

IMPACTING



Families Through Work:

"An action plan for self sufficiency"

Partnership for Personal Responsibility

State of Indiana

Evan Bayh, Governor

June 1994

Place parcel register tape or stamp UPS shipper name

Place a UPS Next Day Air T

UPS Next Day Air
UPS Worldwide Express
Shipping Document

UPS DRIVER

- RECORD 6-DIGIT UPS SHIPPER NUMBER FROM BOX 1
- IF BOX 1 IS BLANK OR THE NUMBER IS MORE THAN 6 DIGITS, RECORD THE NUMBER FROM BOX 2

SHIPMENT FROM

UPS SHIPPER NO.	1 40745	2
REFERENCE NUMBER	TELEPHONE	
<i>Cheryl Sullivan</i>	<i>317-232-4720</i>	
FAMILY SOCIAL SERV. ADMIN.		
402 W WASHINGTON		
INDIANAPOLIS IN 45204		

DELIVERY TO

TELEPHONE	
<i>Carol Rasco, Asst. to President 702-656</i>	
<i>Domestic Policy Advisor - White House</i>	
<i>1600 Pennsylvania Ave, NW 2nd Floor</i>	
<i>Washington, D.C.</i>	<i>20500</i>

WEIGHT AND ZONE	WEIGHT	DIMENSIONAL WEIGHT	ZONE

- NEXT DAY AIR
- WORLDWIDE EXPRESS
- DOCUMENTS ONLY
- SATURDAY PICKUP
- SATURDAY DELIVERY

UPS	P.O.D. FOR INTERNATIONAL SHIPMENTS (WORLDWIDE EXPRESS)	TRACKING NUMBER
		0600 4274 220
SIGNATURE		
X PRINT RECEIVER'S FIRST INITIAL, LAST NAME		
DATE	TIME	

BILL RECEIVER

UPS Next Day Air
Extremely Urgent



0600 4274 220

UPS Next Day Air

**Instructions for Preparing a
UPS NEXT DAY AIR PAK**

- **Type or print your own address label and affix in the space provided on the front of this PAK.**
- **Complete a UPS Next Day Air Tracking Label, remove backing, and affix in the space provided on the front of this PAK. Remove the Shipper Receipt and attach it to your shipping record.**
- **Complete the UPS Pickup Record. (Refer to the UPS Air Service Guide for instructions.)**
- **Please separate your ground and air shipments.**



United Parcel Ser



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Bill Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear President Clinton,

I am pleased to forward to you Indiana's demonstration project seeking waivers for welfare reform. The waivers are based upon a common sense approach to ending the cycle of welfare and hopefully can serve as a model for other states' welfare reform initiatives.

The demonstration project includes 42 different waiver requests which will require review by five Cabinet Secretaries. The demonstration project is comprehensive and focuses on the collaboration that must occur within government to insure families receive all necessary services to attain self-sufficiency.

The demonstration project focuses on four basic premises:

- Work must be more attractive than welfare;
- Each recipient must be responsible for, and participate in, the process of self-sufficiency; and
- The welfare system must ensure equity with the unsubsidized working poor;
- Public assistance must be a temporary situation rather than a permanent way of life.

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Honorable Bill Clinton

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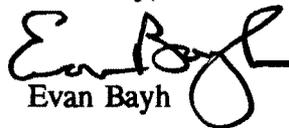
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Sincerely,


Evan Bayh

Page 3

Honorable Bill Clinton

cc: Honorable Donna E. Shalala, Secretary
Health and Human Services Department

Honorable Mike Espy, Secretary
United States Department of Agriculture

Honorable Henry G. Cisneros, Secretary
United States Department of Housing and Urban Development

Honorable Richard B. Reich, Secretary
United States Department of Labor

Honorable Richard W. Riley, Secretary
United States Department of Education



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Donna E. Shalala, Secretary
Health and Human Services Department
200 Independence Avenue, S.W.
615F HHH
Washington, D.C. 20201

Dear Secretary Shalala,

I am pleased to forward to you Indiana's demonstration project seeking waivers for welfare reform. The waivers are based upon a common sense approach to ending the cycle of welfare and hopefully can serve as a model for other states' welfare reform initiatives.

The demonstration project includes 42 different waiver requests which primarily focus on issues under the authority of the Secretary, Department of Health and Human Services. However, various waiver requests relating to Food Stamps are included also, as well as a request for waiver of program eligibility requirements and admittance into various programs under the authority of the Secretary of Labor, the Secretary of Education, and the Secretary of Housing and Urban Development. The demonstration project is comprehensive and focuses on the collaboration that must occur within government to insure families receive all necessary services to attain self-sufficiency.

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Honorable Donna E. Shalala

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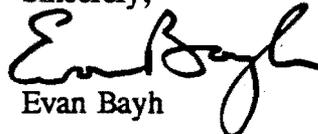
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Evan Bayh

cc: Honorable Bill Clinton
President of the United States



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Mike Espy, Secretary
United States Department of Agriculture
14th Street and Independence Avenue, S.W.
200-A
Washington, D.C. 20250

Dear Secretary Espy,

I am pleased to forward to you Indiana's demonstration project seeking waivers for welfare reform. The waivers are based upon a common sense approach to ending the cycle of welfare and hopefully can serve as a model for other states' welfare reform initiatives.

The demonstration project includes 42 different waiver requests which primarily focus on issues under the authority of the Secretary, Department of Health and Human Services. However, various waiver requests relating to Food Stamps are included also, as well as a request for waiver of program eligibility requirements and admittance into various programs under the authority of the Secretary of Labor, the Secretary of Education, and the Secretary of Housing and Urban Development. The demonstration project is comprehensive and focuses on the collaboration that must occur within government to insure families receive all necessary services to attain self-sufficiency.

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Honorable Mike Espy

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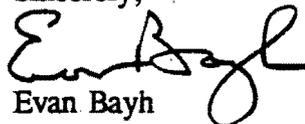
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Evan Bayh

cc: Honorable Bill Clinton
President of the United States



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Henry G. Cisneros, Secretary
United States Department of Housing and Urban Development
451 Seventh Street, S.W.
10000
Washington, D.C. 20410

Dear Secretary Cisneros,

I am pleased to forward to you Indiana's demonstration project seeking waivers for welfare reform. The waivers are based upon a common sense approach to ending the cycle of welfare and hopefully can serve as a model for other states' welfare reform initiatives.

The demonstration project includes 42 different waiver requests which primarily focus on issues under the authority of the Secretary, Department of Health and Human Services. However, various waiver requests relating to Food Stamps are included also, as well as a request for waiver of program eligibility requirements and admittance into various programs under the authority of the Secretary of Labor, the Secretary of Education, and the Secretary of Housing and Urban Development. The demonstration project is comprehensive and focuses on the collaboration that must occur within government to insure families receive all necessary services to attain self-sufficiency.

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Honorable Henry G. Cisneros

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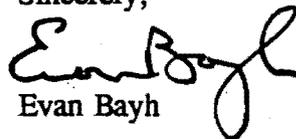
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Evan Bayh

cc: Honorable Bill Clinton
President of the United States



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Richard B. Reich, Secretary
United States Department of Labor
2000 Constitution Avenue, N.W.
S-2018
Washington, D.C. 20250

Dear Secretary Reich,

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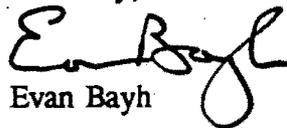
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Evan Bayh

cc: Honorable Bill Clinton
President of the United States



OFFICE OF THE GOVERNOR
INDIANAPOLIS, INDIANA 46204-2797

EVAN BAYH
GOVERNOR

June 17, 1994

Honorable Richard W. Riley, Secretary
United States Department of Education
400 Maryland Avenue, S.W.
4181
Washington, D.C. 20202

Dear Secretary Riley,

I am pleased to forward to you Indiana's demonstration project seeking waivers for welfare reform. The waivers are based upon a common sense approach to ending the cycle of welfare and hopefully can serve as a model for other states' welfare reform initiatives.

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Honorable Richard W. Riley

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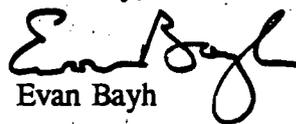
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Evan Bayh

cc: Honorable Bill Clinton
President of the United States

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction Preapplication <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED	Applicant Identifier
	3. DATE RECEIVED BY STATE	State Application Identifier
	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: Family and Social Services Administration	Organizational Unit: Division of Family and Children
Address (give city, county, state, and zip code): 402 West Washington Street W392 Indianapolis IN 46204-7083	Name and telephone number of the person to be contacted on matters involving this application (give area code): James M. Hmurovich, Director : (317) 232-4704

6. EMPLOYER IDENTIFICATION NUMBER (EIN): <input type="text"/> <input type="text"/> - <input type="text"/>	7. TYPE OF APPLICANT (enter appropriate letter in box) <input type="checkbox"/> <table border="0"> <tr> <td>A. State</td> <td>H. Independent School Dist.</td> </tr> <tr> <td>B. County</td> <td>I. State Controlled Institution of Higher Learning</td> </tr> <tr> <td>C. Municipal</td> <td>J. Private University</td> </tr> <tr> <td>D. Township</td> <td>K. Indian Tribe</td> </tr> <tr> <td>E. Interstate</td> <td>L. Individual</td> </tr> <tr> <td>F. Intermunicipal</td> <td>M. Profit Organization</td> </tr> <tr> <td>G. Special District</td> <td>N. Other (Specify): _____</td> </tr> </table>	A. State	H. Independent School Dist.	B. County	I. State Controlled Institution of Higher Learning	C. Municipal	J. Private University	D. Township	K. Indian Tribe	E. Interstate	L. Individual	F. Intermunicipal	M. Profit Organization	G. Special District	N. Other (Specify): _____
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G. Special District	N. Other (Specify): _____														

8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es): <input type="checkbox"/> <input type="checkbox"/> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other (specify): _____	9. NAME OF FEDERAL AGENCY: Administration of Children & Families
---	--

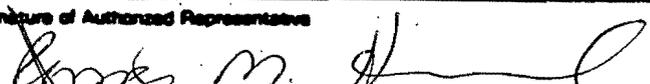
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 9 3 0 2 0 TITLE: Aid to Families with Dependent Children	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Indiana Manpower, Placement and Comprehensive Training Program- A Welfare Reform Initiative
--	---

12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.):
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13. PROPOSED PROJECT: Start Date: 11/1/94 Ending Date: 10/31/2004	14. CONGRESSIONAL DISTRICTS OF: a. Applicant: 10th District b. Project: All
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15. ESTIMATED FUNDING: <table border="1"> <tr><td>a. Federal</td><td>\$</td><td>.00</td></tr> <tr><td>b. Applicant</td><td>\$</td><td>.00</td></tr> <tr><td>c. State</td><td>\$</td><td>.00</td></tr> <tr><td>d. Local</td><td>\$</td><td>.00</td></tr> <tr><td>e. Other</td><td>\$</td><td>.00</td></tr> <tr><td>f. Program Income</td><td>\$</td><td>.00</td></tr> <tr><td>g. TOTAL</td><td>\$</td><td>.00</td></tr> </table>	a. Federal	\$.00	b. Applicant	\$.00	c. State	\$.00	d. Local	\$.00	e. Other	\$.00	f. Program Income	\$.00	g. TOTAL	\$.00	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. YES THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE _____ b. NO <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
a. Federal	\$.00																				
b. Applicant	\$.00																				
c. State	\$.00																				
d. Local	\$.00																				
e. Other	\$.00																				
f. Program Income	\$.00																				
g. TOTAL	\$.00																				
17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation. <input type="checkbox"/> No																						

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN SOLELY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED

a. Typed Name of Authorized Representative: James M. Hmurovich	b. Title: Director	c. Telephone number: (317)232-4704
d. Signature of Authorized Representative: 		e. Date Signed: 6-17-94

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT			
PART 3: SEMIANNUAL BUDGET PROJECTIONS			
STATE: INDIANA	SUBMISSION: X March September New x Revised		
Estimates:	FY 1994	FY 1995	FY 1996
FMAP Rates:	63.49%	63.03%	63.03%

SECTION A: MAINTENANCE ASSISTANCE PAYMENTS

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	221,540	246,115	256,225
2. Basic Money Payments (at the FMAP rate)	204,540	225,115	231,225
3. Payments for Unemployed Parents (at the FMAP rate)	17,000	21,000	25,000
4. Payments for Temporary Housing (at the FMAP rate)			
5. Title IV-A Payments Under JOBS (at the FMAP rate)			
6. Payments for Home Repair (at the 50% FFP rate)			
7. Payments to Indiana Tribes (at the 80% FFP rate)			
8. Interest Earned and Other Program Income Received			
9. Total Federal Share of Expenditures	140,656	155,126	161,499
10. Federal Share of Recovered Overpayments	350	35	35
11. Net Federal Share of Child Support Collections	14,000	14,000	14,000
12. Net Federal Share of Expenditures	126,306	141,091	147,464

SECTION B: EMERGENCY ASSISTANCE PAYMENTS (FFP RATE: 50%)

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	20,000	20,000	21,000
2. Emergency Assistance Payments For Temporary Housing			
3. Other Emergency Assistance Payments	20,000	20,000	21,000
4. Federal Share of Expenditures	10,000	10,000	10,500

CONTINUE ON PAGE 2

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT			
PART 3: SEMIANNUAL BUDGET PROJECTIONS			
STATE: INDIANA	SUBMISSION: X March September New X Revised		
Estimates:	FY 1994	FY 1995	FY 1996
FMAP Rates:	63.49%	63.03%	63.03%

SECTION C: FAMILY ASSISTANCE MANAGEMENT INFORMATION SYSTEM (FFP RATE: 90%)

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	2,693,524	0	0
2. Approved ADP Operational Hardware Expenditures	0	0	0
3. Approved ADP Developmental Expenditures	2,693,524	0	0
4. Federal Share of Expenditures	2,424,172	0	0

SECTION D: CHILD CARE (FMAP RATE)

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	18,940	32,331	41,367
2. Expenditures for Regular Child Care Services	14,300	24,895	31,853
3. Expenditures for Transitional Child Care Services	4,640	7,436	9,514
4. Federal Share of Expenditures	12,025	20,378	26,074

SECTION E: AT-RISK CHILD CARE (FMAP RATE)

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	6,659	10,343	10,343
2. At-Risk Child Care Payments	6,500	9,311	9,311
3. Administrative Expenditures	159	1,032	1,032
4. Program Income Received			
5. Federal Share of Expenditures	4,228	6,519	6,519

CONTINUE ON PAGE 3

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT			
PART 3: SEMIANNUAL BUDGET PROJECTIONS			
STATE: INDIANA	SUBMISSION: <input checked="" type="checkbox"/> March <input type="checkbox"/> September <input type="checkbox"/> New <input checked="" type="checkbox"/> Revised		
Estimates:	FY 1994	FY 1995	FY 1996

SECTION F: ADMINISTRATION

1. Total Expenditures Eligible For Federal Financial Participation (FFP)	42,720	48,585	46,450
2. ADP Expenditures (at the 50% FFP rate)	8,165	8,400	8,400
3. Child Care Expenditures (at the 50% FFP rate)	1,300	1,600	1,800
4. Work Program Expenditures (at the 50% FFP rate)			
5. Other Administrative Expenditures (at the 50% FFP rate)	33,255	36,585	36,250
6. Expenditures for the Control of Fraud and Abuse (at the 75% FFP rate)			
7. Expenditures for Demonstration Projects			
8. Expend. for Systematic Alien Verification for Entitlement (SAVE) (100% FFP rate)			
9. Federal Share of Expenditures Eligible at the 50% FFP rate	21,360	22,293	23,225
10. Federal Share of Expenditures Eligible at the 75% FFP rate			
11. Federal Share of Expenditures Eligible at a Variable FFP rate			
12. Federal Share of Expenditures Eligible at the 100% FFP rate			
13. Total Federal Share of Expenditures	21,360	22,293	23,225

Signature: Approving Official	Typed Name, Title, Agency Name
Date Submitted	

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT			
PART 4: COMPONENTS OF BUDGET PROJECTIONS			
STATE: INDIANA	SUBMISSION: X March September New x Revised		
Estimates:	FY 1994	FY 1995	FY 1996

SECTION A: AVERAGE MONTHLY COUNT OF ASSISTANCE UNITS

1. AFDC - Basic Program	70,800	71,500	72,000
2. AFDC - Unemployed Program	3,920	4,100	4,550
3. Receiving Emergency Assistance			

SECTION B: AVERAGE MONTHLY COUNT OF RECIPIENTS

1. AFDC - Basic Program	201,777	203,775	205,200
2. AFDC - Unemployed Parent Program	17,317	18,180	20,180
3. Community Work Experience Program	15	15	15
4. Employment Search Program			
5. AFDC - Home Repair Program			

SECTION C: STATE AFDC EMPLOYEES

1. Number of Full-Time Equivalent Employees Chargeable to AFDC	1,090	1,090	1,090
2. Total Annual Salary and Fringe Benefit Costs	29,030	30,050	30,050

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT	
PART 4: COMPONENTS OF BUDGET PROJECTIONS	
STATE: INDIANA	SUBMISSION: March <input checked="" type="checkbox"/> September New <input checked="" type="checkbox"/> Revised

SECTION D: EXPLANATION OF CHANGES IN EXPENDITURE COMPONENTS

1. Expenditure Component: Maint Assist Payments	Fiscal Year: 1995	Pct. Change From Previous Year: 11.1%
Explanation: AFDC-UP payments have been rising at an average rate of 11% per quarter.		

