

- Emma Scherger, 3503 West County A, Janesville, WI 53545
- Debra S. Shanley, RN, Memorial Community Hospital, 313 Stoughton Rd., Edgerton, WI 53536*

MA FOR PHARMACY

- Jerry Sveum, Grand Avenue Pharmacy, 2234 Pow Wow Trail, Beloit, WI 53511
- Chris Klink, R.Ph., 4262 Prairie Fox Drive, Janesville, WI 53546*

FAMILY CARE

- Lowell Trewartha, Chair, Rock County Human Services Board, 51 South Main Street, Janesville, WI 53545*
- Tom Larsen, AFSCME Council 40, 1734 Arrowhead, Beloit, WI 53511*
- Gwen B. Daluge, AARP, 3719 So County Rd. G, Janesville, WI 53546*
- Philip Harper, 11907 Tiberline Ave., Hales Corners, WI 53130
- Robert Kellerman, AgeAdvantAge, Area Agency on Aging, 3601 Memorial, Madison, WI 53704*
- Dianne Skinner, 335 Longfield, Evansville, WI 53536*
- Jayne Mullins, AgeAdvantAge, Area Agency on Aging, 3601 Memorial, Madison, WI 53704
- Carolyn Brandeen, CWAG, 2020 So. Crosby Ave., Janesville, WI 53545*
- Tom Frazier, Executive Director, CWAG, 5900 Monona Drive, Suite 400, Madison, WI 53716-3554*

PECFA

- Timothy C. Banwell, Rock County Health Department, 813 No. Garfield Ave., Janesville, WI 53545*

W-2 AND RIGHT OF FIRST SELECTION

- Don Mulry, Rock County Human Services and Aging, 22 South Blackhawk, Janesville, WI*
- Walter Knight, 2028 Masters Street, Beloit, WI 53511
- Claudette Cummings, 1119 Milwaukee Road, Beloit, WI 53511
- Claudette Cummings, City of Beloit, 100 State Street, Beloit, WI 53511*

W-2 AND EDUCATION

- Julie K. Elliott, 519 No. Arch Street, Janesville, WI 53545

PUBLIC HEALTH AGENDA

- Helen Kraus, Rock County Health Dept., 51 South Main St., Janesville, WI 53545*

IMMUNIZATION

- Pat Grove, Walworth Public Health Officer, PO Box 1006, Elkhorn, WI 53121*

SENIORS' ISSUES

- Christian Schlichting, 419 Pleasant Street, Beloit, WI 53511*

ALTERNATIVE MEDICINE

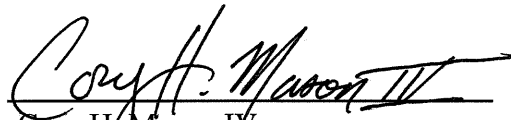
- Ed Reich, 1240 Boynton Ct., Janesville, WI 53545*

EDUCATION

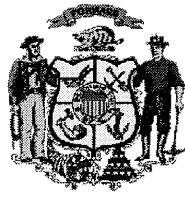
- Bettie Jo Bussie, President, ALS Board, 210 Dodge Street, Janesville, WI 53545*
- Jane Crisler, Dean, UW-Rock County, 2909 Kellogg Avenue, Janesville, WI 53546*
- Donna Duerst, UW-Rock County, 51 So. Main St., Janesville, WI 53545

MISC

- Kay Duepre, First Time Parent Program--Rock County, 804 Broad Street, Beloit, WI 53511
- Alan Reinicke, DPM, WI Society of Podiatric Medicine, 1826 Earwood, Janesville, WI 53545*
- Rosalyn R. Dahlke, 2005 W. Avalon Rd., Janesville, WI 53546*


Cory H. Mason IV
Committee Clerk

* Denotes Written Testimony Submitted



**Human Services and Aging
Public Hearing
4-20-99**

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- Don Mulry, Rock County Human Services Department, 22 South Blackhawk, Janesville, WI
- Loiuse Trubek, Center for Public Representation, Madison, WI
- Connie Henderies, Manitowoc Human Services Department, PO Box 1177, Manitowoc, WI 54221-1177
- John Huebscher, WI Catholic Conference, 30 West Mifflin St., Suite 302, Madison

Letter from Jean Rogers to Senator Robson, Chair; 4-20-99

Legislative Council Memo to Senator Robson, by Dave Stute; 4-19-99

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SB 90

Amendment a0301/1

**Human Services and Aging
Public Hearing
4-20-99**

**1. Deb Hughes
W-2 SW Consortium**

5 County Consortium

Right of First Selection

Did not meet RFS selection, did meet performance standards

Met the 4/4 benchmarks in order to qualify

Turned down because of technical guidelines set up by DWD. They were not applied consistently across the state.

Thinks contractors should get another 12 months

Thinks there should be a moratorium on RFP

They like W-2; they just want to be able to implement it fairly

RFP

Three points:

Need more time to review it. Ten days is too short.

Represent small rural counties, and the allocations are insufficient

Performance standards are not tied to the characteristics of the counties they are serving.

Solution: 12-month moratorium.

**2. Lousie Trubek
Center for Public Representation**

Process:

Who had input into this?

10 days is not a sufficient amount of time to review this process

She has written and received no response from DWD

Contracting can be successful, but only if they open it up to public comment

Right of First Selection criteria have to be made public

There should be a public comment

There is not a word in the statute on public comment or the contracting

Confidentiality Issue

Confidentiality can be waived

Need to be careful about it covering up a variety of sins

Too much rigidity and too much discretion

Too few standards, and a problem with the ones that are out there

There are good non-faith based institutions that could do this.

Under enrollment of TANF dollars is a major problem

The contract actually makes the situation worse.

The 7/8 standards, says they have to use "light touch." This makes no sense in terms of health care, etc.

Performance standards on getting employees enrolled in health care, not in public programs

There is no good way for the public to have input.

Health care system should be separate if need be, because the W-2 light touch will not work.

W-2 agencies should have a memo of understanding with Medicaid on enrollment

3. Don Mulry Rock County

Rock County has not been renewed

The CARES computer program is at times in error.

Often the error is a filing problem

Right of First Selection does not give good consideration for TANF eligible families.

Two counties exceeded the 10% administrative cap and were given a new contract. Why were they not allowed in?

4:1 ratio penalizes counties for reducing caseload, contradicting the "light touch" standard.

Rock County spent 35% of its contracts, 32 counties spent more.

RFS does not give adequate credit for diversion projects

RFP allocation is totally insufficient

4. Representative Jon Richards

Here because the RFP process is set up. Here to appeal to the selection and award process.

There should be a public input process.

This is especially important in Milwaukee where all the entities are private.

Many people who feel like their voices are being silenced.

Public comment is necessary.

Also concerned because there are reports that several agencies in Milwaukee may pull out of their contract. What is their incentive to stay and under what performance standards will they be judged?

