

Meeting Minutes

Rural Welfare to Work Strategies

December 3-4, 1998

DECEMBER 3, 1998

The first meeting of grantees for the Administration for Children and Families (ACF) Rural Welfare to Work Strategies project was held December 3-4, 1998, at the Hyatt Capitol Hill, Washington, DC. Representatives from the following States attended: Illinois, Iowa, Louisiana, Maryland, Minnesota, Mississippi, Missouri, New York, Vermont and Washington.

Welcome and Direction

Helen Howerton, Chief, Division of Child and Family Development, Office of Planning, Research, and Evaluation (OPRE), ACF, welcomed grantees, provided an overview of the meeting, and presented an overview of ACF's research agenda under welfare reform.

Jim Dolson is the Project Officer for each of the grants and has most likely already been in touch with all of the grantees.

She noted that special guests were expected to attend this meeting, including representatives from the Department of Agriculture, the NGA, NCSL, NACo, and other national organizations. ACF is delighted to have them in attendance and encourages their participation throughout the meeting and the initiative.

Ms. Howerton said that ACF is very excited about this initiative to study welfare reform in a rural context. John Monahan, the Principal Deputy Assistant Secretary for the ACF will host a town meeting with all grantees tomorrow morning. Mr. Monahan is intensely interested in both health and welfare issues affecting the poor and is eager to hear the perspective of the grantees on the opportunities and challenges of health and welfare reform as they affect rural populations.

She mentioned that the Department of Health and Human Services (HHS) has a substantial portfolio of research and evaluation studies, some initiated prior to welfare reform and some more recently. Some grantees may be familiar with the JOBS program and its evaluations, or the welfare waiver demonstrations and evaluations. Some of the work helped to inform provisions in the current law.

OPRE has worked closely with the Office of the Assistant Secretary for Planning and Evaluation to implement a comprehensive research agenda. OPRE prides itself in having worked with others in HHS, in other federal agencies, and particularly with States, localities and researchers to produce the best information possible to help inform policy and practice.

The ACF research agenda has two broad goals:

1. To increase the likelihood that the objectives of welfare reform are achieved by developing credible information that can inform state and local policy and program decisions; and
2. To inform the Congress, the Administration, and other interested parties on the progress of welfare reform.

Two broad questions have been central to the research:

1. What approaches are States and localities taking to reform welfare, and what

effects do these models have on low-income families and their children?

2. What are the experiences of low-income families and children under a variety of welfare reform models, even if we cannot establish a direct causal linkage between welfare reform and these outcomes?

To answer these questions, ACF has focused research on:

- Families who leave welfare
- Families who remain on welfare
- Applicants and families who are diverted from welfare
- Implications for children
- Special populations (such as people with disabilities, victims of domestic violence, individuals with substance abuse problems, etc.)
- State and local implementation
- Evaluation and dissemination of promising program models and changes in practice
- Various emerging issues, such as post-employment services, job retention and earnings gain among former welfare recipients.

With these studies, ACF intends to address such questions as:

- Are more parents working?
- Are low income parents earning more?
- Are fewer families in poverty?
- Are children better prepared for school?
- Are more children living in two-parent families?
- Are there fewer out-of-wedlock births?
- Are fewer children in foster care?

Much of the welfare research to date has not excluded rural populations, but neither has it explicitly addressed the special conditions affecting rural groups. Some tried and tested interventions may serve rural populations as well as others, but this is not known for certain because it has not been a specific focus of study. More studies have been done in more densely populated areas, mainly to address the issues of sample size, and dispersion and transportation challenges that affect the study population as well as service providers and researchers.

ACF has typically engaged the States in its research efforts. Under devolution, States have more responsibility and flexibility, can effect statewide policies, and can target resources. ACF also recognizes the pivotal role of counties and communities in orchestrating and delivering front-line services and in effecting change. It is imperative to engage both States and communities to achieve an optimum result.

Methodologically, ACF has favored experimental study designs because they are generally regarded as the most reliable method to determine the effects of different approaches and to produce more credible information. However, ACF recognizes that no single analytical approach adequately fits all of the essential questions to be answered. Therefore, a variety of study approaches has been supported, including random assignment experimental studies, non-experimental studies, implementation studies, exploratory and descriptive studies. The choice of methodology is heavily dependent on the research questions to be answered but is also tempered by issues of feasibility.