2. Expenditure Component: FAMIS	Fiscal Year: 1995	Pct. Change From Previous Year:
Explanation: Enhanced funding no longer available as of March 31, 1994.		

3. Expenditure Component: FAMIS	Fiscal Year: 1996	Pct. Change From Previous Year:
Explanation: Enhanced funding no longer available as of March 31, 1994.		

4. Expenditure Component: Child Care	Fiscal Year: 1995	Pct. Change From Previous Year: 24.1%
Explanation: Both Child Care Programs (Transitional and Regular) are expected to have rapid growth within this time frame.		

Prepared by: Mary Gable, Budget Analyst

Date: October 30, 1993

AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM FINANCIAL REPORT		
PART 4: COMPONENTS OF BUDGET PROJECTIONS		
STATE: INDIANA	SUBMISSION: March <input checked="" type="checkbox"/> September	New <input checked="" type="checkbox"/> Revised

SECTION D: EXPLANATION OF CHANGES IN EXPENDITURE COMPONENTS

1. Expenditure Component: Child Care	Fiscal Year: 1996	Pct. Change From Previous Year: 12.8%
Explanation: Both programs are expected to continue growth but at a slower rate than prior year.		

2. Expenditure Component: At-Risk Child Care	Fiscal Year: 1995	Pct. Change From Previous Year: 43.3%
Explanation: Program started in quarter ending June 92, more focus is being placed on this program and costs should increase at a rapid rate.		

3. Expenditure Component:	Fiscal Year:	Pct. Change From Previous Year:

4. Expenditure Component:	Fiscal Year:	Pct. Change From Previous Year:
Explanation:		

Prepared by: Mary Gable, Budget Analyst

Date: October 30, 1993

SECTION H - PERSONNEL

Part III (Continued)

Name and Position Title	Annual Salary Rate	No. Mos. Buds.	% Time	Total Amount Required
	(1)	(2)	(3)	(4)
1. Cheryl Sullivan, Secretary Family and Social Services Administration	71,318	$\frac{12}{12}$	5%	3,566
2. James M. Hmurovich, Director Division of Family and Children	62,296	$\frac{12}{12}$	25%	15,574
3. Carlis V. Williams, Deputy Director Division of Family and Children	50,024	$\frac{12}{12}$	50%	25,012
4. Tom Reel, Manager IMPACT	34,632	$\frac{12}{12}$	75%	25,974
5. Char Burkett, Manager Family Independence	32,916	$\frac{12}{12}$	75%	24,687
6. Laura Nelson-Green, Manager Bureau of Program Evaluation	30,472	$\frac{12}{12}$	40%	12,189
7. Willie Taylor, Policy Manager	30,472	$\frac{12}{12}$	30%	9,142
8. Cheryl Baxter, Project Coordinator ICES	30,472	$\frac{12}{12}$	50%	15,236
9. Sue Stanis, Manager Bureau of Program Integrity	45,526	$\frac{12}{12}$	20%	9,105
10. Steve DeMougin, Assistant Secretary Family and Social Services Administration	60,398	$\frac{12}{12}$	5%	3,020
11. Liz Brown, Attorney	36,140	$\frac{12}{12}$	5%	1,807
12. Representative Division of Disability Aging and Rehabilitative Services	55,016	$\frac{12}{12}$	10%	5,502
13. Representative Division of Mental Health	53,014	$\frac{12}{12}$	10%	5,301
Fringe Benefits (Rate _____)				
CATEGORY TOTAL				8

SECTION H — PERSONNEL

Part III (Continued)

Name and Position Title	Annual Salary Rate	No. Mos. Budge.	% Time	Total Amount Required
	(1)	(2)	(3)	(4)
14. Joe Allen, Budget Analyst	27,508	$\frac{12}{12}$	5%	1,375
15. Karen Kinder, Chief Financial Officer	37,440	$\frac{12}{12}$	5%	1,872
16. Peg Smith, Director Step Ahead	50,024	$\frac{12}{12}$	5%	2,501
17. Rich Schneider, Director FSSA External Affairs	39,000	$\frac{12}{12}$	5%	1,950
18. Representative Workforce Development	45,000	$\frac{12}{12}$	5%	2,250
19. Representative Department of Health	45,000	$\frac{12}{12}$	5%	2,250
20. Representative Department of Education	45,000	$\frac{12}{12}$	5%	2,250
21. Consultant of Training	25,000	$\frac{9}{12}$	N/A	
22. Secretary, Executive Area	21,060	$\frac{12}{12}$	5%	1,053
23. Secretary Family Independence Area	14,500	$\frac{12}{12}$	5%	725
24. Secretary IMPACT Area	14,500	$\frac{12}{12}$	5%	725
25. 92 County Directors	35,000 (Avg.)	$\frac{12}{12}$	35%	12,250 (Avg.)
Fringe Benefits (Rate _____)				
			CATEGORY TOTAL	8

SECTION H -- PERSONNEL

Part III (Continued)

Name and Position Title	Annual Salary Rate	No. Mos. Buds.	% Time	Total Amount Required
	(1)	(2)	(3)	(4)
1. Cheryl Sullivan, Secretary Family and Social Services Administration	71,318	$\frac{12}{12}$	5%	3,566
2. James M. Hmurovich, Director Division of Family and Children	62,296	$\frac{12}{12}$	25%	15,574
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8. Cheryl Baxter, Project Coordinator ICES	30,472	$\frac{12}{12}$	50%	15,236
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10. Steve DeMougin, Assistant Secretary Family and Social Services Administration	60,398	$\frac{12}{12}$	5%	3,020
11. Liz Brown, Attorney	36,140	$\frac{12}{12}$	5%	1,807
12. Representative Division of Disability Aging and Rehabilitative Services	55,016	$\frac{12}{12}$	10%	5,502
13. Representative Division of Mental Health	53,014	$\frac{12}{12}$	10%	5,301
Fringe Benefits (Rate _____)				
			CATEGORY TOTAL	8

SECTION H -- PERSONNEL

Part III (Continued)

Name and Position Title	Annual Salary Rate	No. Mos. Budge.	% Time	Total Amount Required
	(1)	(2)	(3)	(4)
4. Joe Allen, Budget Analyst	27,508	$\frac{12}{12}$	5%	1,375
5. Karen Kinder, Chief Financial Officer	37,440	$\frac{12}{12}$	5%	1,872
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21. Consultant of Training	25,000	$\frac{9}{12}$	N/A	
22. Secretary, Executive Area	21,060	$\frac{12}{12}$	5%	1,053
23. Secretary Family Independence Area	14,500	$\frac{12}{12}$	5%	725
24. Secretary IMPACT Area	14,500	$\frac{12}{12}$	5%	725
25. 92 County Directors	35,000 (Avg.)	$\frac{12}{12}$	35%	12,250 (Avg.)
Fringe Benefits (Rate _____)				
CATEGORY TOTAL			8	

NOTICE

**GRANT FUNDS MAY NOT BE USED TO ATTEMPT TO
INFLUENCE LEGISLATION PENDING BEFORE CONGRESS**

We direct the attention of potential HHS grantees to the fact that the following statutory provision (part of Sec. 407 of Public Law 95-480, 92 Stat. 1589) has applied to the Department's appropriations beginning with those for fiscal year 1979 and that such a provision is likely to continue to apply to its appropriations:

"No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient or agent acting for such recipient to engage in any activity designed to influence legislation or appropriations pending before the Congress."

This means that the costs of attempting to influence legislation pending before Congress may not be charged either as direct or indirect costs to any HHS grant awarded from funds subject to the provision. Attempting to influence legislation is commonly called lobbying.

This notice concerns only the charging to HHS grants of certain costs. Nothing in this notice is intended in way to inhibit or discourage any party from exercising its lawful rights to attempt to influence legislation pending before Congress as long as the costs are not charged to a HHS grant.

Department of Health and Human Services

U.S. Department of Health and Human Services
Certification Regarding Drug-Free Workplace Requirements
Grantees Other Than Individuals

By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

This certification is required by regulations implementing the Drug-Free Workplace Act of 1988, 45 CFR Part 76, Subpart F. The regulations, published in the May 25, 1990 Federal Register, require certification by grantees that they will maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when the Department of Health and Human Services (HHS) determines to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HHS, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or governmentwide suspension or debarment.

Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios.)

If the workplace identified to HHS changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see above).

Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 USC 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15).

"Conviction" means a finding of guilt (including a plea of solo contenders) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employer" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subsidiaries or subcontractors in covered workplaces).

The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about:

(1) The dangers of drug abuse in the workplace; (2) The grantee's policy of maintaining a drug-free workplace; (3) Any available drug counseling, rehabilitation, and employee assistance programs; and, (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:

(1) Abide by the terms of the statement; and, (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(Continued on reverse side of this sheet)

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or, (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

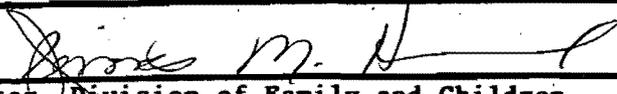
(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant (use attachments, if needed):

Place of Performance (Street address, City, County, State, ZIP Code) _____

Check if there are workplaces on file that are not identified here.

Sections 76.630(c) and (d)(2) and 76.635(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central receipt point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, S.W., Washington, D.C. 20201.

Signature  Date 6-17-94
Title Director, Division of Family and Children
Organization Indiana Family and Social Services Administration

**Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions**

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the Department of Health and Human Services' (HHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when HHS determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, HHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the HHS agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by HHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by HHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by as prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, HHS may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

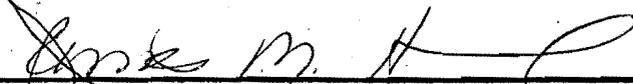
(b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

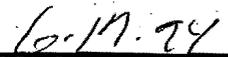
(d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Grant No. _____



Signature



Date



CERTIFICATION REGARDING LOBBYING

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

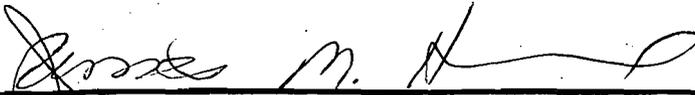
Suspension. An action taken by a suspending official in accordance with these regulations that immediately excludes a person from participating in covered transactions for a temporary period, pending completion of an investigation and such legal, debarment, or Program Fraud Civil Remedies Act proceedings as may ensue. A person so excluded is "suspended."

Voluntary exclusion or voluntarily excluded. A status of nonparticipation or limited participation in covered transactions assumed by a person pursuant to the terms of a settlement.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.



Signature

Director, Division of Family and Children

Title

Indiana Family and Social Services Administration

Organization

6.17.94

Date

Grant Number

ASSURANCES — NON-CONSTRUCTION PROGRAMS

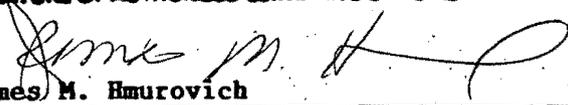
Note: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age;
- (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276e-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. §§ 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally assisted construction subagreements.

10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  James M. Hmurovich	TITLE Director, Division of Family and Children
APPLICANT ORGANIZATION Indiana Family and Social Services Administration	DATE SUBMITTED 6-11-74

PART IV PROGRAM NARRATIVE

I. Project Title and Objectives

- A. **Title:** IMPACT (Indiana Manpower Placement and Comprehensive Training)
- B. **Objectives:** The objectives for this program are to promote:
1. Permanent self-sufficiency among AFDC and Food Stamp recipients with an emphasis on individual and personal responsibility;
 2. Personal responsibility by eliminating the traditional barriers to self-sufficiency;
 3. A change in attitude and behavior which perceives financial assistance to be a long term means of governmental support rather than temporary assistance during a period of crisis; and
 4. Economic development through the use of various JOBS components which provide incentive to employers to hire public assistance recipients.

II. Background and Importance of Project

- A. Welfare dependency is recognized as an issue of local, state and national importance. Debate continues at both the state and national levels to develop solutions which reduce dependency and move recipients to permanent self-sufficiency. Indiana's AFDC caseload has been increasing continuously, and the number of AFDC parents who work has been decreasing. Whether these trends continue or not, the focus in a relationship between personal responsibility and opportunities for self-sufficiency must be the foundation to change the current "welfare cycle".

A critical component of reforming public assistance must be to stress self-sufficiency through employment. Private businesses should be asked to play a role in developing new jobs to provide an expanded base for our communities. Businesses may be particularly well-suited to form partnerships with government to enhance economic development efforts that provide employment to public assistance recipients. This will enable recipients to receive a paycheck from an employer, instead of a handout from government.

Through the Partnership for Personal Responsibility, employers will be encouraged to hire public assistance recipients through subsidies equivalent to recipients' AFDC payments. The advantage to the employer is the employment of an employee at a subsidized rate. The recipient is given an opportunity to earn wages for work with a potential for permanent employment.

The IMPACT Program has been designed specifically to address dependency and the reasons the current "welfare system" encourages, rather than inhibits, long term personal dependency. The program clearly and consistently establishes self-sufficiency as the only acceptable outcome. A recipient who chooses work over welfare will be rewarded through asset accumulation incentives. Clients who chose to remain unemployed or not cooperate with the program will be sanctioned and ultimately terminated from the program.

The program will be available in each of Indiana's ninety-two counties. Implementation will occur initially with existing staff. This is possible by simplification of program eligibility requirements and by the restructuring and retraining of Indiana's public assistance staff.

- B. IMPACT currently is the name of Indiana's version of the JOBS Program. It is a significant step to address the employment and training needs of AFDC and Food Stamp recipients. IMPACT provides an assessment of a person's needs so a plan of action can be developed and implemented. As a result of the requirements of the Family Support Act of 1988, IMPACT activities have focused on human investment as the main strategy to self-sufficiency. The program has provided services to 5,059 individuals from July, 1993 through March, 1994.
- C. Attachment IV-A provides a program overview which illustrates the eligibility process under this plan. This plan is designed to meet the needs of recipients in an individualized yet comprehensive manner with "work first" as the primary objective. The proposal has been developed with the belief that the program must be outcome driven, yet responsive to the recipient's needs. Basic premises contained in the plan include:
1. **Work must be more attractive than Welfare.**
The current system of public assistance inherently fosters continued dependency. The system must be restructured to make it more supportive of work efforts. Barriers to employment are real, but these barriers should not be used to exempt people from the obligation to find and maintain employment. The supportive intervention of caseworkers, the utilization of grant diversion, and the work supplementation component must be maximized in order to stimulate economic development and support a recipient's employment needs.
 2. **The welfare system must ensure equity with the unsubsidized working poor.**
Many people find work and provide for their families without government assistance. Assistance programs should not be so attractive that people choose to receive assistance rather than pursue options of self support, on their own.
 3. **Public assistance must focus on temporary support.**
An individual who fails to take all available and necessary steps to become self-sufficient should not be reliant upon the support of the taxpayer.
 4. **Welfare assistance must be individualized to the unique needs of a specific family.**
The unique and individual needs of families must be understood, assessed, and used as the threshold to develop a personalized plan which moves a person forward to permanent self-sufficiency.