5. Judy Weseman Kenosha Workforce Development

Right of first selection is inadequate in judging W-2 agencies

4:1 penalizes agencies for putting people in the workforce

That criterion didn't exist until November of 1998

It does not bear a rational relationship of W-2. We are supposed to be moving people off of cash assistance and into self-sufficiency

Seems to be a belated decision to impose cost controls

Given the cloak of secrecy that has surrounded this, it leaves everyone guessing

Feel that their input into the financial criteria are not heard

The faith-based requirement was turned down by the agencies, but it is still in the criteria Kenosha does not even have faith-based providers they could contract with.

To the people on the outside, the process smells so bad. It is so unlike the process of open government everyone is used to working on.

Thinks there should be a moratorium and a one-year extension of the contracts

Knocked down for not contracting with a faith-based entity

6. Connie Henderies Manitowoc County Human Services Department

Thought they were supposed to reduce caseload.

Then they were told they needed to increase cash benefits because of the 4:1 ratio

Thinks the RFP allocation for Manitowoc is realistic. It has been reduced by 79%.

We know we were overfunded initially, but to underfund will cut us off

Underfunding might cause counties to opt out of the program under the 120-day clause

There were two plants that closed, what will that mean for us?

They were only given enough money for 3 clients

7. Jennifer Grondin AFSCME Council 11

Most reductions in caseload happened before the W-2 process

Thinks this entire process flies in the face of open government

Unfair that the criteria were developed after the contracts were signed

Think there should be a yearlong extension

RFP process has a lowest common denominator approach

Light touch process is offensive. We should not be moving to withhold food stamps and health care from women and children

Think faith-based criteria is bad

Assumes that they are best qualified to deliver the services

Should not be punished for it

Like the standard of employment

Base wage rate does not give a good measure of self-sufficiency, an hourly wage would be a better measure

Look at income level instead. That data already exists

Have philosophical problem with profit based approach

8. Sarah Diedrick-Kasdorf Wisconsin Counties Association

Made an open records request seeking information on the right of first selection process.

Department got the materials to meet with the counties yesterday

Will be reviewing the materials this week, but they need more time

Counties who met all parts of the contract are being denied the right of first selection. That seems wrong.

Don't think the counties' suggestions on the RFP were taken into consideration

Have meetings set up with the DWD later this week

Have not been consulted on the drafting of the RFP

9. David Riemer City of Milwaukee and Mayor Norquist

Support W-2 as a whole

Only learned about the RFP draft a few days ago

Thinks there are some good things in it

Likes keeping people accountable

Reducing the roll probably isn't the best way to do that

Performance standards:

Goal to have 35% employed

Why so low?

Having 65% of W-2 participants unemployed is unacceptable

Wage rate standards may not be the best measure

Wage rates does not capture whether you work 20, 30, or 40 hours a week

Earnings is a much better benchmark

Actually tells us if people are escaping poverty

The Unemployment Compensation Department already collects earnings

The idea of performance standards that relate to work and having consequences for that is good

As the contract proceeds, we should be looking at this every six months to a year.

Likes the idea of county-wide competition

Think a longer extension would be more appropriate for public comment

Work groups and hearing should be continued

**10. Shriley Fredrickson
Senator Clausing**

Here to represent Burnette County

Were denied for an error on one case

Seems very unfair to all the small agencies

The time frame is unfair

DWD should adapt an RFS criteria for counties with small case loads

Burnette County has appealed and denied

**11. Jean Rogers
Greg Smith**

DWD

Next contracts go for two years.

RFS process simply says they have to go bid competitively

Devised under statute

RFS developed under the use of an advisory committee, and is the single point of contact for complaints under the contract

Had a Teleconference to let agencies make comments

Criteria are set up to comply with TANF

Financial RFS

10% admin costs

4:1 ratio

Agency records were assessed to make sure they were getting the right kinds of hours

Recidivism was measured

Employability plans were assessed

Agencies were assessed to see if they had an agency plan

In federal law there was considerable effort that the states should not be afraid to contract with faith-based agencies. That is why the standard is in there

Feb 19 agencies were notified with discrepancy process

Greg Smith in charge of the RFP

Draft is the tool that will be used for the contract 2000

Modified procurement process under Chapter 49 of the statutes

Creates no additional work for those going to open bid

Feels this process is most appropriate

Keeps negotiations private

Provides a structure based on best value instead of lowest bid

Complete the process on time

Finite period of time available

120 items had to be responded to, this time it is less than 50

Robson: Counties have felt that the criteria have been implemented unevenly. What is your response?

DWD: Sometimes the counties were able to give additional information to clarify.

Robson: What about the administrative costs?

Robson: Contracts were signed, then new criteria established. Why was that?

DWD: The current contract says there will be RFS performance standards.

Robson: Performance based on?

DWD: Information we were collecting statewide.

Robson: A lot of complaints that the standards are being applied unequally, that the process is unopened and arbitrary. What is your response to that and how can you open the process better?

DWD: You can never communicate too much. We have tried to open the process up as best we can.

We are also looking at outside input.

Robson: I don't know to whom you are talking, but nobody here seems to feel this way.

DWD: That's why we sent out so many copies and are taking public comment

Robson: How about a formal process

DWD: Perhaps a semiannual public input process

Robson: Could you speak again to the faith-based contracting?

DWD: That choice is still a local agency choice and does not count against them. But they can use it to make up for losses in another area.

Robson: We have heard a lot of comments on the light touch approach

DWD: Well this is a delicate balance, and we need to be able to move people forward on their own. We are an assistance program to get people into food pantry or food sources. Light touch simply means moving people

12. Carol Medaris

Wisconsin Council on Children and Families

Recidivism looks better

No longer a penalty if people need more help because their job did not succeed

Faith-based approach as a bonus is a real problem. There is no reason for it to be in there.

Page 35 the contract should focus here, not to give bonus for contracting with faith-based programs.

Rules protect proselytizing are not set out well at all.

Page 27 requires too many hours for food stamps

Earnings standard may be flawed as this: What if someone has to work 60 hours a week to meet the poverty level and have no time for family?

Administrative costs are up to 15%, why is that?

Page 25 Each incorrectly entered benefit are too punitive and should count on under payment as well

Threat of \$5000 is too much

Page 50 Sanctions section is too vague. Needs to be reworded and not consistent with the statute

Appalled on the unequal enforcement of the criteria. Unfair and may be illegal as well.

ROCK COUNTY

A Campus of the University of Wisconsin Colleges

April 7, 1999

Judith B. Robson
State Senator
15 South
State Capitol
P.O. Box 7882
Madison, WI 53707-7882

Dear Judy,

Thank you for inviting me to testify at the hearing you will hold at the Rock County Court House on April 14. I will be in the Court House for a meeting at 3, but must leave town immediately afterwards for a UW meeting in Marshfield. Knowing that you are on many committees and are focused upon investing in Wisconsin's human capital, I want to share some background papers that can inform the issues you will explore on April 14 and on other occasions.

I would hope that the policies and activities of State agencies responsible for health and social services, workforce development and education (UWS and WTCS) could be better coordinated to increase synergistic effects. Most citizens acknowledge the UW's role in supporting the economy, but we rarely see support for students identified as an investment in our collective economic and social well being.