In addition, ACF has provided planning grants to launch new initiatives or to build a better foundation for further study of important issues. This rural initiative is a case in point.

There is a scarcity of research on how best to help rural families move from welfare to work, sustain employment, and achieve wage and job progression. In addition, we know very little about how recent and ongoing changes in policies are affecting the well-being of children and

families. Well-supported information is needed to successfully achieve these purposes. At the same time, rural areas present many challenges for policy development, program design, service delivery and research. ACF wants to work with the grantees to build a better knowledge base and foundation for research to produce information essential to sound decisionmaking.

ACF has provided grants to 10 States for this initiative. The announcement stressed the importance of both State and community representatives, as well as researchers in this process. This is an important mix to develop the necessary insight into rural welfare reforms issues. The reasons proposals were chosen include:

- Importance and challenge of the issues presented
- Range of experiences represented
- Potential for State/community/research partnerships
- Evidence of combined commitment to study the issues
- Expressed interest to work within the State, with other States, and with ACF to achieve a better understanding of both the challenges and opportunities ahead.

Many grantees have asked about □what ACF wants□ or □what grantees need to do□ to succeed in Phase Two. There is no template or prescription for Phase Two. ACF wants to develop a strong foundation for further study. ACF is in a developmental phase along with grantees and others to move toward a meaningful agenda.

ACF encourages grantees to:

- Develop a better knowledge base about their own rural population, local conditions and opportunities
- Learn more about what others have done and are doing that may have potential for them
- Establish new lines of communication within States and across States to further inform efforts
- Review, refine, expand, or otherwise improve State project goals and plans of action.

Over the next several months, everyone will work together to identify important and promising interventions or strategies that are worthy of systematic study in rural communities during a follow-on phase.

To facilitate efforts, ACF has contracted with Macro International, which has sub-contracted with the Rural Policy Research Institute (RUPRI). The evaluation research experience of Macro combined with the substantive knowledge of RUPRI on rural issues and research will serve the project well.

Ellen Marks, Macro International, Project Director, introduced staff from Macro and RUPRI and said that the overall goal of this meeting was to develop a learning community. Grantees were asked to review the research synthesis provided and return additions/comments to Macro within 10 days.

State Introductions

Each State made a 5-minute presentation describing its rural welfare to work strategies project and challenges that the State may encounter. The following is a brief synopsis of each State's project:

Iowa's project will focus on furthering research on rural transportation issues through interviews and focus groups. The following four issues will be addressed: (1) rural transportation needs; (2) barriers to vehicle ownership; (3) the multiple-stop problem; and (4) economic viability of rural transportation.

The following are challenges that IA will face in implementing the project:

- Difficulty collecting data due to dispersion of subjects/participants
- Identifying convenient times/locations to collect data
- Community collaboration.

The project will utilize its analysis to tailor existing transportation programs to rural areas.

Illinois will target 14 contiguous counties in southern IL that have three types of rural industries: mining, agriculture, and forestry. Seven of these counties are historically the poorest in the State. Since there has already been a good deal of study of the area, there is good information about welfare to work barriers. The focus of this project is on what *is* working in terms of welfare clients' job acquisition, retention, advancement, and re-employment, and how to apply the lessons learned to the population that is not yet working. Data will be collected through focus groups of employers, TANF clients and representatives from community groups. Other data sources include:

- Administrative data from an ongoing closed case study
- Job analysis of former TANF clients
- Labor market analysis.

Southern Illinois University and the Southern Business Partnership are local partners on this project.

Louisiana has 6,500 TANF recipients who will reach the 24-month time limit for benefits this month. Over 40% of the welfare population is rural. The project will focus on Tensas Parish, which has an agricultural economy with 8 percent unemployment in season and 10 percent in the off season. Sixty percent of the population lives below the poverty line. The following research question will guide the project: Are job search methods a match for the jobs that are or will be available? The project will further explore the link between welfare to work initiatives and local employment opportunities in an area where a known economic development project is underway (a shipbuilding facility is scheduled to open soon). Data will be collected through structured interviews and community discussions. The State has partnered with the Sociology Department at Louisiana State University for this project.