5. **Welfare recipients want to be self-sufficient.**
Most people wish to control their own situation, and wish to live without prolonged dependence on governmental support systems. IMPACT uses this human dynamic to facilitate and achieve self-sufficiency.
6. **A recipient must assume responsibility for self sufficiency and be an active partner in achieving self-sufficiency.**
Personal responsibility involves decisions, choices and discipline. Recipients must be encouraged to assume control and responsibility for their own life. Caseworkers must focus on recipient responsibility and provide supportive intervention when the recipient is faced with barriers which would inhibit self-sufficiency.
7. **Sanctions for initial non-compliance must be fair, consistent and swift, but offer the opportunity to re-focus the recipient on the personal responsibility to attain self-sufficiency.**
Current sanctions are ineffective. Presently, verbal indications of "cooperation" from the recipient are sufficient to continue benefits after the first non-compliant act. For a recipient to take the program requirements seriously, there must be immediate penalties when the recipient fails to meet personal responsibilities.
8. **Bureaucracy must be streamlined and empowerment given to caseworkers for consistent application of policy and procedures.**
There are many federally established administrative rules for the AFDC and Food Stamp Program. Many of these were established for recipient protection and equal treatment among recipients. These same rules, however, make it impossible to design programs which truly are responsive to the needs of the recipient. As a result, the rules have a harmful effect, and inhibit self-sufficiency and foster continued dependency.

This plan establishes a demonstration project which blends comprehensive family support with clear expectations of personal responsibility. The actions required of the recipient and the services provided by government will be documented by a Personal Responsibility Agreement. This Agreement is the first phase in which the recipient will be encouraged to assume or reassume responsibility for their self-sufficiency. Subsequently, a plan which identifies the specific steps to be taken to achieve self-sufficiency will be developed with the recipient. This plan is called the "Individualized Self-Sufficiency Plan". Compliance with the Personal Responsibility Agreement and the Individualized Self-Sufficiency Plan are mandatory for the client's continued eligibility to receive benefits.

Each family requesting assistance will receive a comprehensive assessment at initial entry into IMPACT. This assessment will serve to provide direction in developing the Individualized Self Sufficiency Plan for placement into one of the three employment service tracks. Families who are "job ready" will receive AFDC benefits assistance for a maximum of twenty-four months. The period of time an individual is sanctioned will be included within the maximum of 24 months.

Once the family leaves AFDC, the family is not eligible to receive AFDC or IMPACT assistance again for three years. Additional benefits will not be granted for any child born to an AFDC mother during or after the tenth month of assistance. Supportive services to the family after the 24-month period will include, Transitional Medicaid for up to one (1) year, and Transitional Child Care (TCC) for up to eighteen months.

- D. Activities which will be performed by a third party will be training and computer programming. These activities will be procured from trained and experienced professionals to ensure the development of service and computer systems which are accurate and responsive.

A training package will be developed by a training consultant. The training will address assessment, cultural diversity, motivation, interviewing techniques and case management. Agency training staff then will be responsible for training the case managers and clerical support staff who are involved in the project.

Employer recruitment, job placement, and supportive employment may be performed by contractors.

Indiana has recently implemented a Family Assistance Management Information Systems (FAMIS) eligibility system. Reprogramming of this system will be necessary to support the eligibility determination, benefit payment, and case processing functions under this new plan. Indiana contracted for the system transfer, the system's change programming and project oversight required in implementing this system. The data base is very complex, requiring the services of a very sophisticated and experienced provider to perform any computer maintenance and redesign activities. This level of expertise is not currently available within the agency.

- E. This request for approval under the provisions of Section 1115 (a) (1) of the Social Security Act result from the Governor Bayh's direction to establish a new program which includes the provision and payment of services which would not have been provided under the traditional AFDC Program. Indiana will implement this demonstration project by redirecting current resources when possible, and requesting additional appropriations only as a last resort. This plan does presume continuing federal fiscal participation.

1. Waivers under section 1115 of The Social Security Act are requested in order for the State of Indiana to operate this demonstration project. The sections of the Social Security Act and various regulations or other statutes that are affected by the demonstration project are noted on the attached individual waiver summaries for each provision of the program. The individual waiver summaries are contained in Attachment IV-B.

If the Demonstration Project is successful, statutory changes will be discussed to refine and streamline the plan even further. Currently, state statutory changes are not necessary to initiate this Demonstration Project.

These waivers are divided into five basic categories:

- waivers which set Governor Bayh's policy direction;
- waivers to support families who have started the process of self-sufficiency;
- waivers to decrease bureaucracy and improve accountability;
- waivers to make work pay better than welfare; and,
- waivers to insure swift, consistent and fair sanctions for non-cooperation.

2. The costs which will be incurred for the plan are costs related to program benefits, supportive services, case management, and general administration. These categories of costs are currently subject to federal reimbursement under the AFDC and JOBS provisions of the Social Security Act.

III. Research and Demonstration Methodology

Real change can come only from systemic change and not only specific and individual waiver changes. Therefore, the evaluation plan will consider the entire demonstration project and will not evaluate each waiver independently. As previously stated, the only acceptable outcome for welfare reform is permanent self-sufficiency and removal from public assistance.

It is traditional in statistical design work to state the null hypothesis to be proven or disproved and the expected outcome as the alternative hypothesis. The null hypothesis will be stated only once, and declares that there will be no difference between the treatment and the control group.

The first three hypotheses address the issue of recipients moving from public assistance to self-sufficiency:

- H1a: The treatment group will obtain self-sufficiency at a higher rate than the control group.

Outcome measures will include:

- number of voluntary removals from AFDC prior to the two year limitation;
- rate of employment;
- asset accumulation;

- hourly rate of job at six month, twelve months, eighteen months and twenty-four months; and,
- attainment of employer/provider healthcare benefits at six months, twelve months, eighteen months and twenty-four months.

H1b: Minor parents in the treatment group will attain self-sufficiency at a higher rate than minor parents in the control group.

Outcome measures will include:

- the rate of high school graduation or G.E.D. completion;
- number of voluntary removals from AFDC prior to the two year limitation;
- rate of employment;
- asset accumulation;
- hourly rate of job at six months, twelve months, eighteen months and twenty-four months; and,
- attainment of employer provided healthcare benefits at six months, twelve months, eighteen months and twenty-four months.

H2a: The treatment group will be more prepared for self-sufficiency than the control group.

Outcome measures will include:

- participation rates in educational activities;
- participation rates in employment activities; and,
- addressing individual and/or family weaknesses as identified by the Family Assessment.

The next four hypotheses will address breaking the cycle of welfare. Currently, recipients obtain self-sufficiency for a short period of time and then return to public assistance. The demonstration project emphasizes sustained self-sufficiency.

H3a: A higher percentage of the treatment group will remain self-sufficient as compared to the control group.

Outcome measures will include:

- length of stay off of AFDC after voluntary removal prior to the two year limitation; and,

- length of employment.

H3b: Of those persons who do not remain self-sufficient, the treatment group will have greater average length of time as self-sufficient before returning to public assistance as compared to the control group.

Outcome measures will include:

- length of stay off of AFDC after voluntary removal prior to the two year limitation or after reaching the two year limitation;
- length of employment; and,
- level of need (i.e. if a return to public assistance occurs, the treatment group should have less "need").

H4a: A higher percentage of the treatment group will remain employed as compared to the control group.

Outcome measures will include:

- length of employment;
- type of job; and,
- advancement in employment.

H4b: Of those persons who do not remain employed, the treatment group will have a greater average length of time employed before returning to public assistance as compared to the control group.

Outcome measures will include:

- length of time employed before returning to public assistance.

The next four hypotheses are related to other behaviors of the recipients:

H5a: A greater percentage of the recipients' children in the treatment group will be fully immunized (in accordance to the age of the child) than the percentage of recipients' children in the control group.

Outcome measures will include:

- immunization rates for children by appropriate age groups; and,
- timeliness of immunizations.

H6a: Starting 10 months after initial application, there will be a lower birth rate of children to parents in the treatment group than the control group.

Outcome measures will include:

- number of children born to parents who have been on public assistance for 10 months or more.

H7a: A higher percentage of the two-parent families in the treatment group will remain two-parent families as compared to the control group.

Outcome measures will include:

- number of two parent families; and,
- proportion of two parent families at time of application who remain two parent families.

H8a: There will be an increased ratio of attendance to scheduled Food Stamp Hearings for the treatment group than the control group.

Outcome measures will include:

- attendance at scheduled Food Stamp Hearings.

The final two hypotheses address employer behaviors.

H9a: Employers will be more likely to employ recipients from the treatment group than the control group.

Outcome measures will include:

- number of employers participating in the demonstration project; and,
- number of clients hired by participating employers.

H9b: Employers will be more likely to retain employees that were hired from the treatment group than the control group.

Outcome measures will include:

- length of employment of recipients;
- reasons for termination of employment (recipients' versus employer's initiative for termination); and,
- the number of employers hiring subsequent (additional) recipients.

IV. Evaluation Plan

The demonstration project will be evaluated by comparing outcomes for treatment and control groups. The assignment to treatment and control groups will be determined by individual random assignment of recipients to each group. Each office will run both a control and an treatment group. In February 1994, there were 74,565 AFDC (regular and unemployed parent) cases. New recipients at their six-month eligibility redetermination will be randomly assigned to either the control group (50%) or the treatment group (50%). This will give approximately 37,000 assistance units in each group.

If a decision is made to increase participation in treatment at a later date, a sampling method will be designed that will not endanger the validity of the evaluation. Such a request might occur if the treatment group is performing extremely well, prior to the conclusion of the Demonstration Project.

Treatment and control groups assignments will last for a minimum of ten years. Length of time may be extended by the Director, Division of Family and Children. Data collection will begin at intake for new recipients and at six month eligibility redetermination for current recipients.

Sample size may shrink due to attrition. Sample size will be monitored by the Manager, Bureau of Program Evaluation and assignment rates to the control group or treatment group may be adjusted if needed. Baseline values (e.g. number of dependents, age, employment history) may be different despite individual random assignment of customers. If this occurs, appropriate statistical tests will be used.

A hypothesis will be tested at the 5% significance level using standard statistical tests. Weighing of the control and treatment groups will be reviewed with an independent evaluator. Initial testing and descriptive data will be presented twice a year to the Secretary, Indiana Family & Social Services Administration (IFSSA). An annual report will be submitted to the Director, Policy and Program Evaluation, U.S. Department of Health and Human Services, commencing one year from the date of implementation of the Demonstration Project.

In addition to testing the hypotheses, an evaluation of the implementation of the treatment and control groups will be performed. This will ensure that the new program has been implemented appropriately and that the control group is sufficiently separated from the treatment group. This will be completed by staff from the Bureau of Program Integrity and the Bureau of Program Evaluation.

Evaluation Time Line

Since the proposed waiver package may be modified before final approval, the following proposed time frame will allow the evaluation process to be modified to fit the final waiver package. These dates are based on a final date of approval and date of implementation.

Month 0 - Date of final approval of waiver package.

- Month 1 - 30 days after final approval of waiver package, the Indiana Family and Social Services Administration will submit a plan which details the implementation evaluation by the Bureau of Program Evaluation and the Bureau of Program Integrity, including dates of action.
- Month 2 - 45 days after final approval of waiver package, the Indiana Family and Social Services Administration will submit a plan which details: 1) the random assignment process, 2) the data collection process, 3) all outcome measures and 4) plans for monitoring and, where necessary, adjusting the treatment and control groups.
- Month 3 - Date of implementation of treatment and control groups.
- Month 3 - Data collection begins.
- Months 3-6 Monitoring the implementation of the wavier package will be conducted by the Bureau of Program Evaluation and the Bureau of Program Integrity.
- Months 3-9 Random assignment of current client caseloads to treatment or control groups will be made. New clients will be assigned as initial application is made.
- Months 7, 10, & 13 Quarterly reports will be submitted to the Secretary, Indiana Family and Social Services Administration.
- Month 16 Annual (month 15 would have been one-year since implementation) report submitted to the Secretary, Indiana Family & Social Services Administration, and the Director, Policy and Program Evaluation, U.S. Department of Health and Human Services.

V. **Work Plan**

- A. The work plan for the unique activities of this project are listed below. Significant efforts already have been undertaken by the Indiana Family and Social Service Administration to establish the foundation for this proposal. FSSA recently has implemented a massive data base system which collects comprehensive information regarding a family's financial situation. Partnerships have been established with state and local entities which provide services to recipients. A process has been established for collaborative planning at the local level for coordinated service delivery systems, through local Step Ahead Councils. FSSA is now in the process of implementing a new system of procurement for employment and training services with specific expectations for client skill improvement and payment for employment placement after specified outcomes have been achieved.

Activities related to the implementation of this project include:

1. Convene a taskforce for the development of the program based upon the Governor's proposals. The taskforce will include representation from IMPACT, AFDC eligibility, Division information systems, recipients, advocate groups, Department of WorkForce Development, Department of Education, Indiana Department of Health and the Indiana Department of Commerce. The taskforce will focus on self-sufficiency.
2. Present the plan to management staff for input. Workshops will be held with Local FSSA Office Directors, Regional DFC Directors and other interagency management staff to present information about the new program and discuss implementation issues and additional program changes.
3. Design an evaluation system to test the effectiveness of the project.
4. Develop a Demonstration Project Request and submit for approval by all appropriate federal agencies. Prepare the required package to present the program and request approval.
5. Arrange for the development of PC based computer programs to support to support the test and evaluation process.
6. Meeting of program policy staff and the Indiana Client Eligibility System (ICES) project staff to discuss programming changes necessitated by the Demonstration Project. This meeting will serve to define the program requirements for computer redesign. Information gathered from this meeting will be used to establish the costs of reprogramming both in dollars and staff hours.
7. Procure training services to design a caseworker skills development training program. This task will include the location and purchase of training to address cultural diversity, client motivation, needs and strength based assessments, and case management.
8. Develop a program policy and operations manual. It will be necessary to have a document which provides basic program policies and instruction for the local office staff responsible for implementing the program.
9. Develop a training program for Local Office Managers addressing new program policies and staffing of program functions. Managers will need support both in understanding the program and also in redefining the manner in which work is performed within their offices. Responsibility of the IMPACT staff is being transferred from the Regional DFC Managers to the Local Office Directors, effective July 1, 1994. These changes will require some special management training and direction.

Develop, with the assistance of the Indiana Departments of Commerce, Workforce Development, Education, a training program for local office managers addressing economic development, job placement, employee satisfaction and adult basic education.

10. Develop program implementation schedule based upon county clusters. Not all FSSA offices will implement the program at the same time. It is critical to the effective use of the existing training, management, and technical support resources that implementation schedules are developed in collaboration with all parties who are involved in the process.
 11. Develop instructions to Local Office Directors regarding the development of county implementation plans. The Local Office implementation plan is necessary to ensure that all areas of the FSSA operation which will be affected by the implementation of the new program are prepared for the event. This plan will also specify the actions that will be taken to inform and engage local agencies and service providers who work with our recipients.
 12. Develop, review and approve county implementation plans, with Step Ahead Council participation. Review of the Local DFC Office Plans will help ensure that all critical areas of implementation are addressed and the needs of the community are understood to increase the potential of successful implementation.
 13. Develop general training for all Local Office workers regarding the new program and operational changes. All Local Office workers must have a general understanding of the program. This training will serve to present an overview of the program and discuss general operational changes.
 14. Develop program training for caseworkers responsible for providing services under the Demonstration Project. This training will be quite comprehensive, focusing on special skills needed to carry out duties under the new program.
 15. Present training to all staff prior to implementation of the program.
 16. Define and design reports necessary to support the Demonstration Project. Because this is a demonstration project, it will be necessary to collect data and evaluate it frequently to evaluate the on-going process to be used to provide public assistance.
 17. Execute phase-in implementation of the program.
- B. The products that will support each task specified above have been completed and are detailed below in the order the task was identified.