I know you share my concern that participation in higher education is not currently supported under W-2, only very short-term, "soft" job application skills. While I realize that not all women who were AFDC recipients or who are now participating in W-2 are qualified to attend the university or have the motivation to do so, those who are able to pursue higher education will have higher earning power. Repeated research studies also predict higher success for their children—both educationally and in the workforce.

I am enclosing some general research reports on these issues illustrating the relationship of higher education to quality of life—for individuals and society:

- A press release from the U.S. Department of the Census summarizing the correlations between higher education and income. Your staff assistant can access all of the details on the Department's website:
<http://www.census.gov/population/socdemo/education/tables-03.txt>. The table is particularly helpful, because it arrays earning power in the categories of "Not a high

Dean's Office

Senator Judith B. Robson

April 7, 1999

Page 2

school graduate”, “High School Graduate”, “Some College/Associate Degree”, “College Degree [4-year]”, and “Advanced Degree.” It also breaks out the information by sex.

- An overview article published in the journal, *Higher Education*, entitled “The Shifting Terrain of Welfare Reform,” published in December 1997.
- Another article from *Higher Education* that summarizes a GAO study which concluded that to maximize the academic success of low-income students, they should receive primarily grant aid in their first of college.
- A report by the American Council on Education summarizing the costs of higher education and financial aid to students. As you can see, aid supported only about 40% of the cost of education for low-income students.
- The most recent report of our Partnership for Parents program (formerly the W-2 Transition Program). All ten participants successfully completed the fall semester and we expect two to earn the associate degree next month. While the number of students served is relatively low, we are confident that the course of their lives—and that of their children—has been irrevocably changed.

Thank you again for your devotion to these topics. If I can be of help in anyway, please contact me.

Sincerely,



Jane Crisler
Campus Executive Officer
and Dean

Enclosures

UNITED STATES DEPARTMENT OF COMMERCE

>

>NEWS

>

>Economic & Statistics Administration

>

>EMBARGOED UNTIL: 12:01 A.M. EST, DECEMBER 10, 1998 (THURSDAY)

>

>Public Information Office

CB98-221

>301-457-3030/301-457-3670 (fax)

>301-457-4067 (TDD)

>e-mail: pio@census.gov

>

>Jennifer Day

>301-457-2464

>

> Higher Education Means More Money,
> Census Bureau Says

>

> Underscoring the significant correlation between more education and
>higher salaries, the Commerce Department's Census Bureau today reported in
>a new study that, in 1997, adults age 18 and over with a bachelor's degree
>earned an average of \$40,478 a year, while those with only a high school
>diploma earned \$22,895.

>

> Advanced degree-holders made about \$63,229 a year, while those without a
>high school diploma averaged \$16,124.

>

> The report, Educational Attainment in the United States: March 1998
(Update),

>P20-513, also includes the following highlights:

>

> - About 83 percent of adults age 25 and over completed high school and
>24 percent had a bachelor's degree or more.

>

> - The high school completion rate for young adults (age 25 to 29) was 88
>percent, while 27 percent earned a college degree.

>

> - For those age 25 to 29, college completion rates for young women
>exceeded those for young men at 29 percent and 26 percent, respectively.

>

> - About 84 percent of Whites age 25 and over completed high school and
>25 percent had a bachelor's degree or more. The equivalent rates for
>African Americans were 76 percent and 15 percent.

>

> - About 90 percent of the employed civilian labor force age 25 and over
>had a high school degree.

>

> - High school completion levels for those age 25 and over were highest
>in the Midwest (86 percent) and lowest in the South (80 percent).

>

> The report is based on data from the 1998 March Current Population
>Survey. As in all surveys, the estimates are subject to sampling
>variability and other sources of error.

>

>

>

-X-

>The U.S. Census Bureau, pre-eminent collector and disseminator of timely,
>relevant and quality data about the people and the economy of the United
>States, conducts a population and housing census every 10 years, an
>economic census every five years and more than 100 demographic and
>economic surveys every year, all of them evolving from the first census in
>1790.

>

>

>

> People | Housing | Business | Geography | News | Subjects A to Z |
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For detailed information, updated 4/5/99, see:

www.census.gov/population/www/socdemo/educ-attn.html

UNIVERSITY OF WISCONSIN-ROCK COUNTY

**PARTNERSHIP FOR PARENTS PROGRAM*
FALL 1998
End-of-semester Report**

**Prepared by Julie Elliott-Gable, Program Coordinator
February, 1999**

***Previously referred to as the W-2 School Initiative Program**

FALL 1998
END-OF-SEMESTER REPORT
UW-Rock County's Partnership for Parents Program
(formerly the W-2 School Initiative)
Prepared by Julie Elliott-Gable, Program Coordinator
February, 1999

INTRODUCTION

The implementation of W-2 in September 1997 and the elimination of post-secondary education as an approved work component has necessitated increased financial assistance to single parent students. Post-secondary students who are single parents receive no cash benefits from W-2 and no subsidies to help with childcare costs. They are dependent on income received from employment and work-study positions, federal financial assistance, or loans, to sustain themselves and their families while they pursue their education. Federal financial aid award levels are always less than the cost of college. The Federal program also provides fewer grants to students, thereby requiring students to take out loans. The loan debt is particularly onerous to single parents who are employed in entry level jobs and have dependent children.

The shrinking welfare rolls are also leaving a record high share of minorities behind. A recent issue of the *New York Times* (7/27/98) reported that in Wisconsin, where the caseload declines have been most dramatic, an astonishing 96% of white recipients have left the rolls. Black recipients declined 74% and Hispanic recipients have declined 78%. These changing demographics suggest that post-secondary educational institutions need new strategies to serve single parent populations, assisting those who are among the working poor as well as those who may remain on the welfare rolls.

The additional earning capacity gained by a college degree can make the difference between independence and continued poverty -- the 1990 Census shows that bachelor's degree holders earn an average of \$2,552 per month whereas high school graduates earn an average of \$1,595 per month.

PROGRAM BACKGROUND

As part of its mission to provide access to a university education for ethnic minorities and the economically disadvantaged, UW-Rock formulated **Project AHEAD** (Adult Higher Education & Development) in 1994 to assist Rock County's low-income and minority population of adults 18 and over in pursuing their educational goals. The program was implemented in accordance with the University System's 10-year Design for Diversity Plan and is the only program of its kind in the state. **Project AHEAD** provides participants with information and assistance in accessing post-secondary programs or GEDs, but there is no financial support involved.

Anticipating the negative impact impending welfare reform and W-2 would have on the ability of **Project AHEAD**'s population to pursue post-secondary education, it was essential to take that program a step further and formulate the **W-2 School Initiative Program**. The **W-2 School Initiative Program** was designed in October 1996 and implemented the following January at the start of the spring 1997 semester, making it one of the first programs of its kind in the state to address the needs of post secondary students affected by welfare reform.