Maryland has enjoyed much success under welfare reform in rural Cecil County. This project aims to define the characteristics of successful public/private welfare to work partnerships and identify how to facilitate more collaboration that will lead to job retention and advancement. In addition, the project will identify how emerging technologies can best be utilized to support partnerships, and address the issue of culture change in the welfare system.

Minnesota identifies the following three primary rural welfare reform challenges: (1) remoteness; (2) economic development; and (3) the diversity of its population, including 11 Native American Tribes and a high percentage of noncitizens (more than 25 percent in some areas). Results from an evaluation of MN's welfare reform effort, the Minnesota Family Investment Program (MFIP), indicate a lesser impact in rural areas than in urban areas. The McKnight Foundation has played a key role in MN's welfare reform effort. McKnight has funded partnerships in 20 areas (14 of which are rural) to help families transition from welfare to work. Mentoring has emerged as a key component of successful partnerships. This project will examine the McKnight-funded partnerships and identify those strategies most associated with successful acquisition and retention of work by rural welfare families. The primary challenge of the project will be laying the groundwork for deciding what specific strategies to target for study.

Mississippi will analyze local Labor Market Areas (LMAs) based on the journey to work and will utilize Urban Influence Codes (UICs) to determine the extent to which areas are influenced by proximity to an urban area. Specifically, the project will:

- Test the hypothesis that the stronger the urban influence on an LMA, the better off welfare to work participants will be (access to more jobs with higher wages)
- Examine three areas with different LMA/UIC mixes to determine the nature of jobs in those areas, and map assets of welfare recipients to determine whether or not there is a match with available jobs
- Assess the needs of employers in the three areas to determine the goodness of fit based on recipients' assets.

Missouri will examine perceived barriers to employment in four counties in the extreme southeastern region of the State, commonly known as the □Boot Heel.□ Data will be collected via focus groups and telephone interviews from current and former welfare recipients and from service providers. A summary report will be compiled which will compare long-term recipients with shorter-term recipients and returnees. The project's rural partner is the local JTPA agency.

New York aims to further rural research by developing more detailed evaluation criteria and using an extended sampling frame. The project will study the implementation of rural welfare to work strategies and identify successful strategies that can be replicated. Primary data will be collected through:

- Survey and interviews with program operators
- Telephone and in-person interviews with urban and rural welfare recipients.

Administrative data will be collected through a survey of closed cases and analyzed to determine incidence of client problems, service utilization, and barriers to transition to self-sufficiency.

In **Vermont**, the most rural State, welfare reform efforts have been successful in changing welfare recipients headset; these efforts have been less successful in communicating the changes in the culture of welfare to agencies and organizations. This project aims to examine current welfare to work strategies and identify best practices. A key feature of this project is to look at transportation strategies, including a transportation loan fund operated through a credit union.

Washington is a very diverse (urban/rural) State that operates under a Work First welfare reform model. Starting in 1999, there will be a strong emphasis placed on post-employment services. This project will identify, develop, and study effective strategies for rural welfare to work, specifically strategies that promote sustained employment and job progression. The project plans to collaborate with both nonprofit organizations and Tribes (many of the 27 federally-recognized Tribes in the State have over 50 percent unemployment). The project will analyze both quantitative data currently being collected by the State and qualitative data that will be gathered through a series of focus groups with employers, recipients, supportive services organizations and Tribes.

The Rural Condition

Chuck Fluharty, Director, RUPRI, presented a session on □The Rural Condition.□ He spoke about the 'new' rural setting in which the economy is diverse, strong, and growing and experiencing a population increase due to movement from metropolitan areas and immigration. Amidst these changes, there has been a slight drop in rural employment. The unique rural context creates unique challenges for welfare recipients trying to move to economic self-sufficiency. Mr. Fluharty noted that the United States does not currently have a national rural policy and suggested steps to move toward attaining a more place-based/community-based policy. The following items were identified through group discussion as issues to address in identifying and formulating rural welfare reform strategies:

- Reliance on regulations/sanctions (the Workforce Investment Act may help address this issue)
- Gather information about rural □tools□ and infrastructure
- Identify what drives the sector's constituency to broaden rural planning
- Create collaborative histories to engage stakeholders in the process
- Recognize that block grants may further fragment these constituencies
- Determine the effects from the change in standards of performance regarding welfare reform (i.e., caseload reduction vs. family well-being)
- Create jobs, and also create a broader continuum that focuses on job retention and advancement
- Consider ethnic/racial diversity issues
- Build collaborative families with a networking capacity
- Share resources across States
- Work through established voices
- Move our work beyond ourselves--facilitate the impact of these 10 projects on social policy.

Transportation and Rural Welfare to Work Strategies

Dianne McSwain, Special Assistant to the Director, Office of Intergovernmental Affairs, HHS, facilitated a session on transportation in a rural context. At a recent meeting of a welfare reform task force for the State Rural Development Council, transportation was the main concern. Several resources for grantees were identified, including the National Transportation Resource Center (www.ctaa.org/resource and 800-527-8279), which links peer organizations/entities and provides technical assistance, and the Coordinating Council on Access and Mobility. The Federal government spends \$2.6 billion on transportation each year, and the challenge for grantees will be to identify transportation options and resources that already exist in their area. Discussion centered around the following topics:

- Challenge of meeting reporting requirements for rural transportation costs from numerous funding sources. Ms. McSwain noted that the Coordinating Council on Access and Mobility (made up of representatives from HHS, DOL, and OMB) is addressing this issue.
- The Transportation Equity Act for the 21st Century (TEA-21) provides funding for welfare to work programs that help with access to jobs, including reverse commuting. The announcement is on the Department of Transportation website (www.fhwa.dot.gov/tea21).
- Moving workers across State lines to jobs. Both eastern Washington and Delaware have models for doing this.
- Lack of standardized definition of units of service.

Job Readiness--Break-out Sessions

To address the broad topic of job readiness, breakout sessions were held on local labor markets and the employer perspective.

Local Labor Markets

Lionel J. (Bo) Beaulieu, Director, Southern Rural Development Center, facilitated the session on local labor markets. He noted two main issues for consideration:

1. Job-related skills of TANF recipients are limited. This is often due to minimal education.

2. About 85% of new jobs being created in rural areas are in the service sector and tend to be low paying, unstable, and part time (overall, 20-25% of all jobs in rural areas are in the service sector).

The group identified the following rural local labor market challenges:

- Liveable wage vs. job availability
- Mismatch between job skills and types of jobs available
- Lack of rural labor market diversity
- Identify the best definition of □job readiness□
- Lack of job readiness skills, including little exposure to the socialization of work
- Lack of a rural policy; welfare reform policies primarily targeted at urban areas
- Marketing, particularly to small businesses
- Long-term viability; bring jobs to where people are vs. migration to jobs
- Recognize how family support networks affect employment
- Collaboration with business, particularly small enterprises.

The group identified the following strategies to address the local labor market challenges:

- Utilize Employee Assistance Program (EAP) model involving partnerships with multiple State agencies
- Link local JOBS office to area colleges to identify and provide employer-specific training and design special programs
- Develop creative training options (e.g., encourage college education with funding assistance)
- Encourage small business development; linking welfare recipients and community colleges with local businesses
- Marketing by caseworkers (networking with local employers)
- Effort by local lead agencies to help businesses see welfare recipients in positive light
- Merge training with work experience
- Intervene in employment
- Support programs that facilitate commuting to where the jobs are (e.g., car loans)
- Develop community-based initiatives for job/economic development and child welfare
- Collaboration between various sectors of economy (public/private/non-profit).

In addition, the group noted that overall they lack information and the technical capacity to address the issue of job readiness. ACF could assist grantees by providing better information, dissemination, and technical assistance.

Employer Perspective

The breakout session on the employer perspective was led by Jack A. Meyer, President, Economic and Social Research Institute (ESRI). The following are characteristics of jobs attained by welfare recipients:

- Average wage = \$5.50/hour (approximately \$11,000/year)
- Most jobs are part-time
- Only 6% qualified for immediate benefits (30% had to wait one year)
- 50% had health care coverage
- 50% had paid vacation
- 17 % had paid sick leave.