1. The result of the taskforce design meeting will be a written document which conveys the parameters and general philosophies of the program.
2. The product from the management meeting will be the minutes that were taken during the meetings.
3. The detail of the process will be written.
4. A written request for the demonstration project will be documented as required using the federally prescribed request form (Form 424).
5. The PC programs will be written and successfully tested.
6. The result of this meeting will be the cost estimates for the computer redesign.
7. A training package which meets the specific criteria established in the contract for services will serve to establish that this task has been completed.
8. Written program instruction presented in a logical and coherent manner will establish that this effort has been completed.
9. A written training agenda and training materials will support the completion of this activity.
10. A published schedule containing an implementation date for each Local Office will indicate that this duty has been performed.
11. Written instructions detailing the operational areas and issues which must be considered in local implementation will support that this task has completed.
12. Written acknowledgement from appropriate staff of plan approval for each Local Offices will support that this has been completed.
13. A written training agenda and training materials which address general program philosophies and requirements will indicate the completion of this task.
14. A written training agenda and training materials which address the specific worker needs and requirements under this program will serve to indicate task completion.
15. Training evaluations and sign-in sheets will indicate that training was presented.
16. The completion of this task will be evident from the existence of report layouts, forms or computer screens.

17. The assignment of recipients and the establishment of caseloads will serve to demonstrate that this action was completed in the Local DFC Office .

C. Attachment IV-C is a Gantt Chart illustrating the above tasks.

D. The total project is estimated to require approximately forty-four staff months. The following is a breakdown of staff time by task:

Task 1.	560 hours
Task 2.	46 hours
Task 3.	20 hours
Task 4.	52 hours
Task 5.	50 hours
Task 6.	4 hours
Task 7.	20 hours
Task 8.	360 hours
Task 9.	160 hours
Task 10.	8 hours
Task 11.	5 hours
Task 12.	184 hours
Task 13.	80 hours
Task 14.	80 hours
Task 15.	1584 hours
Task 16.	120 hours
Task 17.	<u>3680 hours</u>
TOTAL:	7013 hours

VI. Project Staff and Facilities

A. Attachment IV-D is the Division's organizational Chart. Initially, there will be no additional staff hired for the development, implementation and on-going support of this project. Services for training and computer design will be procured from a third party.

The functions relating to this project will be performed by a team comprised of the following staff members:

- Director, Division of Family and Children;
- Deputy Director, Bureau of Family Resources, Division of Family and Children;
- Manager, IMPACT Section;
- Manager, Family Independence Section;
- Manager, Bureau of Program Evaluation;
- Manager, Bureau of Program Integrity;
- All DFC Regional Managers; and
- ICES Project Manager.

- B. These staff have met the qualifications for their positions established by the State Personnel system. With the exception of the leadership role which will be assumed by the Division Director and the Deputy Director, the roles of the remaining members will be flexible and coordinated with the functions of their existing positions. The job descriptions of the individual members will be expanded to include specific responsibility for this project.
- C. The staff members who will be involved in this project have current responsibility for one or more aspects of the administration and evaluation of the AFDC and IMPACT Programs. The responsibilities associated with this project are identical to the activities performed by these staff members within their positions. The use of existing staff for the development and implementation of this project ensures the coordination of the new program with the existing programs and minimizes any duplication of effort. The involvement of staff with specific experience in the existing programs also increases the effectiveness and efficiency of decision making relative to the new program. This expertise is also valuable in creating a program which can be implemented without undue hardship to those responsible for the program at the local level.
- D. Staff for the Indiana Department of Commerce, Workforce Development, Department of Education and Indiana Department of Health will have assigned specific tasks related to expanding the capacity for new jobs at the local level, to developing initiatives to keep teen parents in school and for coordinating a delivery of immunizations.
- E. The activities associated with this project will be performed in the central and local offices of the Division of Family & Children. The Division's main office is located in Indianapolis. Each of the ninety-two counties has at least one (1) DFC office located within its boundaries.

VII. Implementation Potential

- A. The AFDC caseload in February, 1994 was 74,565. The AFDC monthly caseload figures have steadily increased.
- B. As the demonstration project will be in effect in all ninety-two (92) counties of the state, the operational environment will reflect the unique conditions within each of these counties. The greatest challenges for success will be in the State's rural communities where business opportunities and community resources are limited.
- C. As the Demonstration Project will be in effect statewide, the expansion of the project to the entire AFDC population within the county could be accomplished without much difficulty.

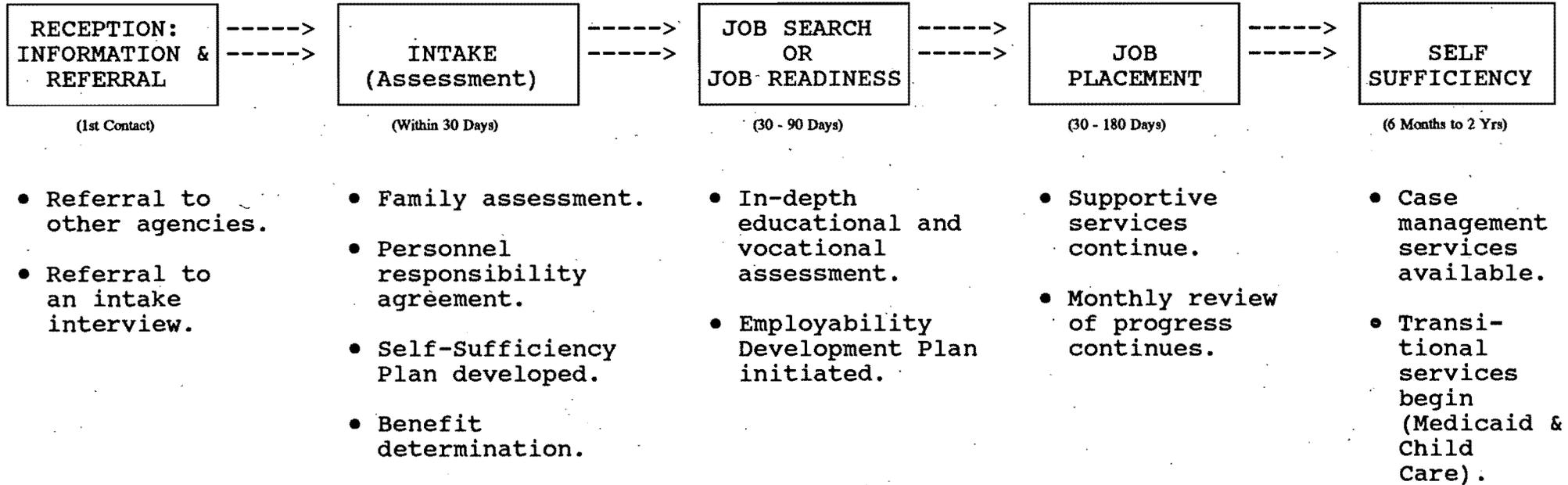
- D. Four public hearings were held concerning welfare reform. Taxpayers are dissatisfied with the growing number of public assistance recipients and the manner in which the assistance programs are administered. Recipient advocates and legislators have been openly critical of the AFDC Program and have been active in developing proposals for program change. If this project meets its objectives, it will clearly be supported by clients, local communities and government.

SEVERABILITY REQUEST

In the event that any of the waivers requested herein are not approved, it is requested such action affect only those particular waivers and not constitute a disapproval of the entire demonstration project. Likewise, if any part of the approved demonstration project is adjudged by a court of competent jurisdiction to be invalid or illegal, it is the State Agency's intention that such judgment will not affect or nullify the remainder of the project.

*THE PROCESS TO
SELF-SUFFICIENCY*

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION



THE PROCESS TO SELF SUFFICIENCY

RECEPTION: INFORMATION AND REFERRAL

RECEPTION:

- The purpose of this contact is to direct families to appropriate agencies for the information and services which are needed. **No appointment is necessary.**
- This contact establishes an atmosphere of helpfulness for the families in need.
- Kindness, sensitivity and appreciation of a person's condition which brought the person to the office will be the standard in performing these duties.

INFORMATION AND REFERRAL:

- Information will be given to families about services available within the Family & Social Services Administration (FSSA), as well as information regarding other service providers in the community.
- A videotape about services in the community and within FSSA will be shown in a waiting area.
- Families who do not need services from FSSA will be referred to other appropriate community agencies.
- Families who need FSSA services will be given an appointment for the initial interview.
- The reception function will be performed by a caseworker, an appropriately trained clerical staff, or a trained public assistance recipient who is participating in the Community Work Experience Program (un-paid public service program for public assistance recipients).

INTAKE

PARTICIPATION:

- All AFDC applicants will participate in this process.

COMPONENTS:

- **Personal Responsibility Agreement (PRA):** A PRA will be initiated for all AFDC applicants before benefits are determined and awarded. The PRA will include:
 - The number of persons in the family who will receive AFDC assistance.
 - A parental commitment that all children will receive appropriate immunizations against disease.
 - A commitment that a minor parent or a pregnant teen will live with a parent, or with another adult in an acceptable supervised setting.
 - A commitment that appropriate family members will participate in the IMPACT Program and actively pursue employment.
 - A statement that AFDC benefits be limited to twenty-four months for all recipients who are placed in the progressive placement track.
 - A statement that a recipient will agree to follow the Individual Self-Sufficiency Plan (ISSP) that is established. (This is the action plan which will be developed by the family and the caseworker to move a family to self-sufficiency.)
 - A commitment from FSSA to assist the family in meeting the agreement through the provision of appropriate benefits and services.

- **Benefit Determination:** Benefits will be determined following prescribed federal and state guidelines.
- **Comprehensive Family Assessment:** An initial assessment will be conducted with the family to help the family determine it's needs, and the adult's participation in the IMPACT Program.
- **Individual Self-Sufficiency Plan (ISSP):** A comprehensive family assessment and other information will be used to assess the recipient's abilities, needs and interests, as well as the commitments of FSSA in planning for self-sufficiency.

The focus will be:

- An emphasis on the urgency to find employment.
- Employment goal setting that includes job readiness, training and/or educational concerns.
- Personal goal setting including plans to address personal barriers such as physical and/or mental conditions, situational conditions, addictions, or abuse.
- Situational goal setting including housing, child care and transportation.
- Families life skills goals including parenting, budgeting, homemaking and family planning.
- Identification and goal setting with family health issues.
- Identification and goal setting with family education issues.

JOB SEEKING OR JOB READINESS

A. LIMITED PARTICIPATION IN THE IMPACT PROGRAM:

- This component is for those persons who fall into the following categories:
 - under age 16 or age 60 and over;
 - responsible for care of a child under age 3 or an incapacitated/ill person with no one else available to care for this person; (**This does not apply if under age 20 and has not completed high school or its equivalent.**)
 - age 16 or 17 and attending school full-time;
 - pregnancy advanced at least to the second trimester; and,
 - has a physical or mental impairment which prevents entry into employment and training.
- Assignment to this component, based on these criteria, will be periodically reviewed to assess the participant's ability or desire to meet the more stringent requirements of the Progressive Participation Component.

B. PROGRESSIVE PARTICIPATION IN THE IMPACT PROGRAM:

This component is for recipients who are not placed in the Limited Participation Component, or who volunteer for the program.

PROCESS:

- **In-depth Vocational/Educational Assessment:** Specific tests by assessment providers of vocational and educational levels will be conducted to establish a person's aptitude, skills, strengths and preferences for employment and training.

- **Case Conference:** A staff conference will be held for each family with input from family members. The case manager, an education representative, and representation from other applicable employment providers will be present, so an Employability Development plan (EDP) can be developed with the family. The Self-Sufficiency Plan will be reviewed, and modification made as necessary.

A person assigned to the progressive participation component can be placed in one of three "tracks". These three tracks are:

- **Placement Track:** This track is for individuals who are job ready. No one indicator will limit or eliminate a recipient from this track. Instead, a comprehensive analysis of all strengths and weaknesses of the recipient will be used to insure the recipient is not "programmed for failure". Recipients in this track typically will have some work history with a marketable skill (e.g. 12 months of employment in the last 36 months, in a clerical position). The individual also will have significant control over situational barriers (i.e. child care, transportation). The individual will require little or no social work intervention. This individual will be involved in Job Search, Work Experience (supplemented or unsubsidized), and placement. There will be a 24 month time limit on AFDC benefits for participants in this track.
- **Training Track:** This track is for individuals who possess some degree of educational attainment, but who can become more marketable with additional limited training or education. The individual typically will not have enough marketable experience to find employment immediately (e.g. intermittent work history in a low-paying, unskilled job). The individual also has significant control over situational barriers to employment or training, and has few significant personal, emotional or mental barriers. This individual will be involved in Adult Basic Education, G.E.D., vocational or other skills training, post secondary education, job readiness, work experience (CWEP, unsubsidized jobs), so progress to the Placement Track should occur within 6 months. The training track may be extended beyond 6 months with the approval of the Division Director. There will be a 24 month limit on AFDC benefits for participants in this track.

- **Basic Track:** This track is for those few individuals who possess limited educational attainment; who do not have high school or General Equivalency Diploma, and who lack basic literacy skills. The individual typically will not have any employment experience and also will have significant personal, emotional or mental barriers to self-sufficiency, including significant personal, emotional or mental barriers. This individual will be involved in Adult Basic Education, G.E.D., Family Life Skills, counselling, referrals to community organizations for assistance, continued income maintenance, work experience (CWEP, unsubsidized jobs), and job coaching, prior to progressing to the Training Track or Progression Track. The time limited benefits will not apply to this population. A physical handicap, by itself is not sufficient reason for placement in this track.

C. CASE MANAGEMENT FOR LIMITED PARTICIPATION RECIPIENTS:

Case Management is the crucial element that focuses on the case manager becoming the lead person with the client in facilitating the process of self-sufficiency. This function will include the following components:

- **Case Conference:** A conference by the caseworker and a supervisor with input and review by the recipient. There will be an update and review of the ISSP based on the initial plan and the Family Assessment.
- **Negotiated Self-Sufficiency Plan:** Continuous feedback on the progress of the ISSP will be obtained.

D. CASE MANAGEMENT FOR PROGRESSIVE PARTICIPATION COMPONENT:

This function will include the following components:

- **In-depth Vocational/Educational Assessment:** Specific tests will be performed by assessment providers on vocational and educational levels.

- **Case Conference:** There will be a staff conference on each case, with input and review by the client. The conference will include the case managers, education representative, and representation from other applicable employment service providers. The Employability Development Plan (EDP) will be initiated with the client. The ISSP will be updated based on the initial plan, the Comprehensive Family Assessment, the in-depth vocational and educational assessment and the newly formulated EDP.
- **Progressive Individual Self-Sufficiency Plan:** A dynamic plan that will be reviewed continuously to ascertain the needs and the progress of the client towards self-sufficiency.

JOB PLACEMENT

This component will involve placement in a real job, with a real salary and benefit package so income can be received by a family. Job placement will occur through the aggressive pursuit of employment by the recipient and with assistance of the staff of the IMPACT Program, or private consultants.

Employers will be identified who are receptive to the various services available to aid the employer to recruit and retain quality employees. Incentives will be available to the employer involving:

- on the job training funds;
- work supplementation funds; and,
- targeted job tax credits.

SELF-SUFFICIENCY

This is the goal to be reached by all AFDC recipients through acceptance of personal responsibility for themselves and their families with support and encouragement from the Family & Social Services Administration.

THE PARTNERSHIP FOR PERSONAL RESPONSIBILITY

INDIANA
FAMILY AND SOCIAL
SERVICES ADMINISTRATION

INDIANA
WORKFORCE
DEVELOPMENT

FAMILY

INDIANA
DEPARTMENT OF HEALTH

INDIANA
DEPARTMENT OF
EDUCATION

INDIANA
DEPARTMENT OF HEALTH

Prepared by:
The Family and Social Services Administration
June 6, 1994

WAIVER REQUESTS

SEVERABILITY REQUEST

In the event that any of the waivers requested herein are not approved, it is requested such action affect only those particular waivers and not constitute a disapproval of the entire demonstration project. Likewise, if any part of the approved demonstration project is adjudged by a court of competent jurisdiction to be invalid or illegal, it is the State Agency's intention that such judgment will not affect or nullify the remainder of the project.

**WAIVERS WHICH SET THE
GOVERNOR'S
POLICY DIRECTION**

Waiver Recommendation:

LIMIT THE AFDC GRANT TO THE NUMBER OF CHILDREN WITHIN 10 MONTHS OF APPLICATION OF BENEFITS.

Current Policy:

The AFDC grant is based upon the number of eligible children in the family. The birth of an additional child increases the AFDC grant by approximately \$59.00 per month.

Rationale for Proposal:

- Giving birth to a child is an issue of personal responsibility based upon many issues, including financial ability to care for the child.
- The birth of an additional child is an important responsibility and decision for any person. Being on public assistance with another newborn presents even a further barrier for a mother to achieve financial independence and become self-sufficient.
- Limiting the AFDC payment to the number of children who were part of the family at initial application provides an incentive for two (2) people to consider the financial and personal responsibility involved in having a child, and focusing them on movement from public assistance dependency.