In an effort to more accurately reach those we need to serve, and in keeping with the mission of the University's newly revised Diversity Plan, Plan 2008, in September, 1998 the W-2 School Transition Program was renamed **The Partnership For Parents Program**.

Like the W-2 School Program, the **Partnership for Parents Program (PFP)** provides financial assistance (as needed) for admission/application fees, testing fees, tuition, books, childcare and transportation (bus passes, gas money, car repairs) as well as a wide array of supplemental support services to a maximum of 10 academically qualified participants attending UW-Rock each semester.

To remain in the program, the students are required to take a minimum of six credits and maintain at **least** a C average. There are a number of other program requirements which include completing a contract agreement (see attachment) and attending one-on one check-in sessions with the program coordinator every other week.

PROGRAM GOAL

To empower persons who are economically disadvantaged and/or affected by W2 by providing financial assistance and a comprehensive array of supportive services, including:

- ◆ academic advising,
- ◆ personal counseling,
- ◆ tutorial assistance,
- ◆ and full access to campus resources

to assure their academic success in post-secondary education, eventually enabling them secure better paying jobs to support their families above the poverty level. As Socrates once said: "The goal of education must be how to learn to live well."

To qualify: individuals have to be

- ◆ Rock Co. residents who met UW admission requirements, and are
- ◆ single parents, with one or more dependent children living at home;
- ◆ employed (part-time or full-time) in a low-paying job that meets Federal low-income guidelines, and
- ◆ ineligible for educational assistance through their employer or other agencies (eg. DVR).

Former welfare recipients are especially encouraged to apply.

For the Fall 1998 semester, applicants were ranked on a number of criteria:

- ◆ academic history
- ◆ motivation
- ◆ clear career goals
- ◆ financial need
- ◆ family situation/ is it supportive? relatively stable?

In addition, the screening committee looked a number of potential **high risk factors**: how many hours the student had to work, their family responsibilities, any health/medical problems, transportation issues, etc.

Accepted applicants were required to take math & English placement tests, attend an orientation session, and then met with an academic advisor **and** the program coordinator for assistance in selecting their classes. Home and work responsibilities were carefully considered when planning school schedules, but in order to make reasonable progress towards a degree, applicants had to take (and successfully complete) a minimum of two classes per semester.

COLLABORATIVE SUPPORT SERVICES

Student retention is a vital issue. Being poor and a single parent makes it even harder to be a good student. Many of the program's participants are first generation college students and because their parents/families often cannot relate to their struggles as students, they do not offer the moral support and encouragement necessary. Experience has also shown that program participants often experience many schedule changes and adjustments during the first month of each semester. For these reasons, the Program Coordinator made herself especially visible and accessible during the first five weeks of each semester to provide case management services and assist students in transitioning comfortably to the campus. This was especially important for the **seven** new freshman enrolled in the program.

The Coordinator also met weekly with Academic Skills Center staff and the Multicultural Affairs Coordinator to discuss and strategize on the progress of the PFP students. As a result of the collaborative communication efforts, tutoring sessions or study groups were arranged for any students having problems in classes.

Communication lines were established with instructors of the participants to monitor student attendance and provide early notification of conflicts or problems that might interfere with student academic progress. Early Warning Forms were sent out to instructors to monitor the students' progress prior to mid-terms and then prior to the semester drop-date.

FALL 1998

This past fall semester, there were 10 single-parent students in the PFP program: five were from Janesville and five were from Beloit. Five were women of color. For the first time since the program's inception in January 1997, all of the students remained in school: there were no withdrawals! The average credit load was 9 credits, and the group's G.P.A. average was 2.69. Program expenses totalled \$18,683.70. A detailed chart can be found at the end of the narrative report.

MULTI-GENERATIONAL ADVANTAGES

The **Partnership for Parents Program** also had positive affects on the participants' children. During the past fall semester, nine children received childcare through the program. Parents were free to choose their own providers but to ensure quality care, they had to be licensed or regulated. All of the parents chose centers and providers whose programs had an educational focus.

Research has shown that children raised in an environment that is academically oriented are more successful and interested in school than youngsters who have little or no exposure to learning or educational role models.

SPRING 1999

10 students have been accepted into the spring 1999 program; nine students continued from the fall semester. One student (from Beloit) elected to work full-time during the spring semester to meet rent and financial obligations she incurred when she moved out of her parent's home. A Beloit student in her last semester at UW-Rock replaced her. Two program participants expect to earn their Associate Degrees in May and hope to transfer to UW-Whitewater to continue their education.

The projected budget for the spring semester is \$19,875.20.

IN CONCLUSION

To date, a total of 20 different students have been helped by UW-Rock's **W-2 School Initiative/Partnership for Parents Program**. Four additional students were accepted into the program at various times, but were forced to withdraw prior to starting because of scheduling conflicts. Four students have received their Associate Degrees because of the program's assistance. Without the financial assistance the expanded Project AHEAD program has provided, these four women would have been unable to continue their post-secondary education due to W-2's mandates.

The ripple effects of UW-Rock's **Partnership for Parents Program** will continue to be seen in years to come, as the children of those students consider **not** "can I or should I go to college, but *WHERE* will I go to college?"

**PARTNERSHIP FOR PARENTS PROGRAM
FALL 1998 SEMESTER EXPENSES**

Student	Tuition	Books	Childcare	Transportation	Total
N.B.	571.85	122.15	1009.85	160.	1863.85
T.B.	1,135.3	217.50	689.50	160.	2202.30
L.C.	1,135.3	227.50	1128.38	160.	2651.18
L.F.	952.45	115.45	0	160.	1227.90
A.G.	286.40	151.25	412.12	160.	1009.77
L.H.	1,135.3	172.65	940.	160.	2407.95
H.K.	1,135.3	242.75	240.	160.	1778.05
C.M.	571.85	95.70	940.45	212.45*	1820.45
G.M.	992.55	195.	0	160.	1347.55
P.Z.	856.35	218.45	1139.90	160.	2374.70
totals	8772.65	1758.40	6500.20	1652.45	18683.70

Explanation

Tuition Costs: Some students took Non-Degree classes through the Academic Skills Center to fulfill admission requirements. Those classes were offered free of charge to students enrolled in the TRIO program.

Books: Whenever possible, students are encouraged to purchase used books if they are in good condition. At the end of the semester, students must turn in all books purchased through the program for buyback credit if the bookstore is buying them back for the next semester. The program then receives the credit, which averages about \$500.

Transportation: All students received \$10. per week to apply towards gas money. *This particular student also received assistance to buy a new car battery when hers died.

Childcare: Students are free to choose their own providers, but they must be licensed and regulated providers. However, amounts vary from provider to provider.