A study of 500 employers conducted by ESRI found that the following attributes were most important when hiring and retaining employees:

- Positive attitude
- Reliability
- Strong work ethic
- Punctuality
- Friendliness
- Follows through on task
- Willingness to work flexible hours.

In addition, employers noted that they are looking for workers with good basic work skills, that there is an unwritten "code" between them and employment agencies that employers would rather have reliable people than those who are more educated, and that hiring trainable workers is a key to business success, particularly among microenterprises. Employers also reported that the increase in the minimum wage did not affect hiring practices.

Employers noted the following barriers to hiring and retaining welfare recipients in jobs:

- Most jobs are not accessible by public transportation
- Few jobs offer needed child care benefits
- Employers are often unaware of governmental efforts (tax credits, subsidies, etc.)
- Minimum wage increase did not affect hiring.

Those employers who worked with welfare recipients found that they were less prejudiced than they expected against welfare recipients, a job is often not enough to achieve self-sufficiency, and that most recipients were looking for the opportunity to attain a "good" job. Over 62% of employers in the survey had hired a welfare recipient, and most would do so again.

The group identified the following challenges based on experience:

- Resistance from educators
- Reputation follows recipients in small communities
- Employers need to be educated about tax incentives.

The group identified the following strategies to address challenges:

- Use community colleges to provide soft skills training; provide reference; acknowledge that "buddy" network can backfire
- Don't train in high tech—employers want people who can work in a group setting; build group skills into other programs
- Terminology
- Bring services to the work site (situational work sampling, etc.)
- Need for better budgeting
- Stop 5-year clock for seasonal workers
- Base child care costs on income with a small co-payment.

Welfare to Work--Panel

A panel of experts was convened in a plenary session to discuss welfare to work issues. Members of the panel were:

- H. Frederick Gale, Senior Economist, Rural Business and Development Policy Branch, Economic Research Service, U.S. Department of Agriculture
- Robert Cook, Consultant
- Neil Bomberg, Associate Legislative Director, National Association of Counties.

Mr. Gale discussed employment trends and job creation in rural areas and presented results of a survey of manufacturers (who provide 15-17% of non-metropolitan jobs). There has been 2% job growth per year in rural areas since the last recession. Manufacturing and extractive industries are not growing; most new jobs have been in the services sector, retail, government, real estate, and insurance. The survey of manufacturers found that rural employers face the following challenges:

- Labor quality and cost
- Access to services, including transportation
- Range of competitive issues that affect the ability to compete.

Employers reported that workers should possess skills in the areas of basic academics, group problem solving, and interpersonal relationships. They reported that reliability and a positive attitude are the most important and most difficult worker attributes to find. Most employers said that they were doing little to address these deficits within their (potential) work force. Less than half of the manufacturers surveyed offer training.

Mr. Cook presented problems that others have cited as challenges for job attainment in rural areas and emphasized that these could be considered as opportunities. He discussed the following:

Problem in Rural Areas	Opportunity
lower educational attainment	population is older; females on welfare are more likely to have finished high school
children more likely to experience longer-term poverty	spells on welfare are shorter
more low-wage jobs	TANF recipients are more likely to be married and to report work
lower availability of public transportation	TANF allows expenditures for deterrence from welfare; also, large number rely on friends or car pools
child care less available	use relatives; also, cost is lower
higher levels of unemployment, fewer jobs	TANF provisions
fewer educational and training opportunities	shift to Work First
most employers are small businesses	most employment nationwide is in small businesses; also, most rural business are locally owned with plans to expand

He noted that the following major issues will determine the success of welfare reform in rural areas:

- Cooperation between social services staff and workforce development staff
- Attitudinal change required of line staff from eligibility determination to an emphasis on finding jobs
- Employer relations
- Soft skills development
- Transportation
- Workforce development
- One-stop centers
- Workforce Investment Partnership Act (WIA).

Mr. Bomberg noted the following critical issues for the success of welfare reform in rural areas:

- Involvement of local employers
- Getting public and private sector buy in to work first concept
- Supportive services, including training for those employed under WIA
- Plan for helping workers re-enter the welfare system after exiting work
- Conflict of cultures between and within welfare and work force systems.