Social Security Act Sec. 406(a); Sec. 402(a)(38); 45 CFR 233.90;
45 CFR 206.10(a)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

LIMIT AFDC BENEFITS TO A MAXIMUM OF 24 MONTHS.

Current Policy:

AFDC benefits are considered an open ended entitlement by federal law. This means that assistance must be granted to all individuals who meet federal and state program requirements.

Rationale for Proposal:

- AFDC dependence is a significant barrier to self-sufficiency.
- The current AFDC program does not allow benefits to be time limited.
- There is not an incentive for an individual to become financially independent because benefits are guaranteed, for as long as the individual meets AFDC guidelines.
- The 24 month limit is an incentive to establish a sense of urgency for an individual to become employed, and therefore, become self-sufficient.

Social Security Act Sec. 402(a); 45 CFR 206.10(a) (5)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

EXTEND THE JOBS GRANT DIVERSION AUTHORIZATION
TO A MAXIMUM OF 24 MONTHS.

Current Policy:

An AFDC grant can be diverted to an employer for a period not to exceed 9 months. The diversion is an incentive for an employer to employ an AFDC recipient, in a new (not vacant) position.

Rationale for Proposal:

- The extension of the grant diversion period to 24 months is a greater incentive for an employer to hire and retain an individual who receives AFDC assistance.
- The grant diversion can be used by the employer for on-site education or training, salary or benefits enhancement or as a subsidy for job creation.
- This waiver provides greater incentive for economic development.

Social Security Act Sec. 482(e)(4); 45 CFR 250.62(1)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

DEVELOPMENT OF A PERSONAL RESPONSIBILITY AGREEMENT AS A CONDITION TO RECEIVE AFDC BENEFITS.

Current Policy:

There is no requirement at the present time.

Rationale for Proposal:

- The purpose of the personal responsibility agreement is to obtain the client's commitment to work toward self-sufficiency.
- An agreement establishes the commitment of a client to take action to become independent, and the commitment of the agency to provide temporary support during the client's transition to self-sufficiency, while the recipient agrees to child immunizations and live with a parent or other adult, if a teenager.

Social Security Act Sec. 402(a)(26); 45 CFR 233.10(a)(1)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

AFDC RECIPIENTS MUST AGREE TO INSURE
IMMUNIZATION OF THEIR CHILDREN AS A
REQUIREMENT OF RECEIVING BENEFITS.

Current Policy:

There is no requirement at this time.

Rationale for Proposal:

- Many Indiana children do not receive necessary immunizations.
- Immunizations are provided at no cost to these children at many accessible locations.
- Parents receiving government assistance should be responsible to increase the likelihood of a child to be healthy by insuring immunizations to decrease health care costs. This is an incentive to encourage parents to foster good preventive health care habits.

Social Security Act Sec. 402(a)(26); 45 CFR 233.10(a)(1)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

EXTENSION OF TRANSITIONAL CHILD CARE BENEFITS
TO A MAXIMUM OF EIGHTEEN MONTHS.

Current Policy:

Transitional child care is available for a 12 month period following AFDC ineligibility due to new or more rewarding employment.

Rationale for Proposal:

- Weekly child care costs range from approximately \$50.00 to \$100.00 per child.
- These costs can be a disincentive for a parent who is working full-time for a limited wage.
- Child care costs have been identified as one of the greatest barriers to employment.
- Extending the Transitional Child Care Program from twelve to eighteen months provides the parent extra support to ensure that the parent is able to continue employment.
- The greater the parent's work history and attachment to the workforce, the greater the parent's ability to realize and maintain self-sufficiency.

Social Security Act Sec. 402(g)(1)(A)(iii); 45 CFR 256.2(c)

Waiver Recommendation:

SCHOOL ATTENDANCE AS CONDITION OF AFDC
ELIGIBILITY FOR THE CHILD'S PARENT.

Current Policy:

Federal regulations prohibit the denial of assistance to an otherwise eligible child based upon school attendance.

Rationale for Proposal:

- There is high correlation between the lack of education and poverty.
- Education is critical to the attainment of self-sufficiency.
- AFDC policies which discourage children from missing school are necessary to address the incidence of unnecessary school absence among a very poor population.
- Policies regarding the school absence of children will enable us to address the educational needs of children earlier and consequently more effectively.

Social Security Act Sec. 402(a); 45 CFR 233.90

*WAIVERS TO DECREASE
BUREAUCRACY
AND IMPROVE ACCOUNTABILITY*

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE FOOD STAMP REQUIREMENT
TO HOLD HEARINGS REQUESTED VERBALLY.

Current Policy:

Food Stamp regulations require the agency to schedule and hold a fair hearing in response to a verbal request from the grieving recipient

Rationale for Proposal:

- AFDC and Medicaid regulations allow the state to establish the means by which hearings are requested.
- Indiana has required requests for hearings within these program areas to be submitted in writing.
- The need for this results from the high rate of hearing which are scheduled but not attended by the party who has filed for the hearing.
- It is believed that a requirement to request Food Stamp hearings in writing will reduce the number of reactionary requests for a hearing and the corresponding waste of time that occurs when the aggravated party fails to show at the hearing.

7 USC 2020(e)(10); 7 CFR 273.15(g)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:
THE ELIMINATION OF THE IMPACT EMPLOYMENT AND TRAINING PARTICIPATION REQUIREMENTS.

Current Policy:

The state must ensure in Federal Fiscal Year 1994 that 15% of its IMPACT participants are involved in activities that average at least 20 hours per week. This will insure Indiana receives enhance federal funding. In 1995, this percentage of participants increases to 20%.

Rationale for Proposal:

- The federal requirements of 20 hours per week has become the "goal" of the program.
- Much time is spent establishing participation schedules which will accomplish this "goal" without due consideration of the clients needs and abilities, and outcome of job placement.
- In-essence then, the process becomes more important than the outcome and therefore serves as a disincentive to move a person to employment.
- Satisfaction of federal requirements has been given priority over the development of manageable, goal oriented service plans. The monitoring of attendance hours has taken away valuable time from the case manager that could be better used in providing direct services.
- This demonstration project will have its own evaluation based upon specific outcomes.
- Employment will be the primary focus of services. Consequently, the existing federal participation rates no longer will be meaningful or necessary to ensure the state's commitment and performance in the employment and training activities.

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE IMPACT EMPLOYMENT AND TRAINING EXPENDITURE REQUIREMENTS.

Current Policy:

Federal regulations mandate that 55% of the state's IMPACT expenditures must have been spent to meet the needs of a target population which, in Indiana, includes individuals who:

1. have received AFDC in 36 of the last 60 months; or,
2. are custodial parents under age 24; and,
3. are members of a family in which the youngest child is between the ages of 16 and 18.

Rationale for Proposal:

- Federal requirements regarding funding of the program serve only to focus service plans to meet the federal requirements and not necessarily the needs of the client.
- The funding requirements under IMPACT result from a federal reaction to the experience in pre-JOBS employment and training programs which indicated that services were provided only to those without barriers to employment.
- The requirements were imposed to ensure that states did not neglect the needs of those who are known to have a greater difficulty in obtaining employment.
- Indiana's new AFDC program will establish self-sufficiency as the ultimate goal for all AFDC recipients.
- Outcome measure will be established for all aspects of service delivery.
- The 55% exemption requirement is not a complete or meaningful measure of the state's commitment to service those with significant barriers to self-sufficiency.

Social Security Act Sec. 403(1)(2); 45 CFR 250.74

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

EXEMPTION FROM FEDERALLY PRESCRIBED AFDC/FOOD
STAMP QUALITY CONTROL PROCEDURES.

Current Policy:

Quality Control procedures are established by federal regulations and policies. A state has little discretion regarding this review system.

Rationale for Proposal:

- The 24 month time-limited program will be evaluated based upon specific outcomes related to a client's self-sufficiency.
- Typically, the grant will not change based upon the income of the family.
- This focus on outcomes negates the value of the existing review system which measures benefit determination accuracy.

Social Security Act Sec. 408; 7 USC 2025; 45 CFR 205.40; 7
CFR 275

Waiver Recommendation:

TO ESTABLISH ELIGIBILITY PERIODS FOR FOOD STAMPS WHICH ARE CONSISTENT WITH THOSE IN AFDC AND MEDICAID.

Current Policy:

Food Stamp eligibility is established for a period of time; usually a 6 or 12 month period. Once the period of eligibility lapses, the individual or family must reapply to receive Food Stamps.

Rationale for Proposal:

- Eligibility for the AFDC and/or Medicaid Programs is open-ended. An individual or family continues to be eligible until there is information which indicates that the individual or family no longer meets the requirements of the Program.
- Most people reapply for Food Stamps at the end of the certification period.
- The application process is more complex than a re-evaluation of eligibility.
- Food Stamp eligibility time limits create a duplication of efforts when the time period for Food Stamps does not coincide with the AFDC and/or Medicaid redetermination schedule of the family.
- It has been administratively cumbersome for workers to coordinate eligibility reviews due to the inflexibility of the Food Stamp regulations in this area.

7 UFC 2012(c); 7 273.10 (f)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE EMPLOYMENT AND TRAINING
EXEMPTION DUE TO PARTICIPATION IN VISTA.

Current Policy:

Volunteers serving in VISTA are currently exempted from participation in employment and training activities.

Rationale for Proposal:

- Volunteers in public service should also be required to negotiate self-sufficiency plans and work towards reducing their dependence on assistance from federal and state supported programs.
- This is also an exemption criteria that has not been used in Indiana.

45 CFR 250.30(b)(10)

Waiver Recommendation:

DISCONTINUANCE OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR THE CARE OF A CHILD UNDER AGE 3 ONCE AFDC ELIGIBILITY IS ESTABLISHED.

Current Policy:

A client is allowed an exemption from employment and training activities when the client has responsibility for the care of a child under age 3. This exemption is allowed at any time during the period in which AFDC benefits are received.

Rationale for Proposal:

- This exemption criteria remains necessary at the application point, as there are still limitations in child care services available for young children.
- However, it is also necessary to have consistent policies relative to the parent's choice to have more children once she has begun to receive assistance. Consequently, the parent who has another child after 10 months of receiving assistance will not be granted an exemption from employment and training activities or the 24 month program due to care of the new child.

Social Security Act Sec. 402(a)(19)(C)(iii); 45 CFR 250.30(b)(9)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO DIVERT THE AFDC GRANT TO SUBSIDIZE THE CHILD CARE COSTS OF THE WORKING INDIVIDUAL.

Current Policy:

This is no provision to divert the AFDC grant for any purpose other than to subsidize employment.

Rationale for Proposal:

The division of the AFDC grant for child care will facilitate the client's transition to self-sufficiency.

Social Security Act Sec. 482; 45 CFR 250; 45 CFR 255

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

REQUIRES TIME LIMITED BENEFITS TO ONLY A PORTION OF THE AFDC POPULATION.

Current Policy:

Federal regulations currently require that policies are applied consistently and uniformly.

Rationale for Proposal:

- The purpose of a waiver is to demonstrate creative and innovative approaches to welfare reform.
- Data does not exist nationally or locally, which evaluates the effectiveness of a particular program or idea.
- Targeting a portion of the AFDC population for time limited benefits allows an evaluation of program effectiveness through the use of acceptable research and evaluation methodologies (control groups).
- Successful efforts can be modeled and replicated, serving as an incentive to government to achieve outcomes and not just report upon "process".

Social Security Act Sec. 402(a)(1); 45 CFR 233.10(A)(1)(iv); 45 CFR 205.120

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE REQUIREMENT THAT PROGRAM ELIGIBILITY AND PROGRAM SERVICES BE ADMINISTERED CONSISTENTLY IN EVERY COUNTY.

Current Policy:

Program eligibility must be determined for every individual who requests assistance based upon a specific set of criteria. Likewise, services must be provided equitably to all eligible individuals in every county of the state.

Rationale for Proposal:

- The ability to customize eligibility requirements and available services will enable the agency to develop a program which facilitates self-sufficiency by establishing case and county plans based upon client needs.
- The resources available in a community vary across the state. A service needed in one area is not in another. Statewide programs requiring the same service to be available in every location, regardless of community resources have a result of providing duplicative services and/or services which do not address the specific needs of the community.

Social Security Act Sec. 402(a)(1); 45 CFR 233.10(a)(2)(IV); 45 CFR 205.120; 7 USC 2020(d); 7 CFR 272; 42 USC 1396(a); 42 CFR 435.900

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO ESTABLISH SERVICES UNDER THE EMERGENCY ASSISTANCE PROVISIONS BASED UPON THE UNIQUE NEEDS AND RESOURCES WHICH EXIST WITHIN EACH COUNTY.

Current Policy:

Services established in the state plan must be available statewide to all individuals who meet eligibility criteria.

Rationale for Proposal:

- A comprehensive service needs assessment has been completed in each county through the state's Step Ahead process which indicates significant differences between counties regarding their existing needs and available resources.
- To be effective, service delivery systems should be customized to meet the needs of the community.
- Locally established plans will help to ensure that program funds are targeted to where they are most needed.

Social Security Act Sec. 402(a)(1); 45 CFR 233.10(A)(1)(iv); 45 CFR 205.120; 45 CFR 233.120

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO EXTEND MEDICAID ELIGIBILITY TO ALL CHILDREN WHO MEET ALL AFDC CATEGORICAL AND FINANCIAL REQUIREMENTS.

Current Policy:

Medicaid eligibility is available to individuals who meet specific categorical and/or financial eligibility requirements. AFDC recipient children are automatically eligible for Medicaid.

Rationale for Proposal:

- The objective of the Welfare Reform proposal is to motivate AFDC parents without placing the children at risk.
- Without medical assistance, children may not receive needed treatment.
- Failure to provide necessary medical treatment at the earliest possible point can result in more costly, long term treatment therapies.

Social Security Act Sec. 1902(a); 42 CFR 435.115

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO DETERMINE THE AMOUNT OF A FAMILY'S ASSISTANCE PAYMENT WITHOUT CONSIDERATION OF PRESCRIBED BUDGETING RULES FOR INCOME.

Current Policy:

Federal regulation specify the amount of income that must be deducted and the conditions when this income is to be deducted.

Rationale for Proposal:

- Federally established budgeting rules become irrelevant with a proposal to fix grants at a specific level for an extended period of time.
- This waiver is necessary to avoid any conflict with other income eligibility waivers.

Social Security Act Sec. 402(a)(7), (8); 45 CFR 233.20

*WAIVERS TO MAKE
WORK PAY
BETTER THAN WELFARE*

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

ELIMINATION OF THE 100 HOUR RULE.

Current Policy:

If two able bodied parents live in the same house, neither parent can work more than 100 hours in a month.

Rationale for Proposal:

- Families should be encouraged to stay together.
- Gainful employment should be encouraged.
- Elimination of this rule will provide an incentive to employment and remove a barrier to dependency.

Social Security Act Sec. 407; 45 CFR 233.100(a)(1)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

**FIX THE AFDC PAYMENT DURING THE GRANT
DIVERSION PERIOD**

Current Policy:

AFDC payments are determined based upon family size and income in relation to a state's need or payment standards.

Rationale for Proposal:

- Indiana's payment standard approximates 28% of the Federal Poverty Guidelines.
- Under this standard, a family of three, without child care payments, becomes ineligible soon after the parent begins working 30 hours per week at a minimum wage job.
- Fluctuating benefits becomes a disincentive to seek and maintain employment, as all benefits are discontinued before a family can become financially self-sufficient.
- Stabilizing the family's grant will minimize the financial risk to the family and serve as an incentive to encourage people to find and maintain employment.

Social Security Act Sec. 402(a)(13), (17), (18); 45 CFR
233.20(a)(3)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ESTABLISHMENT OF FOOD STAMP ELIGIBILITY POLICIES WHICH SUPPORT THE AFDC PROGRAM.

Current Policy:

Federal Food Stamp regulations are very detailed and preclude states from treating similarly situated individuals in an inconsistent manner.

Rationale for Proposal:

- Some of the current Food Stamp regulations will be a barrier and will interfere with the success of the new AFDC program.
- To ensure consistent policies which clearly convey program requirements and encourage participation, the agency will need to have certain Food Stamp policies and regulations waived for those individuals participating in the new AFDC program.