PARTNERSHIP FOR PARENTS PROGRAM

(Formerly titled W-2 SCHOOL INITIATIVE PROGRAM)

FALL 1998 SEMESTER

STUDENT	INITIAL CREDITS	COMPLETED CREDITS	SEM.GPA
[REDACTED]	9	6	2.00
[REDACTED] 0	12	12	3.05
[REDACTED] 09	12	12	2.74
[REDACTED] in	12	12	2.74
[REDACTED]	9	9	2.44
[REDACTED]	7	7	2.00
[REDACTED]	13	9	2.88
[REDACTED] ey	12	9	2.68
[REDACTED]	7	8	3.50
[REDACTED]	12	9	3.00
[REDACTED]	12	9	2.59

GROUP CREDIT LOAD AVERAGE: 9
GROUP G.P.A. AVERAGE: 2.69

W-2 SCHOOL INITIATIVE

Participant --Date Enrolled	Spring 97	Summer 97	Fall 97	Spring 98	Summer 98	Fall 98
C.C. 1/97	12 credits 3.00 GPA	5 credits 2.66 GPA	9 credits 3.51 GPA	16 credits 3.22 GPA Rec'd Assoc. Degree		Enrolled at UW- Madison
J.L. 1/97	7 credits 2.67 GPA	no	6 attempted W/D 9/97 (personal)			
G.M. 1/97	9 credits 3.11 GPA	3 credits 3.00 GPA	6 attempted W/D 9/97 (personal problems)	enrolled this semester on her own--not in program		completed 9 credits 3.00 GPA
V.S. 1/97	6 credits 3.66 GPA completed Assoc. Degr		Transferred to UW- Whitewater in Fall			
L.Y. 1/97	7 credits 4.00 GPA	no	6 credits completed Total- 13			
K.C. 1/97		3 credits attempted W/D 7/97				
V.B. 8/97			10 credits 3.80 GPA	14 credits 3.76 GPA Rec'd Assoc. Degree		Transf. to Kent State BSN program
H.K. 8/97			13 credits 3.15 GPA	14 credits 2.64 GPA (27 credits total)	no- is working	9 credits 2.68 GPA & worked 30 hours week
S.V. 8/97			12 credits 3.27 GPA	12 credits 4.0 GPA Rec'd Assoc. Degree		Transf. to Smith College/ in Mass.
W.W.F. 8/97			12 attempted W/D due to mother's death 12/97			
C.W. 8/97			4 credits (non-degree)	7 attempted W/D 2/98 due to death of her child		Plans to return this semester
P.Z. 1/98				10 credits completed 2.59 GPA	completed 3 credits	9 credits 2.59 GPA
TOTALS: SEMESTER SUMMARY	5 students completed 41 credits. One student earned her Associate Degree	3 students enrolled: 2 completed 8 credits & 1 student withdrew.	9 students enrolled: 6 students completed 54 credits & 3 withdrew.	6 students enrolled: 5 completed 66 credits & 1 withdrew. 3 rec'd Assoc. Degr	1 student 3 credits completed	

PARTNERSHIP FOR PARENTS
(formerly W-2 School Initiative)

Participant Date Enrolled	FALL 1998	SPRING 1999	Summer 1999	FALL 1999	SPRING 2000	Summer 2000
N.B. 8/98 (1st sem.)	6 credits 2.00 GPA	6 credits				
T.B. 8/98 (1st sem.)	12 credits 3.05 GPA	15 credits				
L.C. 8/98 (1st sem.)	12 credits 2.74 GPA	9 credits				
L.F. 8/98 (1st sem.)	9 credits 2.44 GPA	10 credits				
A.G. 8/98 (1st sem.)	7 credits 2.00 GPA	8 credits				
L.H. 8/98 (1st sem.)	9 credits 2.88 GPA	13 credits				
D.H. 1/99		13 credits				
H.K. ** 8/97	9 credits 2.68 GPA	not enrolled, working full-time				
C.M. 8/98 (1st sem.)	8 credits 3.50 GPA	13 credits				
G. M. ** 1/97	9 credits 3.00 GPA	15 credits				
P.Z ** 1/98	9 credits 2.59 GPA	9 credits				
TOTALS: SEMESTER SUMMARY	Ave. credit load: 9 Ave. GPA: 2.69					

**continuing student from original W-2 School Initiative Program

UW-ROCK'S PARTNERSHIP FOR PARENTS PROGRAM

(formerly titled W-2 College Transition Program)

Scholarship Agreement

FALL 1998 Semester

Continued participation in the W-2 College Transition Program is conditional upon participants meeting and satisfying all of the following criteria:

- 1) Recipients must be registered at *UW-Rock County* for a **minimum of 6 credits**. Permission to register for more than 6 credits must be obtained by the program coordinator on a case-by-case basis. **No part of the scholarship award may be used at any other institution.**
- 2) **Recipients must earn a minimum of 6 credits per semester** (includes Non-degree credits) and maintain a *minimum of a 2.0 grade point average* (GPA) in order to remain in the program.
- 3) Course schedules must ultimately be approved by the program coordinator in order to receive program assistance. **The program coordinator must be notified immediately if a participant drops, changes or adds a course.**
- 4) **When dropping classes, all textbooks purchased by the W-2 Program must be returned to the program coordinator immediately. At the end of the semester, books must be returned before the semester's final book-buy day.** This excludes workbooks. If a participant wants to keep a textbook, he/she may purchase it from the program at the bookstore's buy-back price.
- 5) Recipients must apply for the **TRIO Skills program** and, if eligible, actively participate by regular contact with TRIO advisors and writing and math specialists.
- 6) Participants will be scheduled for a short appointment (10-15 minutes) twice a month to "check in" with the program coordinator. A reminder card will be sent the beginning of each month. *Two missed appointments WITH ANY ADVISOR may be cause for dropping an individual from the program.* **Participants agree to notify the program coordinator immediately upon moving and/or changing or losing telephone service. If a telephone is unavailable, a message/contact number must be provided to the coordinator.**
- 7) Recipients must complete a Mentor application and participate in the Mentorship program.
- 8) Awards are given on a *semester-by-semester* basis as funds are available. To be *considered* for continued assistance, current recipients meeting the requirements must indicate their interest and complete an interview at the end of the fall and spring semesters.
- 9) OTHER TERMS: _____

Failure to comply with any part of this agreement during the semester will be grounds for terminating any further program assistance and may result in making the participant liable for expenses already incurred. **I understand the conditions of the Scholarship Program and accept a FALL 1998 semester award.**

Recipient's Signature

Date

CITY OF BELOIT

DEPARTMENTAL CORRESPONDENCE

TO: Senator Judy Robson
FROM: Claudette Cummings
DATE: April 9, 1999
SUBJECT: COMMENTS FOR YOUR HEARING ON APRIL 14, 1999,
4:00 P.M., ROCK COUNTY COURTHOUSE

I. Tobacco Compliance (FDA Enforcement Dollars)

I would like to go on record in support of the Bureau for Substance Abuse, who will be receiving \$500,000 for FDA enforcement of tobacco to fund local health departments rather than other agencies to do multi-county enforcement. The dollars could be used to hire part-time staff or subcontract from existing tobacco coalition staff to do enforcement in various counties/cities.

