the Minnesota WEP, which, should it be implemented in a subsequent phase, would document the feasibility and effectiveness of this program, as a basis on which to make decisions regarding new legislation or national replication.

Full funding of the Minnesota WEP will not be executed until (a) all necessary waivers from HEW regulations have been approved, (b) a satisfactory comprehensive research design has been developed, and (c) satisfactory detailed operating procedures, consistent with the research design, have been developed. Accordingly, it is imperative that the research design and the detailed operational planning be developed in close conjunction with one another, and be fully integrated.

To carry out the objective of the design phase of this project, the tasks described below shall be performed. The anticipated time of performance for these tasks is 3 months, with approximately 15-23 professional person-months required.

In the event full funding for the Minnesota WEP is provided, it is possible that the contractor selected for developing the research design will also be retained to carry out this design in a second phase of this project, assuming satisfactory performance, acceptability of negotiations, and availability of funds. The scope and level of this second and far larger phase would be determined at the end of the research design phase.

In selecting a firm for this project, capability to perform both the research design phase and the research execution phase will be considered.

II. Tasks

The contractor shall develop a comprehensive research design for an integrated process and impact evaluation including:

- o the development of appropriate hypotheses;
- o the identification of items for which data should be obtained, and how and when such data might be obtained;
- o determination of appropriate sample sizes;
- o determination of when experimental-control comparisons are possible and when other techniques to measure net program effects will have to be used;
- o determination of appropriate control or comparison groups and methods of assigning persons to experimental and control groups;
- o determination of what before-after comparisons should be made, and what baseline data should be assembled;
- o determination of appropriate followup period on project participants and controls, and timing for other data collection;
- o determination of the methods for measuring costs of various program elements.

There should be a determination of appropriate means of securing needed data (from regular agency reporting data, new reporting system for the program, interviews, mail questionnaires), and the development and display of appropriate data-gathering instruments. In addition, there should be the development of a plan of analysis, including proposed statistical techniques and suggested analytical models to be used. This effort should be accompanied by an estimation of overall costs for the

implementation of the research design in a subsequent phase. Finally, the contractor may propose modifications to the operational program design, should this be deemed necessary to significantly improve the value of the research results.

The research design should be developed by the contractor in close conjunction with appropriate ETA officials, and key decisions will be made by these officials. The contractor will be expected to present well-thought-out options on key questions, and participate in full discussions of these questions with ETA officials.

In addition to the above tasks, the contractor shall be available to ETA for consultation on the development of an overall, national research and development strategy relating to the concept of providing jobs for employable persons in income transfer programs, which may lead to the operational testing of several variations of the Minnesota WEP. This activity would require the attendance of key contractor staff at no more than five 1-day meetings in Washington.

III. Scope of the Process and Impact Research

Below are described some of the specific items which may be included in the process and impact research. Proposer should consider these, and may suggest changes or additional items that should be covered, with rationale.

The process research should examine the various operational or procedural aspects of the program in terms of their operational feasibility and efficiency, and their relationship to the total WEP system. It should also be able to provide recommendations for changes to improve the WEP system, particularly if it were to be instituted nationwide. In addition, there should be complete documentation of any changes to the operational design during the course of the program, including the reasons for such changes and how they were judged to affect the research outcomes.

The process research should model and analyze such areas of operation as:

- o procedures for selecting and referring program participants;
- o eligibility criteria;
- o operation of the work requirement, including the advantages and disadvantages of applying a unified work requirement to currently separate populations;
- o job search activities;
- o the provision of employability development services;
- o the process of developing new job projects, including start-up time, organizations involved;
- o the administration of the job projects, including

kinds of organizations involved, wage rate and other compensation issues, and procedures for phasing out projects;

- o procedures for the transition of participants to non-subsidized jobs;

- o characteristics of the jobs projects in terms of capital-labor-administration cost mix and skill mix;

- o characteristics of the job in relation to persons assigned to them;

- o relationships between the various agencies participating directly in the program;

- o relationships to other social programs affecting program participants;

- o relationships with community organizations and interest groups;

- o the cost structure of the program elements.

The impact research should assess the effect of the program on program participants; on the income transfer systems affected by the program; on the labor market and the community; and it should include analyses of comparative costs and benefits, to the extent feasible. These specific items may be covered: Program Participants (should include information on demographic characteristics; should be followup for at least 1 year after leaving WEP)

- o Experience while in WEP: attendance, tardiness,

performance on the job; productivity; job search activities; performance in training programs.