7 USC 2014; 7 CFR 273

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO PROHIBIT EXEMPTIONS FOR THOSE INDIVIDUALS IN THE 24 MONTH PROGRAM UNLESS GRANTED BY THE DIRECTOR, DIVISION OF FAMILY & CHILDREN, BASED UPON A CATASTROPHIC CIRCUMSTANCES AND SITUATIONS WHICH PRESENT ISSUES WHICH ARE PERMANENT AND CANNOT BE OVERCOME.

Current Policy:

Exemption from employment and training activities are granted to any individual who meet established federal criteria, regardless of the individual's ability to access the support needed to participate.

Rationale for Proposal:

- People are readily excused from participation without a thorough assessment of the individual's ability to become employed.
- Many individuals with barriers such as the responsibility for very young children and the presence of clear physical or mental challenges are still able to find and maintain employment.

Social Security Act Sec. 402(a)(19)(C); 45 CFR 250.30(b)

*WAIVERS TO INSURE
SWIFT AND FAIR SANCTIONS
FOR NON-COOPERATION*

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

DENIAL OF AFDC BENEFITS TO PARENTS WHO OBTAIN PHYSICAL CUSTODY OF THEIR CHILDREN FOR THE SOLE PURPOSE OF ATTAINING AFDC ELIGIBILITY.

Current Policy:

There is no eligibility provision.

Rationale for Proposal:

- To discourage families from separating to become eligible for assistance or greater assistance benefits.

Social Security Act Sec. 407(a); 45 CFR 233.90(a),(c)

Waiver Recommendation:

COOPERATION WITH A SELF-SUFFICIENCY PLAN AS A
CONDITION TO RECEIVE AFDC BENEFITS.

Current Policy:

There is no requirement at the present time.

Rationale for Proposal:

- Every client must be engaged in a continuous process of movement toward financial independence and self-sufficiency.
- A self-sufficiency plan documents the action steps that have been agreed upon for the client to move toward self-sufficiency based upon the client's abilities, interests and circumstances.
- As a program requirement, AFDC, Food Stamps and Medicaid benefits will not be provided to the recipient who refuses to perform the activities specified in the self-sufficiency plan. This serves as an incentive to move a person toward self-sufficiency.

Social Security Act Sec. 402; Sec 482(b); 45 CFR 233.10(a)(1)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

FOOD STAMP PROGRAM SANCTIONS ARE AUTOMATICALLY IMPOSED AS A RESULT OF AFDC NON-COMPLIANCE.

Current Policy:

AFDC and Food Stamp regulations define Employment and Training non-compliance differently. Food Stamp regulations allow the imposition of sanctions for AFDC employment and training non-compliance only when the non-compliance occurrence falls within the Food Stamp definition.

Rationale for Proposal:

- Establishing consistent sanction policies between AFDC and Food Stamps will serve to clearly convey program requirements and corresponding penalties for non-compliance to the client.
- The concurrent AFDC and Food Stamp sanctions for non-compliance should also serve as a significant deterrent for non-compliance, and therefore an incentive to achieve self-sufficiency.

7 USC 2015(D); 7 CFR 273.7

Waiver Recommendation:

IMPOSITION OF A TWO MONTH PERIOD OF PROGRAM INELIGIBILITY AS A RESULT OF NON-COMPLIANCE; REMOVAL FROM THE PROGRAM FOR 3 ACTS OF NON-COMPLIANCE.

Current Policy:

AFDC sanction periods are determined based upon the number of non-compliant occurrences. The first occurrence results in a loss of eligibility until the individual agrees to comply. The second occurrence results in a 3 month minimum sanction which continues until compliance is established; and the third and subsequent episodes result in a 6 month sanction period.

The Food Stamp sanctions for non-compliance with requirements is two months' ineligibility, which can continue until non-compliance ceases.

Rationale for Proposal:

- The existing AFDC and Food Stamp regulations do not establish real penalties for non-compliance. The AFDC sanctions for the 2nd and following non-compliant episode are too harsh for participation in a time-limited program.
- The Food Stamp regulations establish a maximum two month sanction period for every episode of non-compliance.
- Penalties for non-compliance will be swift and consistent, providing a very clear incentive to move toward self-sufficiency. After the 3rd incident, termination of benefits will occur for 3 years.

Social Security Act Sec. 402(a)(19)(G)(ii)(I); 45 CFR 250.34(a)(1)(i); 7 usc 2015(d); 7 CFR 273.7

*WAIVERS TO SUPPORT FAMILIES
WHO HAVE STARTED THE
PROCESS OF SELF-SUFFICIENCY*

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

EXTENSION OF CASE MANAGEMENT SERVICES
FOLLOWING THE 24 MONTH PROGRAM.

Current Policy:

Case management is provided to AFDC-IMPACT clients while participating in the program. Case management can be provided for a 90 day period following AFDC ineligibility.

Rationale for Proposal:

- Once a client completes the 24 month program, there may be a need for support and encouragement to ensure the client's continued success.
- The extension of case management services beyond the 90 day limit will enable the state to meet this need, and serve as an incentive for a person to maintain employment.

Social Security Act Sec. 403; 45 CFR 250.73(e)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE PROVISION OF SUPPORTIVE SERVICES WHERE APPROPRIATE FOLLOWING THE 24 MONTH PROGRAM.

Current Policy:

Supportive services, such as transportation assistance, purchase of clothing, tools necessary for employment, are available to AFDC recipients participating in the IMPACT program.

Rationale for Proposal:

- The goal of the IMPACT program is to move a person to financial independence and self-sufficiency.
- Once the time-limited benefits expire, certain temporary support services may be necessary to sustain employment under very strict circumstances.
- Support services to insure continual employment is an investment in a family's security.

Social Security Act Sec. 402 (g)(2); Sec. 403; 45 CFR 250.73(e)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR INDIVIDUALS LIVING IN RURAL AND HARD TO ACCESS AREAS.

Current Policy:

Individuals who reside in locations believed too remote for effective participation are exempt from participation in employment and training activities.

Rationale for Proposal:

- Despite the difficulties which exist due to remoteness, these individuals are still expected to obtain employment and become self-sufficient.
- Likewise, the state has an obligation to provide service and secure opportunities which will enable people, including those in remote locations, to become self-sufficient.

Social Security Act Sec. 402(a)(19)(C)(vii); 45 CFR 250.30(b)(5)

Waiver Recommendation:

ESTABLISHMENT OF PREFERENTIAL TREATMENT IN OTHER FEDERALLY FUNDED ASSISTANCE PROGRAMS FOR THE 24 MONTH PROGRAM PARTICIPANTS.

Current Policy:

Each independent social service program has its own set of federally established requirements and target groups.

Rationale for Proposal:

- The transition to self-sufficiency may, for some, be extremely difficult. There is a need for incentives to support individuals who are performing at their best but are still unable to attain self-sufficiency without assistance.
- It may be necessary that other federal programs be accessed to provide added assistance.
- When it becomes necessary, it is important that the individuals in this program who need assistance are given priority for services.

e.g., Section 8 housing programs (42 USC 1437; Weatherization Assistance for Low-income persons (42 USC 6861); Community Services Block Grant program (42 USC 9901); USDA commodities distribution programs (7 USC 612c); WIC program (42 USC 1786); Low-income home energy assistance programs (42 USC 8621).

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

THE ELIMINATION OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR INDIVIDUALS WHO ARE EMPLOYED 30 OR MORE HOURS PER WEEK.

Current Policy:

Individuals who are employed on an average of 30 or more hours a week are not currently required to participate in employment and training activities.

Rationale for Proposal:

- As other working individuals will be participating in the 24 month program, it is important that all individuals in the program are provided necessary supportive services to retain and enhance their employment.
- These individuals will be expected to engage in planning and training activities. This will serve as an incentive to increase a person's ability to remain self-sufficient.

Social Security Act Sec. 402(a)(19)(C)(iv); 45 CFR 250.30(b)(7)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO ESTABLISH SERVICE GROUPS WITHIN THE FOOD STAMP AND MEDICAID CASELOADS BASED ON THE INDIVIDUAL'S OR FAMILY'S SERVICE NEEDS, FINANCIAL SITUATION AND CASE ERROR PRONE PROFILE WHICH WILL BE USED TO DEFINE REDETERMINATION SCHEDULES AND SERVICE PLANS.

Current Policy:

To determine eligibility and provide services to every family in the same manner.

Rationale for Proposal:

- The provision of social services will become the most significant activity of the caseworker.
- Some caseworkers will also maintain responsibility for the determination of the individual's and/or family's eligibility for assistance and benefit determination.
- Individuals and families have varying needs for social and financial support. A case which has significant needs should receive services more frequently and extensively than a case with less needs.

7 USC 2014; 42 USC 1396; 7 CFR 273.10(f); 7 CFR 273.14; 42 CFR 435.916

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

STABILIZING THE FOOD STAMP BENEFITS FOR A SIX MONTH PERIOD FOLLOWING EMPLOYMENT.

Current Policy:

Food Stamp benefits are based upon a family's size and income.

Rationale for Proposal:

- The reduction of food stamp benefits following employment serves as a disincentive for securing employment.
- Stabilizing the Food Stamp benefit amount for a 6 month period following employment allows for a period of adjustment to assure the costs of employment, as well as to provide the client with an incentive to maintain employment.

7 USC 2014; 7 CFR 273.9

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Program Waiver Recommendation:

REQUIRE A MINOR PARENT TO LIVE WITH A RESPONSIBLE PARENT OR ADULT.

Current Policy:

If a minor has a child, benefits to that parent are provided most generally when the minor parent lives in an independent household.

Rationale for Proposal:

- Living with a responsible parent can assist the minor parent to face the special circumstances that will hinder the minor from becoming self-sufficient.
- The adult can assist in transportation, child care and modelling to assist the minor parent to move toward educational or job goals.
- Benefits paid while living with a responsible adult increases the likelihood of a person becoming self-sufficient.

Social Security Act Sec. 402(a)(43); 45 CFR 233.107

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

INCREASE IN RESOURCE LIMITS TO \$1,500 FOR AFDC.

Current Policy:

AFDC criteria limit eligibility to AFDC families with assets less than \$1,000. The asset limit for Food Stamp eligibility is \$1,500.

Rationale for Proposal:

- The increase in resource limits will provide families with an incentive to save money and prepare for unexpected misfortunes.

Social Security Act Sec. 402(a)(7)(B); 45 CFR 233.20(a)(3)

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

TO ELIMINATE THE PAYMENT OF AFDC GRANTS TO PARTICIPANTS IN THE 24 MONTH PROGRAM WHO DO NOT HAVE THEIR GRANTS DIVERTED.

Current Policy:

AFDC payments are made to all eligible recipients.

Rationale for Proposal:

Participants who do not receive a grant will still be provided case management, financial assistance for education and training activities, as well as the supportive services necessary for them to enhance and maintain employment.

Non-payment of the AFDC grant will serve to decrease the psychological dependency on AFDC and increase efforts towards self-sufficiency.

Social Security Act Sec. 406(a); Sec. 402(a) (38); 45 CFR 233.90; 45 CFR 206.10

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

PERMANENT INELIGIBILITY FOR AN INDIVIDUAL
CONVICTED OF WELFARE FRAUD UNDER IC-35-43-5-7.

Current Policy:

There is no program sanction for Welfare Fraud.

Rationale for Proposal:

- Currently a Welfare Fraud Conviction can result in a jail sentence and/or restitution, but no sanction prescribed in the Federal Regulations.
- Harsher penalties are needed to prevent the fraudulent acquisition of AFDC benefits and to insure program integrity for recipients who really need the benefits.

Social Security Act Sec. 416; 45CFR 235.110; 235.112; 235.113

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

DENIAL OF AFDC BENEFITS TO INDIVIDUALS WHO QUIT A JOB WITHIN THE 6 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF APPLICATION.

Current Policy:

Program sanctions are in effect for AFDC recipients who quit employment without good cause. The length of the sanction period is based upon the number of episodes of non-compliance with the employment and training requirements.

Rationale for Proposal:

- Employment is the most significant element of self-sufficiency.
- Public Assistance should be limited to those who are unable to work not those unwilling to work.
- The prohibition to receive assistance is believed necessary to encourage those currently employed to remain so.
- Removing the option of assistance will strengthen the choice of employment.

Social Security Act Sec. 402 (a)(8)(B); 45 CFR 250.34

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

Waiver Recommendation:

REQUIRE THAT PARENTS ARE FINANCIALLY RESPONSIBLE FOR THEIR UNMARRIED MINOR AGED CHILDREN.

Current Policy:

The income of the parents of minor aged parents is used in calculating the AFDC benefits of the minor only when the minor lives with his/her parent.

The agency has the authority under the Title IV-D, Child Support Program to pursue the collection of child support payments from the absent parents of the minor but child support collection activity in this area has not been very successful.

Rationale for Proposal:

- Parents are currently held to be legally and financially responsible for certain liabilities incurred as a result of the actions of their minor aged children.
- The expansion of the parents financial responsibility for a minor aged child who does not live with the parents and whose financial situation would otherwise qualify the child for financial assistance is consistent with other legal responsibilities required of the parent.
- Governmental support should not be available to individuals who can and should be supported by family.

Social Security Act Sec. 402(a) (7); 45 CFR 233.107

Waiver Recommendation:

ELIMINATION OF THE REQUIREMENT TO CONDUCT DATA MATCHES WITH THE INTERNAL REVENUE SERVICE'S UNVERIFIED UNEARNED INCOME DATA EXCHANGE (UIDX) AND THE SOCIAL SECURITY ADMINISTRATION'S BENEFICIARY EARNINGS EXCHANGE RECORD (BEER).

Current Policy:

Data matches and productivity reports are required to be completed on both a monthly and an annual basis.

Rationale for Proposal:

- These two matches provide data which is too old to be meaningful. Many of the "matches" reflect client income and assets that were acquired prior to the client's application for assistance.
- This data is considered highly confidential and the agency is required to establish special monitoring and destruction procedures to protect this confidentiality.
- The results of these matches have not proven successful in identifying income or resources which were not reported and/or had an effect on current or past assistance.
- The activities that support the requirement are very detailed and time consuming and result in little or no benefit.

Social Security Act, Sec. 402(a)(25) and 1137; Food Stamp Act Sec. 11(e)(3) and (9); 7 CFR 272.8; 45 CFR 205.51; 42CFR 435.945

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

**SUMMARY OF WAIVER REQUESTS
NECESSARY TO IMPLEMENT
WELFARE REFORM IN INDIANA**

WAIVERS WHICH SET THE GOVERNOR'S POLICY DIRECTION		
Waiver Recommendation	Current Policy	Rationale
LIMIT THE AFDC GRANT TO THE NUMBER OF CHILDREN WITHIN 10 MONTHS OF APPLICATION OF BENEFITS.	The AFDC grant is based upon the number of eligible children in the family. The birth of an additional child increases the AFDC grant by approximately \$59.00 per month.	<ul style="list-style-type: none"> • Giving birth to a child is an issue of personal responsibility based upon many issues, including financial ability to care for the child.
LIMIT AFDC BENEFITS TO A MAXIMUM OF 24 MONTHS.	AFDC benefits are considered an open ended entitlement by federal law. This means that assistance must be granted to all individuals who meet federal and state program requirements.	<ul style="list-style-type: none"> • AFDC dependence is a significant barrier to self-sufficiency. • The 24 month limit is an incentive to establish a sense of urgency for an individual to become employed, and therefore, become self-sufficient.

WAIVERS WHICH SET THE GOVERNOR'S POLICY DIRECTION

Waiver Recommendation	Current Policy	Rationale
EXTEND THE JOBS GRANT DIVERSION AUTHORIZATION TO A MAXIMUM OF 24 MONTHS.	An AFDC grant can be diverted to an employer for a period not to exceed 9 months. The diversion is an incentive for an employer to employ an AFDC recipient, in a <u>new</u> (not vacant) position.	<ul style="list-style-type: none"> • The extension of the grant diversion period to 24 months is a greater incentive for an employer to hire and retain an individual who receives AFDC assistance. • This waiver provides greater incentive for economic development.
DEVELOPMENT OF A PERSONAL RESPONSIBILITY AGREEMENT AS A CONDITION TO RECEIVE AFDC BENEFITS.	There is no requirement at this time.	<ul style="list-style-type: none"> • An agreement establishes a commitment for a recipient to become self-sufficient.
AFDC RECIPIENTS MUST AGREE TO INSURE IMMUNIZATION OF THEIR CHILDREN AS A REQUIREMENT OF RECEIVING BENEFITS.	There is no requirement at this time.	<ul style="list-style-type: none"> • Parents receiving government assistance should be responsible to increase the likelihood of a child to be healthy by insuring immunizations to decrease health care costs. This is an incentive to encourage parents to foster good preventive health care habits.