II. The State of Wisconsin has accumulated a surplus of unused W-2 funds to be distributed to each county. Rock County's share is \$919,000 in 1998 and may be distributed in the following way:

- 1) small percentage designated for unrestricted county use
- 2) 45% to W-2 agency for reinvestment in the community for services to low-income persons
- 3) 10% to W-2 agency for unrestricted use
- 4) 45% returned to State

Under #2, I would like to request a portion of the 45% be designated for W-2 reinvestment in the community of Beloit for services to low-income persons in two areas:

- 1) raising the initial income eligibility for child care
- 2) proving child care subsidies for disabled children over the age of 12
- 3) modifying the child care co-payment schedule so that it is more equitable for part-time workers
- 4) increase the caretaker supplement grant
- 5) provide money for the AODA proposal being developed by MICAH
- 6) provide a comprehensive education and training initiative for W-2 participants who need basic skills training or post secondary educational opportunities

Thank you.

Claudette

TESTIMONY

SENATE HUMAN SERVICES AND AGING COMMITTEE

April 20, 1999

Good morning, Senator Robson and committee members. I am Jean Rogers, Administrator of the Division of Economic Support, Department of Workforce Development, and with me is Greg Smith, Procurement Director for the Department.

I want to thank you for the opportunity receive comments and suggestions on the draft RFP, and to describe W-2 contracting, beginning with the Right of First Selection process.

I. The W-2 Contract Process

The current W-2 contracts run through the end of December 1999. The next round of W-2 contracts will begin in Calendar Year 2000.

- The Right of First Selection (RFS) process determines which Wisconsin Works (W-2) agencies do not have to compete to administer the next W-2 contract in their current geographic area.
- The RFS process is the first step in a two-step procurement process to determine the next W-2 contract awards for the period of 2000 - 2001. The RFS process is structured in concert with Wisconsin statutes which require a competitive, confidential procurement process in awarding the W-2 contracts.
- The Department of Workforce Development (DWD) developed the RFS Financial and Program criteria with significant input from the W-2 Contract and Implementation Committee beginning in August 1998. (**NOTE:** This Committee is specified in the W-2 Contract as the Department's single point of contact for feedback to the Department on implementation of policies related to agencies. Representation includes members from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.) All agencies receive the minutes of these meetings. Following that, all W-2 agencies received several Administrators' Memos outlining the process and criteria. In addition, an Educational Teleconference Network (ETN) was held to provide this information to all W-2 agencies with an opportunity for questions and answers.
- The RFS criteria, or benchmarks, are intended to measure sound, economic program management, as well as best practices for providing quality services to W-2 customers. The criteria also focuses on activities and reporting processes needed to meet the federal Temporary Assistance for Needy Families (TANF) requirements. There are two categories in the RFS process:
 - ◆ Financial, and
 - ◆ Program
- The **Financial** RFS criteria focus on two aspects:
 - ◆ Providing administrative and supportive services expenses at a reasonable level; and
 - ◆ Insuring that the contractually required administrative cap of 10% is not exceeded.
- The **Program** RFS criteria focused on providing high quality W-2 case management practices and reporting processes. Agencies were required to meet all 5 base criteria; and 3 out of 4 additional best practice criteria.

The Five Base Criteria are as follows:

- ◆ Agency worker to client ratios for Financial and Employment Planners could not exceed 125 to one overall, and not more than 55 cash assistance cases per planner in order to provide effective, intensive case management.
- ◆ Agency records were assessed to ensure that participants were assigned to appropriate types of activities for the appropriate number of hours, in order to move the family closer to self-sufficiency.

- ◆ Agency recidivism was measured to insure that most individuals who received W-2 cash payments and subsequently left the program were able to remain independent. A high number of return cases may be a sign of providing insufficient follow-up case management
- ◆ Employability Plans were assessed to insure that participants receiving W-2 cash assistance had an active Employability Plan (EP) entered in the automated system (Client Assistance Reemployment for Economic Support - CARES). The EP is the road map to the participant, indicating the appropriate assigned activity and outlines both short and long-term goals.
- ◆ Agencies were assessed to determine if they had a current Agency Plan on file, describing their services and operations.

Under Best Practices Criteria W-2 agencies needed to meet three out of four criteria, the selection of which was their own choosing. They were:

- ◆ Proof that the Agency has created projects for special population needs, such as domestic violence, non-English speaking populations, children over 12 who need special child care, etc.
 - ◆ Proof that the Agency assists in providing child care resource information to participants.
 - ◆ Proof that the Agency enrolls participants who have not graduated from high school or obtained their GED/HSED in appropriate educational curriculum.
 - ◆ Proof that the Agency has contracted with faith-based provider for face-to face services to participants.
- While W-2 agencies, as a whole, are providing quality services, the RFS process also includes measures of administrative procedural compliance, such as proper recording in the automated system and submitting of information by a deadline date. The purpose is twofold:
 1. The CARES entry allows the benchmark to be measured via the system;
 2. The CARES system is Wisconsin's vehicle to provide the federal TANF reporting requirements.
 3. The Department wanted to ensure that agencies had maximum opportunity to meet the criteria benchmark, and so two additional steps were added to the process.

First, at the suggestion of the W-2 Contract and Implementation Committee members, the Department developed a process for the agencies to claim an exception to the full engagement criteria on a case by case basis. (For example, if a W-2 agency had a participant who had a doctor's excuse for mental illness and the only activity that the participant could participate in was counseling for 10 hours per week, then this case would not have passed the Full Engagement requirement. By submitting documentation to the Department this case would be excluded from the final calculation.) Department staff reviewed each case individually and determined if the request was justified and had followed W-2 policy.

Second, an additional opportunity for agencies to provide clarifying information was provided. The Department provided preliminary information on February 19 to those agencies which had not passed the Right of First Selection process. All W-2 agencies were notified of the discrepancy process that was established in the event that a W-2 agency did not agree with the Right of First Selection determination. This process gave the agencies 5 business days to present all other information to the Department. The discrepancy process involved a committee of Department employees with varying expertise and who were not involved in the initial determination. Twenty-eight agencies initially failed the Right of First Selection and all 28 agencies filed for a discrepancy review. Whenever possible, the Department interpreted information presented during the discrepancy review in favor of the agencies. The discrepancy process resulted in an additional 15 W-2 agencies qualifying for Right of First Selection.

- A total of 62 of 75 W-2 agencies have qualified for RFS and won't have to participate in open competition for the next W-2 contract because of their documented excellent past performance.

- The 13 W-2 agencies who did fail the Right of First Selection process do have the opportunity to exercise the dispute process under their current contract and 7 have done so to date. The dispute process allows the W-2 agencies another chance to appeal the decision.
- Finally, 13 W-2 agencies that did not meet RFS may submit a competitive proposal to administer W-2 for the next W-2 contract. RFS agencies also will be required to submit a plan describing how they intend to operate the program, subject to Department approval.

Greg Smith will now step through step two of the competitive contracting process -- the W-2 Request for Proposal. Then together we will do our best to respond to any questions you may have. Thank you.