Mr. Bomberg noted the following opportunities for welfare to work programs in rural areas:

- Under WIA, county elected officials are responsible for funding and programs. Buy-in from these officials is essential
- Technology links to one-stop centers through a Wide Area Network.

Welfare to Work--Discussion

Discussion with grantees centered around the following issues:

- Cultural shift of clients and agencies is important. It is too early to determine if the implied empowerment of WIA is having an impact. On both sides there is fear of losing jobs.
- A series of DoL/IG reports has decreased creativity at the community level.
- What do we know about effective child care?
- Are there rural commonalities as distinct from urban commonalities?
- Supportive services needed are similar in urban and rural areas except for transportation.
- The existence of a strong economy has made this an excellent time to implement welfare reform.
- Work must provide a livable wage.
- Child care and transportation (needs, resources, etc.) may vary widely across States and within a State.

- One area of rural job creation that has emerged is telecommunications/marketing. Although this strategy has worked well in some places, it is not a dominant source of jobs in rural settings.

DECEMBER 4, 1998

Supportive Services--Break-out Sessions

To address the broad topic of supportive services, breakout sessions were held on child care, transportation, and case management. State delegations were encouraged to send one person to each breakout session.

Child Care

Elizabeth Ford, Director of Special Projects, National Association for the Education of Young Children, facilitated a breakout session on child care. She noted the following challenges in providing quality child care under rural welfare reform:

- Fewer resource options, especially for provider training and the full cost of child care
- Parental preferences
- Flexibility (for employer, child care provider, and parent)
- Parental perceptions (child care as babysitting vs. developmental)
- Facilities
- 75% depend on family/friends
- Range in quality of care
- Use of multiple child care settings
- Lack of formal references process.

In addition, the following obstacles to obtaining quality child care were noted:

- Most welfare recipients jobs require off hours or shift work
- Respite for providers
- Lack of before school/after school care
- Lack of trust between provider and parent
- Cultural mind set
- Access to reliable transportation.

The group identified the following strategies to address the child care challenges:

- Workplace incentives to provide child care assistance
- Create model more responsive to needs of population
- Home-based strategies to provide more comprehensive care
- Flexibility.

Transportation

Sarah Dewees, Rural Policy Research Institute, facilitated a breakout session on transportation.

The group identified the following strategies to address the challenges faced regarding transportation in a rural welfare reform context:

- Statewide transportation conference with important stakeholders
- Share vehicle maintenance across programs
- Mobility Managers□
- 24-hour Total Support Network staff

- Work with correctional institution or Job Corps centers on auto maintenance
- Use family self-sufficiency grants for auto purchase, car insurance (legislative set aside)
- Public/private partnership with auto parts stores
- Use TANF dollars to capitalize a loan fund via a State Development Credit Union. Work with those individuals who are turned down to help them become credit worthy
- Access HUD Family Self Sufficiency dollars (savings can be escrowed to purchase cars)
- Pay money to people rather than dealership to protect liability issues.

The group identified the following issues surrounding the evaluation of strategies in rural areas:

- Evaluation is difficult because treatments are so isolated
- Need to foster collaborative evaluation
- Evaluating in such a way that State can report for categorical funding
- Fiscal drives program rather than outcomes
- Small sample sizes
- Things that are measured are far from people's lives
- Qualitative vs. quantitative
- Debates on outcome vs. how you measure
- Federal reporting requirements create problems, especially when there are multiple funding streams
- How do you evaluate when you have a multi-phased program?

Case Management

Ellen Marks, Macro International, facilitated a breakout session on case management. She noted challenges for case management under TANF, including (1) the switch from eligibility determination to job counselor, (2) the shift from providing benefits to encouraging self-sufficiency, (3) adequacy of current staff skills, and (4) provisions for professional development. Additional challenges in rural areas include:

- supply and accessibility of human services
- lack of anonymity
- geographic dispersion, isolation, limited transportation.