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

WAIVERS WHICH SET THE GOVERNOR'S POLICY DIRECTION

Waiver Recommendation	Current Policy	Rationale
<p>EXTENSION OF TRANSITIONAL CHILD CARE BENEFITS TO A MAXIMUM OF EIGHTEEN MONTHS.</p>	<p>Transitional child care is available for a 12 month period following AFDC ineligibility, due to new or more rewarding employment.</p>	<ul style="list-style-type: none"> • Extending the Transitional Child Care Program from twelve to eighteen months provides the parent extra support to ensure that the parent is able to continue employment. • The greater the parent's work history and attachment to the workforce, the greater the parent's ability to realize and maintain self-sufficiency.
<p>SCHOOL ATTENDANCE AS A CONDITION OF AFDC ELIGIBILITY FOR THE CHILD'S PARENT.</p>	<p>Federal regulations prohibit the denial of assistance to an otherwise eligible child based upon school attendance.</p>	<ul style="list-style-type: none"> • There is high correlation between the lack of education and poverty. • Education is critical to the attainment of self-sufficiency. • AFDC policies which discourage children from missing school are necessary to address the incidence of unnecessary school absence among a very poor population. • Policies regarding the school absence of children will enable us to address the educational needs of children earlier and consequently more effectively.

SUMMARY OF WAIVER REQUESTS NECESSARY TO IMPLEMENT WELFARE REFORM IN INDIANA

WAIVERS TO DECREASE BUREAUCRACY AND IMPROVE ACCOUNTABILITY

Waiver Recommendation	Current Policy	Rationale
THE ELIMINATION OF THE FOOD STAMP REQUIREMENT TO HOLD HEARINGS REQUESTED VERBALLY.	Food Stamp regulations require the agency to schedule and hold a fair hearing in response to a <u>verbal</u> request from the grieving recipient.	<ul style="list-style-type: none">• It is believed that a requirement to request Food Stamp hearings in writing will reduce the number of reactionary requests for a hearing and the corresponding waste of time that occurs when the aggravated party fails to show at the hearing.
THE ELIMINATION OF THE IMPACT EMPLOYMENT AND TRAINING PARTICIPATION REQUIREMENTS.	The state must ensure in Federal Fiscal Year 1994 that 15% of its IMPACT participants are involved in activities that average at least 20 hours per week. This will insure Indiana receives enhanced federal funding. In 1995, this percentage of participants increases to 20%.	<ul style="list-style-type: none">• Employment will be the primary focus of services. Consequently, the existing federal participation rates no longer will be meaningful or necessary to ensure the state's commitment and performance in the employment and training activities.

**WAIVERS TO DECREASE BUREAUCRACY AND
 IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>THE ELIMINATION OF THE IMPACT EMPLOYMENT AND TRAINING EXPENDITURE REQUIREMENTS.</p>	<p>Federal regulations mandate that 55% of the state's IMPACT expenditures must have been spent to meet the needs of a target population which, in Indiana, includes individuals who:</p> <ol style="list-style-type: none"> 1. have received AFDC in 36 of the last 60 months; or, 2. are custodial parents under age 24; and, 3. are members of a family in which the youngest child is between the ages of 16 and 18. 	<ul style="list-style-type: none"> • Federal requirements regarding funding of the program serve only to focus service plans to meet the federal requirements and not necessarily the needs of the client. • The 55% exemption requirement is not a complete or meaningful measure of the state's commitment to service those with significant barriers to self-sufficiency.
<p>EXEMPTION FROM FEDERALLY PRESCRIBED AFDC/FOOD STAMP QUALITY CONTROL PROCEDURES.</p>	<p>Quality Control procedures are established by federal regulations and policies. a state has little discretion regarding this review system.</p>	<ul style="list-style-type: none"> • The 24 month time-limited program will be evaluated based upon specific outcomes related to a client's self-sufficiency. • This focus on outcomes negates the value of the existing review system which measures benefit determination accuracy.

**WAIVERS TO DECREASE BUREAUCRACY AND
 IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>TO ESTABLISH ELIGIBILITY PERIODS FOR FOOD STAMPS WHICH ARE CONSISTENT WITH THOSE IN AFDC AND MEDICAID.</p>	<p>Food Stamp eligibility is established for a period of time; usually a 6 or 12 month period. Once the period of eligibility lapses, the individual or family must reapply to receive Food Stamps.</p>	<ul style="list-style-type: none"> • Eligibility for the AFDC and/or Medicaid Programs is opened. An individual or family continues to be eligible until there is information which indicates that the individual or family no longer meets the requirements of the Program.
<p>THE ELIMINATION OF THE EMPLOYMENT AND TRAINING EXEMPTION DUE TO PARTICIPATION IN VISTA.</p>	<p>Volunteers serving in VISTA are currently exempted from participation in employment and training activities.</p>	<ul style="list-style-type: none"> • Volunteers in public service should also be required to negotiate self-sufficiency plans and work towards reducing their dependence on assistance from federal and state supported programs.
<p>DISCONTINUANCE OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR THE CARE OF A CHILD UNDER AGE 3 ONCE AFDC ELIGIBILITY IS ESTABLISHED.</p>	<p>A client is allowed an exemption from employment and training activities when the client has responsibility for the care of a child under age 3. This exemption is allowed at any time during the period in which AFDC benefits are received.</p>	<ul style="list-style-type: none"> • This exemption criteria remains necessary at the application point, as there are still limitations in child care services available for young children. • However, it is also necessary to have consistent policies relative to the parent's choice to have more children once she has begun to receive assistance. Consequently, the parent who has another child after 10 months of receiving assistance will not be granted an exemption from employment and training activities or the 24 month program due to care of the new child.

**WAIVERS TO DECREASE BUREAUCRACY AND
IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>REQUIRES TIME LIMITED BENEFITS TO ONLY A PORTION OF THE AFDC POPULATION.</p>	<p>Federal regulations currently require that policies are applied consistently and uniformly.</p>	<ul style="list-style-type: none"> • The purpose of a waiver is to demonstrate creative and innovative approaches to welfare reform. • Targeting a portion of the AFDC population for time limited benefits allows an evaluation of program effectiveness through the use of acceptable research and evaluation methodologies (control groups).
<p>ELIMINATION OF THE REQUIREMENT TO CONDUCT DATA MATCHES WITH THE INTERNAL REVENUE SERVICE'S UNVERIFIED UNEARNED INCOME DATA EXCHANGE (UIDX) AND THE SOCIAL SECURITY ADMINISTRATION'S BENEFICIARY EARNINGS EXCHANGE RECORD (BEER).</p>	<p>Data matches and productivity reports are required to be completed on both a monthly and an annual basis.</p>	<ul style="list-style-type: none"> • These two matches provide data which is too old to be meaningful. Many of the hits reflect client income and assets that were acquired prior to the client's application for assistance. • This data is considered highly confidential and the agency is required to establish special monitoring and destruction procedures to protect this confidentiality. • The results of these matches have not proven successful in identifying income or resources which were not reported and/or had an effect on current or past assistance. • The activities that support the requirement are very detailed and time consuming and result in little or no benefit.

**WAIVERS TO DECREASE BUREAUCRACY AND
IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>THE ELIMINATION OF THE REQUIREMENT THAT PROGRAM ELIGIBILITY AND PROGRAM SERVICES BE ADMINISTERED CONSISTENTLY IN EVERY COUNTY.</p>	<p>Program eligibility must be determined for every individual who requests assistance based upon a specific set of criteria. Likewise, services must be provided equitably to all eligible individuals in every county of the state.</p>	<ul style="list-style-type: none">• The ability to customize eligibility requirements and available services will enable the agency to develop a program which facilitates self-sufficiency by establishing case and county plans based upon client needs.• The resources available in a community vary across the state. A service needed in one area is not in another. Statewide programs requiring the same service to be available in every location, regardless of community resources have a result of providing duplicative services and/or services which do not address the specific needs of the community.

**WAIVERS TO DECREASE BUREAUCRACY AND
 IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>TO ESTABLISH SERVICES UNDER THE EMERGENCY ASSISTANCE PROVISIONS BASED UPON THE UNIQUE NEEDS AND RESOURCES WHICH EXIST WITHIN EACH COUNTY.</p>	<p>Services established in the state plan must be available statewide to all individuals who meet eligibility criteria.</p>	<ul style="list-style-type: none"> • A comprehensive service needs assessment has been completed in each county through the state's Step Ahead process which indicates significant differences between counties regarding their existing needs and available resources. • To be effective, service delivery systems should be customized to meet the needs of the community. • Locally established plans will help to ensure that program funds are targeted to where they are most needed.
<p>TO EXTEND MEDICAID ELIGIBILITY TO ALL CHILDREN WHO MEET ALL AFDC CATEGORICAL AND FINANCIAL REQUIREMENTS.</p>	<p>Medicaid eligibility is available to individuals who meet specific categorical and/or financial eligibility requirements. AFDC recipient children are automatically eligible for Medicaid.</p>	<ul style="list-style-type: none"> • The objective of the Welfare Reform proposal is to motivate AFDC parents without placing the children at risk. • Without medical assistance, children may not receive needed treatment. • Failure to provide necessary medical treatment at the earliest possible point can result in more costly, long term treatment therapies.

STATE OF INDIANA
 FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO DECREASE BUREAUCRACY AND
 IMPROVE ACCOUNTABILITY**

Waiver Recommendation	Current Policy	Rationale
<p>TO DETERMINE THE AMOUNT OF A FAMILY'S ASSISTANCE PAYMENT WITHOUT CONSIDERATION OF PRESCRIBED BUDGETING RULES FOR INCOME.</p>	<p>Federal regulation specify the amount of income that must be deducted and the conditions when this income is to be deducted.</p>	<ul style="list-style-type: none"> • Federally established budgeting rules become irrelevant with a proposal to fix grants at a specific level for an extended period of time. • This waiver is necessary to avoid any conflict with other income eligibility waivers.
<p>REQUIRE THAT PARENTS ARE FINANCIALLY RESPONSIBLE FOR THEIR UNMARRIED MINOR AGED CHILDREN.</p>	<p>The income of the parents of minor aged parents is used in calculating the AFDC benefits of the minor only when the minor lives with his/her parent.</p>	<ul style="list-style-type: none"> • Parents are currewntly held to be legally and financially responsible for certain liabilities incurred as a result of the actions of their minor aged children. • The expansion of the parents financial responsibility for a minor aged child who does not live with the parents and whose financial situation would otherwise qualify the child for financial assistance is consistent with other legal responsibilities requiared of the parent. • Governmental support should not be avilable to individuals who can and should be supported by family.

SUMMARY OF WAIVER REQUESTS NECESSARY TO IMPLEMENT WELFARE REFORM IN INDIANA

WAIVERS TO MAKE WORK PAY BETTER THAN WELFARE		
Waiver Recommendation	Current Policy	Rationale
ELIMINATION OF THE 100 HOUR RULE.	If two able bodied parents live in the same house, neither parent can work more than 100 hours in a month.	<ul style="list-style-type: none"> • Families should be encouraged to stay together. • Elimination of this rule will provide an incentive to employment and remove a barrier to dependency.
FIX THE AFDC PAYMENT DURING THE GRANT DIVERSION PERIOD.	AFDC payments are determined based upon family size and income in relation to a state's need or payment standards.	<ul style="list-style-type: none"> • Under this standard, a family of three, without child care payments, becomes ineligible soon after the parent begins working 30 hours per week at a minimum wage job. • Stabilizing the family's grant will minimize the financial risk to the family and serve as an incentive to encourage people to find and maintain employment.

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO MAKE WORK
PAY BETTER THAN WELFARE**

Waiver Recommendation	Current Policy	Rationale
<p>THE ESTABLISHMENT OF FOOD STAMP ELIGIBILITY POLICIES WHICH SUPPORT THE AFDC PROGRAM.</p>	<p>Federal Food Stamp regulations are very detailed and preclude states from treating similarly situated individuals in an inconsistent manner.</p>	<ul style="list-style-type: none"> • To ensure consistent policies which clearly convey program requirements and encourage participation, the agency will need to have certain Food Stamp policies and regulations waived for those individuals participating in the new AFDC program.
<p>DENIAL OF AFDC BENEFITS TO INDIVIDUALS WHO QUIT A JOB WITHIN THE 6 MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF APPLICATION.</p>	<p>Program sanctions are in effect for AFDC recipients who quit employment without good cause. The length of the sanction period is based upon the number of episodes of non-compliance with the employment and training requirements.</p>	<ul style="list-style-type: none"> • Employment is the most significant element of self-sufficiency. • Public Assistance should be limited to those who are unable to work not those unwilling to work. • The prohibition to receive assistance is believed necessary to encourage those currently employed to remain so. • Removing the option of assistance will strengthen the choice of employment.

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO MAKE WORK
PAY BETTER THAN WELFARE**

Waiver Recommendation	Current Policy	Rationale
<p>TO PROHIBIT EXEMPTIONS FOR THOSE INDIVIDUALS IN THE 24 MONTH PROGRAM UNLESS GRANTED BY THE DIRECTOR, DIVISION OF FAMILY & CHILDREN, BASED UPON A CATASTROPHIC CIRCUMSTANCES AND SITUATIONS WHICH PRESENT ISSUES WHICH ARE PERMANENT AND CANNOT BE OVERCOME.</p>	<p>Exemption from employment and training activities are granted to any individual who meet established federal criteria, regardless of the individual's ability to access the support needed to participate.</p>	<ul style="list-style-type: none"> • People are readily excused from participation without a thorough assessment of the individual's ability to become employed. • Many individuals with barriers such as the responsibility for very young children and the presence of clear physical or mental challenges are still able to find and maintain employment.

SUMMARY OF WAIVER REQUESTS NECESSARY TO IMPLEMENT WELFARE REFORM IN INDIANA

WAIVERS TO INSURE SWIFT AND FAIR SANCTIONS FOR NON-COOPERATION

Waiver Recommendation	Current Policy	Rationale
COOPERATION WITH A SELF-SUFFICIENCY PLAN AS A CONDITION TO RECEIVE AFDC BENEFITS.	There is no requirement at the present time.	<ul style="list-style-type: none">• As a program requirement, AFDC, Food Stamps and Medicaid benefits will not be provided to the recipient who refuses to perform the activities specified in the self-sufficiency plan. This serves as an incentive to move a person toward self-sufficiency.
FOOD STAMP PROGRAM SANCTIONS ARE AUTOMATICALLY IMPOSED AS A RESULT OF AFDC NON-COMPLIANCE.	AFDC and Food Stamp regulations define Employment and Training non-compliance differently. Food Stamp regulations allow the imposition of sanctions for AFDC employment and training non-compliance only when the non-compliance occurrence falls within the Food Stamp definition.	<ul style="list-style-type: none">• Establishing consistent sanction policies between AFDC and Food Stamps will serve to clearly convey program requirements and corresponding penalties for non-compliance to the client.• The concurrent AFDC and Food Stamp sanctions for non-compliance should also serve as a significant deterrent for non-compliance, and therefore and incentive to achieve self sufficiency.