W-2 Procurement Process

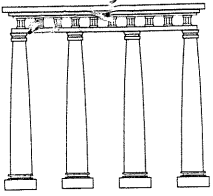
The draft Request for Proposal (RFP), which is the subject of today's hearing, is the procurement tool the Department will use for establishing the year 2000 W-2 contracts. It is a contracting rather than policy-making process. As compared to a "standard" Chapter 16 procurement, this RFP represents a modified procurement process per the Legislatures direction in Chapter 49. The significant modifications include —

- Right of First Selection (as reviewed earlier by Jean Rogers)
- Public Comment Period — Including distribution to about 500 potential proposers and other interested entities, public notice and posting on the Internet. (The public comment period has been extended through April 30.)

Otherwise, this RFP remains fairly close to the "standard" RFP process. The Department feels this process is the most appropriate for these contracts for a variety of reasons. It —

- Keeps the effective delivery of services to W-2 clients and efficient use of state funds at the forefront of the contracting process. Agencies and other service providers are viewed as contractors and business partners.
- Includes all contract terms and conditions "up front".
- Provides a structure that promotes competition based on "best value", rather than just low bid.
- Enables the contracting process to be completed on time in spite of a challenging timetable.
- Includes a protest and appeal process.

That concludes the Department's testimony.



Center for Public Representation, Inc.

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Comments on the draft Department of Workforce Development Request for Proposals for W2 contract

April, 1999

Submitted by Louise G. Trubek (608-262-1679)

Center for Public Representation

3.7 Right of First Selection

I question how responsive the agencies and DWD will be to these comments if the decision on "first selection" has already been determined.

3.14 Performance Standards

The performance standards are too narrow and do not constitute a set of standards that broadly reflect the needs of the community and low-income people. There have been many suggestions for broad performance standards that are not included.

The only requirement of community agency involvement is "faith based" contracts. There are many other excellent community agencies that could be included in the performance criterion but are not "faith based" This criterion might also be challenged on policy and constitutional grounds.

5.2 Selection and Award Process-Proposal scoring

There is no indication that users of the services or community agencies will be consulted as to their view of the agencies performance in the scoring process.

5.9 Public Record Access

How are community groups to review the contract proposals if their impute is not required and there is no access to the RFPs until awarded?

6.8 Performance Bonus

These bonuses are based on performance criterion that are too narrow. Therefore the bonuses should be questioned.

6.15 Failure to Serve

This section is quite strict but is undercut by the original principles stated in 3.1 (7) This section

seems to say that services should be narrow and unforthcoming. I suggest that you remove 7 if you intend to make 6.15 believable.

7.2.9.1 Medicaid/BadgerCare

This description of the responsibility of the agencies for Medicaid is much too bland. The Medicaid/BadgerCare programs are expending tremendous effort and money to ensure that every eligible person is enrolled. This goes against the incentives in the contract which discusses "light touch" This section should be rewritten to emphasize the special necessity of ensuring that as many people as possible are enrolled. There should also be a link to the performance category relating to employer provided health care benefits.

7.2.10.2

This section has always been controversial. The time lines are much too long and the cut off of payments is punitive.

7.3 Coordination and Collaboration

This section is much needed. I note however, that there is no encouragement for Memorandum of Understandings with non-governmental agencies except for the real incentive for "faith based" organizations contained in the performance standards.

ROCK COUNTY HUMAN SERVICES DEPARTMENTWisconsin Works (W-2) Right of First Selection

My name is Don Mulry, and I am the Director of Rock County Human Services Department. The department is the current provider of W-2 services in Rock County. I want to thank members of the Senate Human Services and Aging Committee for the opportunity to speak to you today on the Right of First Selection (RFS) for Wisconsin Works (W-2) for the years 2000 and 2001.

I would like to give a few general comments on the RFS process which the state has recently executed. This process was used to determine which entities would have presumptive right to continue administration of W-2, and which entities would be required to compete for the right to administer W-2. The RFS criteria are in two areas: fiscal and programmatic. We believe that the criteria are somewhat arbitrary and may not reflect actual program quality.

For example, counties which did not meet programmatic right of first selection, have "missed the mark" often by only one case. In a county which has only a few W-2 cases, this is not reflective of the quality of the work in administration of the program.

Rock County did not meet the fiscal Right of First Selection process. Our W-2 program has, to our knowledge, been exemplary, and a model which the state has frequently used as a showcase at the new Rock County Job Center. We assert that the RFS process may be flawed, may have been calculated with at least one error in Rock County's case, and may not have been applied uniformly or fairly to all contractors.

1) In reviewing the RFS fiscal calculations with Department of Workforce Development (DWD) staff on March 15, 1999 we became aware that the calculations only credited Rock County with 29 Food Stamp Employment and Training (FSET) cases. A query of the States computer system (CARES), with data from 3/23/99 shows a current caseload of 76 mandatory FSET clients. This is consistent with the number of FSET cases in Rock County at any point in time. We believe that 29 cases is a gross undercounting of workload, and is an example of errors which may have occurred in this process.

2) The RFS formula does not give adequate consideration to costs related to family eligible cases under Temporary Assistance to Needy Families (TANF) program. Rock County estimates that 2994 families are TANF eligible and receiving supportive services. The administrative costs for these cases are partially billed under W-2 administrative costs. DWD staff have repeatedly indicated that our W-2 universe can include all children and family cases, but the RFS formula does not give credit for those cases. The result is that contractors are charging these costs in different ways, which produces an "apples and oranges" scenario which may lead to inaccurate comparison of administrative costs in the W-2 RFS process.

3) DWD staff also provided us with a comparison of fiscal status of all contractors. It shows that there are two counties which exceeded the 10 % administrative cap which still met W-2 RFS. Since we were told that the 10 % administrative cap applied to all contractors, we believe that this shows that the RFS requirements may not have been applied equally or fairly to all entities. We also note that one county is shown as having no administrative costs at all, which seems unlikely. A copy of the statistical information received from DWD is attached.

4) The fiscal formula on which RFS relies, penalizes those contractors who have worked hard and effectively to implement the underlying philosophy of W-2. Those contractors which quickly reduced their caseloads upon implementation of W-2, also reduced the denominator of the 4:1 ratio, and thereby reduced their chances of meeting RFS. Secondly, one of the basic tenets of W-2 is to provide the "lightest touch" possible for each client, yet the RFS formula rewards those contractors who used the "heavier touch" of leaving customers in a payment tier longer rather than diverting or providing case management services only.

We have been advised by the other counties not meeting RFS that there were only three counties statewide which did not meet fiscal RFS. Given the statewide data, Rock County has prepared some fiscal comparisons which are attached. These findings can be summarized as follows: 1) Rock County spent 35% of its total W-2 contract through 12/31/98. There were 52 other agencies who spent 35% or more. 2) In looking at just the W-2 Services/Administration piece, Rock County spent 74% of its contract. There were 35 agencies which spent 74% or more. 3) In looking at just the W-2 benefit costs, Rock County spent 10% of the allocation. There were 46 agencies who spent 10% or more.