The group identified the following strategies to facilitate effective case management in rural areas:

- Cross-functional teams (e.g., representative from child protective services, TANF, child support, etc.)
- Performance-based approach for caseworkers that places focus on leadership instead of blame, lets counties create their own plans, and de-emphasizes process
- Involvement of community partners (especially community colleges)
- Culture change training which will help caseworkers buy into new accountability standards
- Mentors, video conferences
- National Eligibility Workers Association to lend support and pride in work
- Single case manager who serves families holistically and has a low caseload, is home and community based, coordinates service access across levels and agencies, and fosters connectedness
- Interagency collaboration.

The case management breakout session also identified the following remaining questions:

- What makes this level of coordination work effectively?

- How is this level of coordination sustained?
- How can case management be more effective in rural areas?
- Is it a matter of coordination or the availability and quality of services?
- How can this capacity be created?

Town Meeting with John Monahan

John Monahan, Principal Deputy Assistant Secretary, ACF, held a town meeting with the State grantees. He articulated ACF's interest in welfare reform as focusing on:

1. TANF's impact on low-income families, and
2. Supports (including health insurance) available to working families.

Mr. Monahan further noted wage progression as a key ingredients in recipients move from welfare to self-sufficiency. He identified the following issues as key to the implementation of welfare reform in rural areas:

- Transportation
- Economic development
- Health sector as a economic development opportunity
- Child care
- Job/wage progression
- Health insurance/coverage

Discussion with the States centered around the following issues:

- Difficulty States and localities have tracking Federal dollars, particularly with small numbers in rural areas and when there are numerous funding streams.
- Procedures to account for Federal dollars are often based on an urban (large fiscal department) model; they take rural realities into account.
- Problems with the fiscal side of an agency driving the program rather than supporting it.
- Work that HHS is doing with the Department of Agriculture to create more flexibility in Food Stamp Program. Mr. Monahan noted that neither the Food Stamp Program nor Medicaid changed with TANF, yet both are usually administered by the same agency that administers TANF.
- Economic development under TANF (provides funds for job creation/development) versus WIA (focusses on labor supply rather than job creation/demand).
- WIA and collaboration between the Employment Training Administration/Department of Labor/ACF.
- Use of technology in rural areas. CDCs have seeded projects to form telephone centers which will provide jobs. There are other models for flexibility.
- Federal guidance on how TANF funds can be spent.

Value of Systematic Research

Howard Rolston, Director, Office of Planning, Research and Evaluation, ACF, presented a session on the value of systematic research. He discussed the impetus for this project and its potential for informing other ACF efforts, including evaluations on welfare to work, teen parents, and job retention and advancement. The overall goal of ACF's research has been to identify which strategies are effective and for whom. In answering the question of how to achieve self sufficiency, ACF favors applying rigorous evaluation methods. Most welfare reform research has been done in medium and large cities, so there is very little information about rural settings. Although some knowledge may apply to rural areas, we simply don't know. This project aims to address this information deficit.

In providing direction to States, he urged grantees to:

- Perform a careful analysis of the issues
- Maintain a broad perspective on the issues
- Think boldly, look for bold improvements
- Identify what the ACF team can do to help
- Reach the point of operational activity by the end of the grant period, to prepare for evaluation in Phase II
- Begin thinking about rigorous evaluation; this has historically held back rural research efforts.

Where Do We Go from Here? State Reports and Discussion

Ellen Marks provided a brief overview of some of the evaluation issues that will be addressed at the next meeting, including:

- Three types of evaluation process, outcome and impact
- Need to determine effectiveness of programs
- Need to design evaluable programs
- Baseline measures are critical
- Identifying the intervention
- Usefulness of evaluation information for management purposes
- Allowance for contingencies
- Need to recognize the importance of evaluation to the field of welfare research, particularly the rural aspect

Ms. Marks provided an overview of the types of technical assistance that Macro can provide to States, subject to available resources.

The following ways for the grantees to keep in touch were discussed:

- A listserve will be put into place
- The participant list will be updated and distributed
- States can use the ACF website to access information and data sources including abstracts and research findings
- Minutes of the meeting will be distributed.

State teams met, discussed, and developed action plans for their next steps. Each State completed a document that summarized its action plan and presented the plan to the entire group.