- o Total income and benefits at various times before, during, and after WEP participation, including earned income, transfer payments, in-kind entitlements.

- o Transition to non-subsidized jobs; other pre- and post-WEP employment, earnings, and welfare or unemployment insurance history.

- o Satisfaction of participants--and their families--with WEP program; preferences for work vs. welfare.

Income Transfer Systems

- o Impact on AFDC and General Assistance, in terms of increase or reduction in rolls, and reasons for such changes; specifically, the deterrent effect, if any, of a strong and universally applied work requirement.

- o Impact on Unemployment Insurance rolls and fund financing.

- o Community perceptions of whether WEP enhances or undermines the credibility and integrity of these income transfer systems.

Labor Market and Community

- o Estimated net increase in number of jobs; any substitution effect.

- o Reduction in unemployment rate.

- o Impact on private sector--any difficulty in filling jobs; any wage effect.

- o Impact on labor force participation--are more people drawn into labor market.

- o Value to community of new jobs projects.

- o Community preference, if any, for WEP as opposed to traditional income transfer programs.

Costs and Benefits

- o Comparative overall costs with transfer programs which WEP participants would have gone into.

- o Any increased costs for extra administration, supervision, materials and equipment, day care, supportive services.

- o Reduction in transfer payments.

- o Identification of cost factors and benefit factors to (a) individual participants, (b) government, (c) the economy. Analysis of these factors to extent feasible.

The process and impact evaluations are considered to be integrally related and of equal importance in this project. Proposers should indicate by previous experience and by discussion of these various factors in the proposal, their qualifications to carry out both facets of this project.

IV. Timing and Plan of Performance

The planning grant with the Minnesota Governor's Manpower

see cover letter

Office is scheduled to run from November 15, 1976, through March 30, 1977, a period of almost 5 months. It is imperative that the research component be developed concurrently with the detailed operational planning, and be fully integrated with it.

The WEP concept and broad operating model have already been determined, as described in the Minnesota proposal, although much detailed planning remains to be done. However, some modifications may be necessary to accommodate parts of the research design.

In consideration of the above points, key contractor staff will be required to spend considerable time with the Minnesota staff in St. Paul, observing and participating in all aspects of the detailed operational planning so as better to enrich and integrate the research design.

The full research design will also be part of the application by the State of Minnesota to HEW for various waivers of regulations pertaining to the AFDC program, and it is planned that the securing of such waivers should be accomplished during the 5-month operational planning period. In consideration of these constraints, it is anticipated that the research contractor will have no more than 3 months to carry out all the tasks specified above, with a target beginning date of January 3, 1977.

7. Implementation Potential

7A. Estimate the costs and the benefits that might accrue from replication or installation on a statewide or a national basis, specifying the assumptions and logic used in making this estimate.

The national replicability of the Minnesota WEP depends upon the estimates of the costs (direct and adjusted) of program inputs and the program participation rates. Rough estimates of the cost of implementing the WEP model on a national scale can be calculated by extrapolating cost and participation data to the national welfare population. These estimates will be generated in this evaluation in Policy Question 3: Is the consolidated administrative structure for the Minnesota program an appropriate model for national welfare reform?

The principal task of policy question 3 is to accurately describe the nature of the consolidated administrative structure, the way in which it was developed, and how well it has performed its functions in the operation of WEP. Among the most important lessons to be learned from the Minnesota demonstration as a model for welfare reform is where

institutional or personal self-interest is threatened and how accommodations to this fact are reached.

The consolidated administrative structure can be considered appropriate to the extent that it can meet its objectives effectively, efficiently, and equitably. The major test of this is a comparison of the consolidated structure with the principal comparison program (WIN) in terms of meeting these objectives. In part, the assessment of the consolidated structure depends upon cost and impact analyses (which evaluate the effectiveness and efficiency of the WEP program) conducted as a part of the general WEP evaluation (see research design pages 95, 131).