**WAIVERS TO INSURE SWIFT AND FAIR SANCTIONS
FOR NON-COOPERATION**

Waiver Recommendation	Current Policy	Rationale
<p>IMPOSITION OF A TWO MONTH PERIOD OF PROGRAM INELIGIBILITY AS A RESULT OF NON-COMPLIANCE; REMOVED FROM THE PROGRAM FOR THREE ACTS OF NON-COMPLIANCE.</p>	<p>AFDC sanction periods are determined based upon the number of non-compliant occurrences. The first occurrence results in a loss of eligibility until the individual agrees to comply. The second occurrence results in a 3 month minimum sanction which continues until compliance is established; and the third and subsequent episodes result in a 6 month sanction period.</p> <p>The Food Stamp sanctions for non-compliance with requirements is two months' ineligibility, which can continue until non-compliance ceases.</p>	<ul style="list-style-type: none"> • The existing AFDC regulations do not establish real penalties for the first non-complaint occurrence. The subsequent sanctions are too harsh for participation in a time-limited program. • Penalties for non-compliance will be swift and consistent, providing a very clear incentive to move toward self-sufficiency. After the third incident, termination of benefits will occur for three years.
<p>DENIAL OF AFDC BENEFITS TO PARENTS WHO OBTAIN PHYSICAL CUSTODY OF THEIR CHILDREN FOR THE SOLE PURPOSE OF ATTAINING AFDC ELIGIBILITY.</p>	<p>There is no eligibility provision.</p>	<ul style="list-style-type: none"> • To discourage families from separating to become eligible for assistance or greater assistance benefits.
<p>PERMANENT INELIGIBILITY FOR AN INDIVIDUAL CONVICTED OF WELFARE FRAUD UNDER IC-35-43-5-7.</p>	<p>There is no program sanction for Welfare Fraud.</p>	<ul style="list-style-type: none"> • Currently a Welfare Fraud Conviction can result in a jail sentence and/or restitution, but no sanction prescribed in the Federal Regulations.

SUMMARY OF WAIVER REQUESTS NECESSARY TO IMPLEMENT WELFARE REFORM IN INDIANA

WAIVERS TO SUPPORT FAMILIES WHO HAVE STARTED THE PROCESS OF SELF-SUFFICIENCY

Waiver Recommendation	Current Policy	Rationale
EXTENSION OF CASE MANAGEMENT SERVICES FOLLOWING THE 24 MONTH PROGRAM.	Case management is provided to AFDC-IMPACT clients while participating in the program. Case management can be provided for a 90 day period following AFDC ineligibility.	<ul style="list-style-type: none"> Once a client completes the 24 month program, there may be a need for support and encouragement to ensure the client's continued success.
THE PROVISION OF SUPPORTIVE SERVICES WHERE APPROPRIATE FOLLOWING THE 24 MONTH PROGRAM.	Supportive services, such as transportation assistance, purchase of clothing, tools necessary for employment, are available to AFDC recipients participating in the IMPACT program.	<ul style="list-style-type: none"> Support services to insure continual employment is an investment in a family's security.
THE ELIMINATION OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR INDIVIDUALS LIVING IN RURAL AND HARD TO ACCESS AREAS.	Individuals who reside in locations believed too remote for effective participation are exempt from participation in employment and training activities.	<ul style="list-style-type: none"> Despite the difficulties which exist due to remoteness, these individuals are still expected to obtain employment and become self-sufficient.

STATE OF INDIANA
 FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO SUPPORT FAMILIES WHO HAVE STARTED THE
 PROCESS OF SELF-SUFFICIENCY**

Waiver Recommendation	Current Policy	Rationale
<p>THE ELIMINATION OF THE EMPLOYMENT AND TRAINING EXEMPTION FOR INDIVIDUALS WHO ARE EMPLOYED 30 OR MORE HOURS PER WEEK.</p>	<p>Individuals who are employed on an average of 30 or more hours a week are not currently required to participate in employment and training activities.</p>	<ul style="list-style-type: none"> • As working individuals who would be participating in the 24 month program, it is important that they are provided all necessary supportive services to retain and enhance their employment. • These individuals will be expected to engage in planning and training activities. This will serve as an incentive to increase a person's ability to remain self-sufficient.
<p>ESTABLISHMENT OF PREFERENTIAL TREATMENT IN OTHER FEDERALLY FUNDED ASSISTANCE PROGRAMS FOR THE 24 MONTH PROGRAM PARTICIPANTS.</p>	<p>Each independent social service program has its own set of federally established requirements and target groups.</p>	<ul style="list-style-type: none"> • It may be necessary that other federal programs be accessed to provide added assistance. • When it becomes necessary, it is important that the individuals in this program who need assistance are given priority for services.

STATE OF INDIANA
 FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO SUPPORT FAMILIES WHO HAVE STARTED THE
 PROCESS OF SELF-SUFFICIENCY**

Waiver Recommendation	Current Policy	Rationale
<p>TO ESTABLISH SERVICE GROUPS WITHIN THE FOOD STAMP AND MEDICAID CASELOADS BASED ON THE INDIVIDUAL'S OR FAMILY'S SERVICE NEEDS, FINANCIAL SITUATION AND CASE ERROR PRONE PROFILE WHICH WILL BE USED TO DEFINE REDETERMINATION SCHEDULES AND SERVICE PLANS.</p>	<p>To determine eligibility and provide services to every family in the same manner.</p>	<ul style="list-style-type: none"> • Individuals and families have varying needs for social and financial support. A case which has significant needs should receive services more frequently and extensively than a case with less needs.
<p>STABILIZING THE FOOD STAMP BENEFITS FOR A SIX MONTH PERIOD FOLLOWING EMPLOYMENT.</p>	<p>Food Stamp benefits are based upon a family's size and income.</p>	<ul style="list-style-type: none"> • The reduction of Food Stamp benefits following employment serves as a disincentive for securing employment. • Stabilizing the Food Stamp benefit amount for a 6 month period following employment allows for a period of adjustment to assure the costs of employment, as well as to provide the client with an incentive to maintain employment.

STATE OF INDIANA
FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO SUPPORT FAMILIES WHO HAVE STARTED THE
PROCESS OF SELF-SUFFICIENCY**

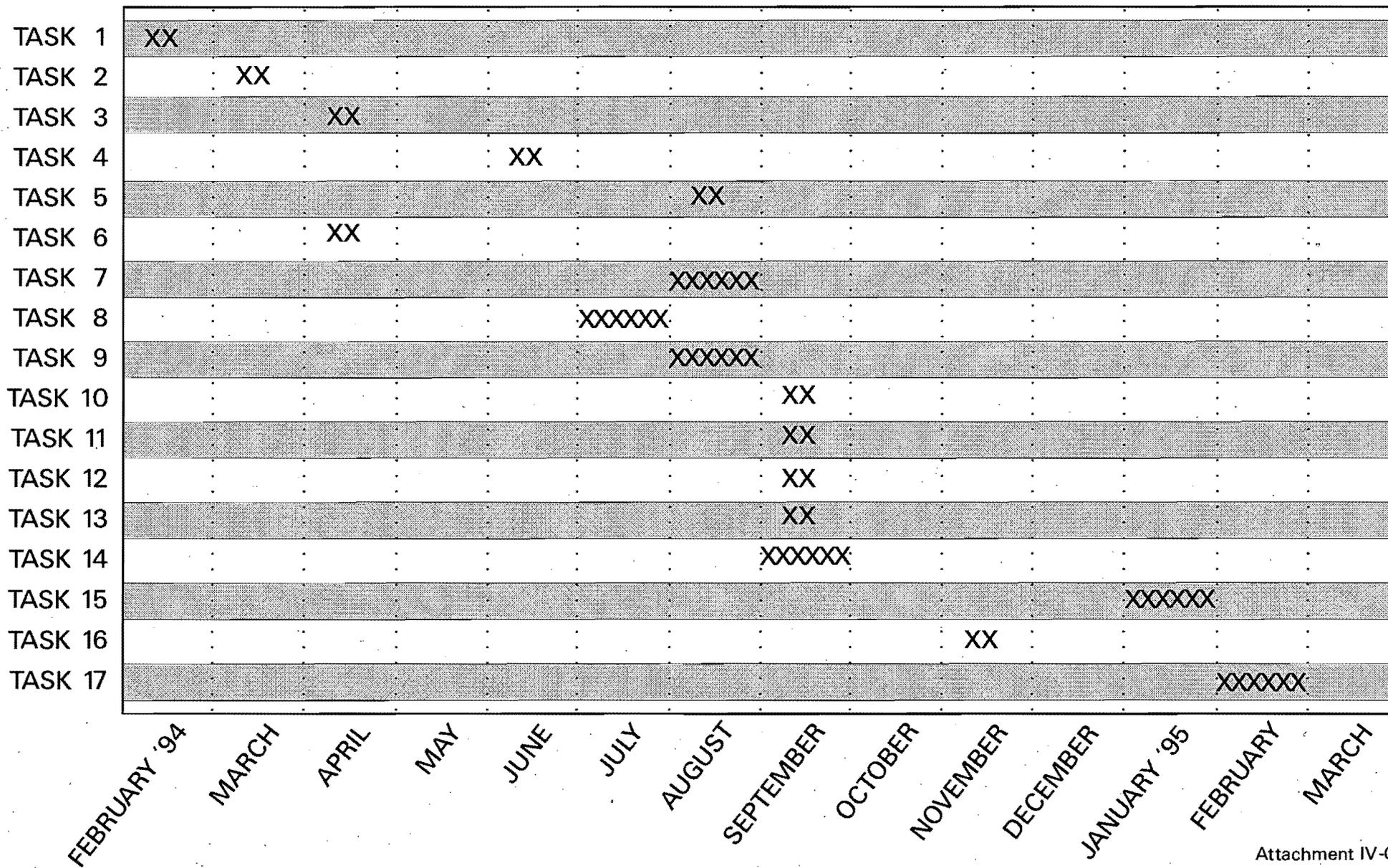
Waiver Recommendation	Current Policy	Rationale
REQUIRE A MINOR PARENT TO LIVE WITH A RESPONSIBLE PARENT OR ADULT.	If a minor becomes pregnant, benefits to that parent are provided only if the minor parent lives in an independent household.	<ul style="list-style-type: none">• Benefits paid while living with a responsible adult increases the likelihood of a person becoming self-sufficient.
INCREASE IN RESOURCE LIMITS, TO \$1,500 FOR AFDC.	AFDC criteria limit eligibility to AFDC families with assets less than \$1,000. The asset limit for Food Stamp eligibility is \$1,500.	<ul style="list-style-type: none">• The increase in resource limits will provide families with an incentive to save money and prepare for unexpected misfortunes.

STATE OF INDIANA
 FAMILY & SOCIAL SERVICES ADMINISTRATION

**WAIVERS TO SUPPORT FAMILIES WHO HAVE STARTED THE
 PROCESS OF SELF-SUFFICIENCY**

Waiver Recommendation	Current Policy	Rationale
<p>TO DIVERT THE AFDC GRANT TO SUBSIDIZE THE CHILD COSTS OF THE WORKING INDIVIDUAL.</p>	<p>This is no provision to divert the AFDC grant for any purpose other than to subsidize employment.</p>	<ul style="list-style-type: none"> • The diversion of the AFDC grant for child care will facilitate the recipient's transition to self-sufficiency.
<p>TO ELIMINATE THE PAYMENT OF AFDC GRANTS TO PARTICIPANTS IN THE 24 MONTH PROGRAM WHO DO NOT HAVE THEIR GRANTS DIVERTED.</p>	<p>AFDC payments are made to all eligible recipients.</p>	<ul style="list-style-type: none"> • Participants who do not receive a grant will still be provided case management, financial assistance for education and training activities as well as the supportive services necessary for them to enhance and maintain employment. • Non-payment of the AFDC grant will serve to decrease the psychological dependency on AFDC and increase efforts towards self-sufficiency.

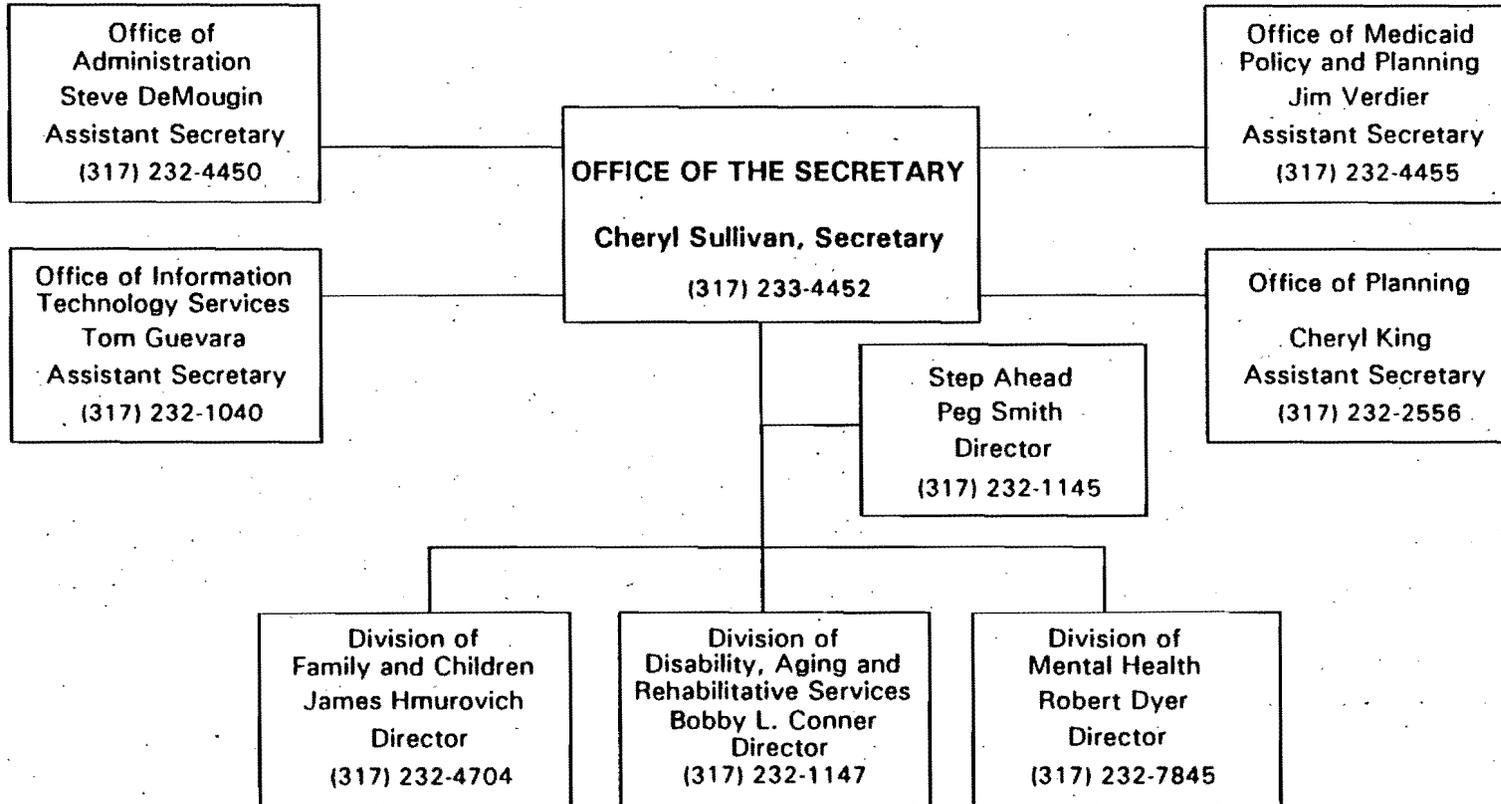
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**ORGANIZATION CHARTS
OF THE
FAMILY & SOCIAL SERVICES ADMINISTRATION**

Governor Evan Bayh

FAMILY AND SOCIAL SERVICES ADMINISTRATION



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 Division of Family and Children

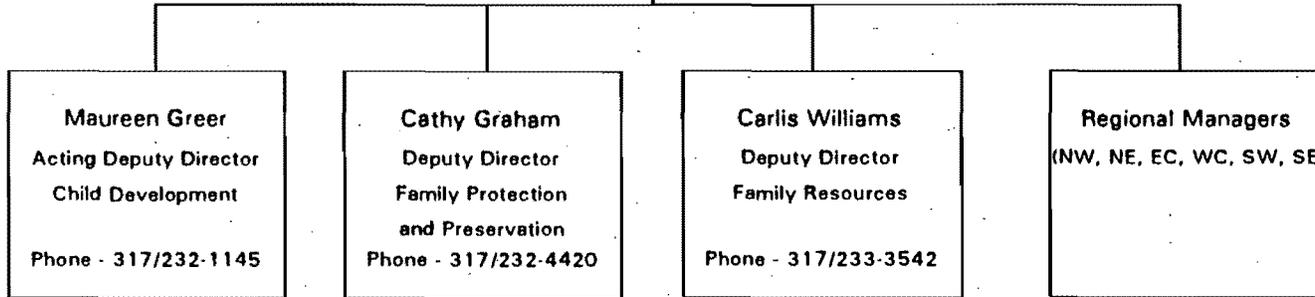
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