



**Human Resources
Administration**
Department of
Social Services

TESTIMONY

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Human Resources Administration's Family Independence Agency

The Back to Work Program

*Joint Hearing of the New York City Council
General Welfare and Contracts Committees*

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Good morning. My name is Seth Diamond, Executive Deputy Commissioner at the Human Resources Administration's (HRA) Family Independence Administration. With me is Ray Singleton Assistant Deputy Commissioner in charge of the Employment Services Division at HRA. We are here to discuss the Agency's Back to Work Program and accomplishments over the most recent contract cycle.

HRA's Back to Work program is a partnership between the agency and seven service providers. This partnership is further supplemented by the work of nine not-for-profit community based organizations who act as subcontractors. These contractors and subcontractors, which represent the City's leading employment and training providers, operate throughout the five boroughs and offer a range of employment services to low-income New Yorkers. The Back to Work program is part of a larger, integrated service structure that offers employment services to Cash Assistance applicants and recipients of all abilities. That network of programs has helped the City achieve record job placements and is a key component of our welfare reform strategy.

HRA's Broader Employment System

To more fully understand the Back to Work Program, it is important to first better understand the role the providers play in our employment system. Individuals who apply for Cash Assistance (CA) are asked by one of HRA's Job Opportunity Specialists as part of the application process about their employment experience and interests. The interview also includes a discussion of any barriers to employment the applicant may have and if they are currently enrolled in training program.

Based on the results of the interview, the individual will be referred to a program designed to meet their needs. If an individual has a potential health barrier to employment they will be referred to the Agency's WeCARE program for further assessment. If they are already enrolled in a training program, they will be referred to a centralized training assessment process. Someone who claims to or may have substance abuse issues is referred for a more detailed assessment by credentialed substance abuse workers. If a Cash Assistance applicant is not enrolled in a program and does not have a substantial barrier, after child care is put in place, should it be needed, they will likely be referred to the Back to Work program.

The Back to Work Population

While other programs in our employment system are designed specifically to assist individuals with more substantial barriers to employment, the Back to Work program also serves individuals with a wide range of experience and backgrounds. Although some of those enrolled may have recently lost a job and need only minimal help connecting to a new employer others have more challenges to employment. For example, some recipients may be homeless, recently released from prison, young people aging out of foster care, people who have no substantial prior work experience, or have limited to no specific skills training. Back to Work vendors have services available for the full range of the cash assistance population and must assist all who are referred in finding employment.

The BTW Applicant Phase

During the applicant period, the Back to Work vendor is expected to focus on assisting those individuals who can work into employment. The hope is that during this phase, which lasts about a month, the individual can find employment, eliminating or reducing the need for Cash Assistance. Prior to assignment to a work activity, the Back to Work programs conduct a more detailed assessment of the individual's skills and abilities and try and identify an appropriate employment goal. Individuals are expected to participate full-time, 35 hours a week, in a range of activities which could include job search, resume preparation, interviewing skills and short-term training.

The BTW Cash Assistance Recipient Phase

Individuals not placed in employment during the application phase of Back to Work are assigned to a recipient activity. This assignment incorporates the experience during the BTW Applicant Phase and is determined after a meeting between the individual and an HRA worker who is outstationed at the Back to Work vendor. Many individuals are actively engaged in looking for employment at the completion of the applicant phase and continue working as a recipient with the Back to Work vendor. For others, the applicant phase has led to the identification of career interests which can be better served in a skills training program. Some may need the literacy or language proficiency services of the Agency's Begin Education Gain Independence Now (BEGIN) program. There may be other recipients who start as a recipient working with the Back to Work provider but are later referred to a subsidized employment opportunity such as one at the City's Parks Department.

For those who stay with the Back to Work vendor, the continuity of working with the same employment vendor as a recipient as when they were an applicant is helpful. This is a change from our previous approach and is in response to input we received from both advocates and service providers. Individuals may have developed relationships with counselors and job developers, and, rather than starting over with a new set of providers, they can build on that work as a Cash Assistance recipient. Those working with a Back to Work vendor as a recipient generally spend two days weekly with that vendor and three days weekly working in a work experience assignment. This full time engagement best prepares individuals for paid work and is an important part of the City's overall employment strategy.

Individuals are required to complete their required hours each week at the Back to Work program but are excused for illness, religious holidays, jury duty and other documented reasons. The service providers participating in the program are responsible for keeping attendance and reporting that information weekly to HRA. Since the attendance standards at Back to Work and in our other programs are designed to replicate what a recipient should face in the private sector, we allow and expect providers to exercise discretion when completing their attendance rosters. Like a private employer, staff has the discretion not to report non-compliance for a participant if they feel a Cash Assistance recipient is making good progress in finding employment and otherwise complying with their required employment program hours.

Our Back to Work providers offer a full range employment services. In addition to job search services, the vendors may utilize employment focused training programs to prepare an individual for work in a specific field. If needed and appropriate, individuals can be excused from work experience on a particular day to attend a program the contractor is offering. Although there are federal and state rules regarding the ability to count certain activities that vendors must follow, the City does not dictate any particular employment strategy for our partners but leaves service related decisions to the program providers who are experts in the field and who are working closely with program participants.

The BTW Milestone Performance Structure

Our Back to Work partners are intensely focused on the key goal of any employment program – finding a job for those enrolled. Back to Work vendors receive most of their funding not for merely providing services, but for an individuals beginning to work and remaining employed for 30, 90 and 180 days. This milestone structure is a critical component of the contract. It ensures taxpayer dollars are only spent when vendors achieve successful outcomes and, just as importantly, it guarantees vendors will aggressively work with those enrolled to help them find employment as quickly as possible. Vendors have no incentive to merely provide services not tied to employment and must ensure the jobs they connect people to are a good fit. If someone is placed in a job and then leaves that job in less than a month, the contractor receives no payment for that placement.

As I have said, the vendors' work does not end 30 days after placement. For the vendor to receive full payment, the Cash Assistance recipient must continue to be employed at the 90th and 180th day. Vendors are expected to provide services designed to help with a participant's transition to the work place and must provide pay stubs from them to document a claim for a retention payment.

While the performance nature of the Back to Work contract ensures our contractors are working intently to achieve program goals, the Agency also closely monitors performance. Each month contractors are provided with a report card of their performance on over 40 indicators. Vendors' offices are judged against other offices operated by the same vendor and against other vendors for the calendar year and the contract period. Discussion on these indicators which include placement and retention rates, average wages of placements and a variety of process measures takes place weekly at "Vendorstat" meetings. HRA also conducts contract monitoring visits to vendor locations.

As I mentioned earlier the Back to Work vendors are one part, certainly an important part, but only one part of a larger comprehensive employment system. Because the system works together with the different parts supporting each other, it is best to view the results of our employment system as a whole. Last year despite an already difficult economic environment, over 80,500 Cash Assistance applicants and recipients gained employment. This was an improvement over the previous year, even with a smaller caseload. The average wage for those jobs was over \$9 an hour. While we are of course concerned about the impact on the Cash Assistance population of the downturn in the economy, we

continue to work to move people to employment and at this point the turnover in the entry level job market still allows for continued job placements. This year alone, over 19,000 individuals have moved to employment.

We are proud of our relationship with our Back to Work providers and believe together, with our other programs, we have created one of the most integrated and comprehensive employment service systems in the country.

Thank you and we are available for your questions. However, as you know we are not able at this time to respond to questions concerning the exercise of the Back to Work contract renewal options since these contract actions have not yet been finalized.