There are a number of preliminary tasks which must be undertaken in order to analyze the research questions for policy question 3. The key personnel involved in the development and operations of the consolidated structure must be identified. The written records on the development process--meeting minutes, memoranda, interagency protocols, etc.--must be located. These tasks will be carried out by the OSR's, primarily, with the assistance of the WEP administrators. Subsequently, the OSR's will conduct a series of personal interviews with the key personnel and analyze written data in order to complete the following objectives:

- o Description of the integrated administrative structure: identification of principal organizations, their relationships, responsibilities, authority, and roles.
- o Description of the history of administrative structure development: changes occurring during the course of planning for the structure; compromises made, transactions taking place; enabling legislation; executive orders issued.
- o Examination of data on operational problems in WEP program administration: communication breakdowns, problems in delivery or timing of services, bottlenecks in flows through the systems, jurisdictional or "turf" disputes.
- o Analysis of the clarity and specificity of organizational relationships; interagency cooperation, fulfillment of contractual or stipulated program responsibilities.
- o Comparative institutional analysis of the WEP and WIN administrative structure, staff perceptions of the effectiveness, and efficiency of the two structures.

Staff surveys will be conducted to assess staff perceptions of the performance and image of the two program administrative structures. This data will be supplemented by OSR open ended interviews with WEP, WIN, and WEP related staff on the comparative merits of the two structures.

The results of these analyses will be an organizational study of the consolidated WEP structure, a program development history of the consolidated structure, and an examination of the appropriateness and relevance of this structure for future welfare reform initiatives, on a local and national level.

Whether or not the Minnesota WEP is an appropriate model for national welfare reform also depends on an assessment of how equitable WEP is vis-a-vis current welfare programs. The question of equity concerns the distribution of program benefits and services. The WEP program may result in considerable changes in the allocation of benefits among welfare program recipients. It is important to document the changes in the relative shares of these program benefits. One must know which recipient groups increase or decrease their share of benefits. For instance, do families with children receive more or less than single individuals and families without children in WEP as opposed to current programs? What specific benefits increase/decrease for these categories of recipients?

The WEP program may change the proportion of money and services going to specific groups. These distributional consequences are an important aspect of WEP's appropriateness for national welfare reform. The extent to which specific groups experience changes in the level and composition of benefits is a critical issue in assessing how well WEP responds to national welfare reform goals.

The burden of costs is another factor in assessing the equity of WEP. The level and proportional distribution of costs to clients, state and local governments, the state welfare system, the Federal government, and society are important criteria in assessing the equity features of the WEP program. Changes in the distribution of costs (including opportunity costs to clients) must be identified. Such changes are critical in terms of the political feasibility of the program and its acceptability to the program clients. These costs and benefits and their distribution across actor categories will be examined in the process analysis of this policy question. In addition, obstacles and constraints of generalizing from the Minnesota WEP results to a nationwide level will also be noted.

7C. Specify how final products will be oriented towards facilitating implementation in other locations.

The process analysis which is the core of the WEP demonstration evaluation, will objectively describe what happens both within the WEP experiment and among those parties external to WEP who influence the experiment or are affected by it. Such an analysis will help facilitate the implementation of the WEP in other locations by identifying the interactions of actors and events which bear on its replicability in other locations

The process design first describes the various actors, the individuals and political and social institutions, involved in the WEP experiment. These are such individuals and institutions as the Minnesota Department of Employment Security, the Minnesota Department of Public Welfare, the City of St. Paul, the County Welfare Boards, the Community Work Projects and the comparison group and experimental group members: the AFDC and GA clients. The process design then addresses the events which occur in the WEP experiment such as exemption determination, WIN (AFDC) or ES (GA) registration, and supportive services appraisal.

The process analysis is subdivided into two distinct types. The first is comparative, focusing on a treatment or policy variable, and identifying the specific differences in procedures which affect experimental and comparison groups. This type of process analysis seeks evidence of the consequences and implications of this procedural difference. The second type ignores the comparison case entirely and devotes full attention to the demonstration (WEP) itself, focusing on the question "What happens and why?"

This combined approach identifies the sources of institutional inertia or resistance to change. The nature and effects of differences in organizational, staff, and client behavioral objectives are analyzed.

The specification of these objectives and behavior patterns is a necessary element in accounting for the nature of the operation of the WEP, in developing procedures to analyze the impacts of the program, and to successfully implementing the program in other locations.

The WEP start-up and process analysis will identify the issues and problems which arise in the Minnesota demonstration project and how in turn each was handled. The analysis of the WEP process will allow AAI to identify interrelationships between factors and bureaucratic institutions which will help facilitate implementation in other locations.