5) The RFS formula does not give adequate credit for diversion cases. A contractor who operates an effective "light touch" approach, is not entering many diversions into the CARES system, which is the only mechanism which was used for measurement.

Thank you, we appreciate your consideration of these matters.

	Direct Services			Admin Cost Maximum			Long-Term Refugee Supplement			Total W-2 Services/Administration			Bwd/Adm Percent Spent	
	Budget	Expense	<Over/ Under	Percent Spent	Budget	Expense	<Over/ Under	Budget	Expense	<Over/ Under	Budget	Expense		<Over/ Under
Adams	484,410	371,329	113,171	77%	150,784	111,700	39,084	75%	635,214	483,959	151,255	76%		
Athlief	400,726	285,588	115,138	64%	134,767	42,243	92,524	33%	574,493	315,152	259,391	56%		
Baron	565,874	694,453	(128,579)	123%	179,404	128,937	50,467	73%	743,228	823,480	78,252	111%		
Bayfield	215,644	273,131	(57,477)	127%	48,662	23,463	24,809	49%	244,306	336,974	(92,668)	117%		
Brown	2,245,965	2,846,978	(601,010)	81%	1,300,767	397,155	804,607	33%	4,331,223	3,632,356	7,200,773	79%		
Buffalo	321,896	224,332	156,164	59%	114,012	31,435	41,917	48%	374,323	180,811	193,512	48%		
Burnett	316,033	219,166	96,867	57%	362,447	177,153	185,294	49%	496,908	282,830	214,055	59%		
Chippewa	1,137,438	647,232	490,206	57%	1,04,748	44,935	59,813	48%	405,755	231,310	174,545	59%		
Clark	340,633	236,097	114,536	69%	168,952	142,584	26,368	86%	1,492,885	814,385	678,500	55%		
Columbia	4,855,816	4,845,952	9,864	100%	7,758,158	1,060,989	6,973,149	90%	455,214	279,948	175,266	61%		
Crawford	664,879	395,985	268,896	46%	215,510	137,649	77,861	64%	704,365	449,683	254,682	64%		
Dodge	372,728	364,265	(8,463)	112%	316,369	153,169	163,200	70%	320,487	273,226	48,261	85%		
Door	1,361,746	851,185	710,561	59%	516,501	343,123	173,378	66%	6,565,047	6,221,024	744,223	89%		
Douglas	762,877	577,358	335,469	69%	228,253	40,189	188,064	83%	880,389	534,432	345,957	61%		
Dunn	2,023,025	972,741	1,050,284	48%	738,118	659,481	68,316	91%	2,078,247	1,314,317	299,017	73%		
Eau Claire	162,171	116,236	45,895	72%	251,802	209,173	45,630	81%	2,958,287	1,754,859	1,203,428	59%		
Florence	1,696,748	266,074	1,664,674	74%	431,519	384,534	65,685	89%	951,619	152,705	60,793	72%		
Fond du Lac	1,389,326	1,478,409	(111,417)	93%	92,015	48,258	43,757	52%	2,041,345	1,864,243	211,526	79%		
Grant	292,308	245,347	46,961	84%	41,292	33,179	8,113	80%	380,475	398,943	81,532	79%		
Green Lake	182,151	97,642	84,611	54%	129,717	148,370	(12,653)	110%	223,445	120,721	92,724	59%		
Iron	631,732	301,477	122,225	71%	139,737	148,370	(8,633)	86%	560,640	449,614	111,026	80%		
Jefferson	689,341	613,949	(56,372)	92%	1,229,977	1,582,910	(352,013)	129%	4,464,811	7,466,936	(3,966,125)	167%		
Jefferson	3,234,834	3,478,226	(2,444,022)	108%	1,729,977	1,582,910	(352,013)	129%	3,206,093	1,622,599	1,611,794	50%		
Kenosha	2,181,002	1,255,059	921,944	57%	784,793	235,632	549,161	31%	3,206,093	1,622,599	1,611,794	50%		
La Crosse	442,989	258,335	184,644	58%	135,645	125,349	10,296	92%	578,634	333,674	194,960	66%		
Langlade	447,646	297,815	150,633	64%	137,274	34,398	102,876	27%	594,220	233,411	251,509	57%		
Lincoln	908,208	856,876	(71,633)	94%	312,843	304,638	6,205	98%	1,321,387	1,182,858	78,537	89%		
Manitowish	1,936,064	1,764,445	(169,619)	91%	720,546	331,179	389,267	46%	3,159,723	2,495,614	664,109	79%		
Manitowish	784,431	384,919	429,512	49%	262,342	174,470	86,082	54%	1,071,874	544,129	527,745	51%		
Marquette	212,195	175,860	38,335	83%	52,111	48,225	3,886	94%	264,306	232,085	42,221	84%		
Marquette	779,902	429,345	343,557	55%	255,221	139,099	116,122	35%	1,028,123	548,464	439,659	55%		
Monroe	463,824	328,833	134,802	71%	143,101	94,648	48,453	66%	686,923	482,972	183,951	70%		
Oconto	1,361,242	723,287	637,955	53%	471,832	194,697	277,135	41%	2,040,093	1,022,599	1,017,495	50%		
Oconto	332,296	294,413	37,083	89%	95,459	64,236	31,223	67%	437,755	358,449	69,306	80%		
Ozaukee	149,860	183,920	(34,060)	123%	29,580	15,911	13,669	54%	179,440	199,831	(20,391)	111%		
Pepin	323,075	316,064	6,271	98%	92,108	90,307	1,801	99%	415,183	407,111	8,072	99%		
Plymouth	611,618	477,673	173,957	78%	196,415	99,448	96,815	51%	808,091	637,243	270,778	64%		
Portage	1,018,780	648,030	370,750	64%	364,332	273,428	91,104	75%	1,523,239	1,821,465	(310,574)	67%		
Prairie	280,028	324,317	(42,889)	117%	80,910	56,425	24,485	70%	360,938	382,742	(21,804)	106%		
Racine	4,786,014	3,248,758	1,517,284	68%	1,804,394	1,033,566	710,828	56%	6,823,763	4,516,110	2,307,653	66%		
Rock	3,707,110	2,433,260	1,273,850	66%	1,293,383	733,119	561,264	58%	5,001,493	3,676,319	1,325,174	74%		
Rock	422,784	214,660	209,104	51%	129,705	104,656	25,049	82%	630,440	332,705	297,735	54%		
Rusk	471,211	418,062	42,009	73%	149,002	93,502	55,500	55%	310,211	312,704	(2,493)	98%		
St. Croix	694,339	584,232	190,221	73%	226,693	124,727	101,966	59%	921,252	638,965	282,287	69%		
Sauk	694,339	584,232	190,221	73%	149,002	93,502	55,500	55%	799,663	439,359	360,304	48%		
Sawyer	999,279	858,376	140,903	86%	335,744	100,704	235,040	30%	1,484,971	1,086,073	418,898	71%		
Sheboygan	390,777	208,868	181,892	53%	80,401	15,581	64,820	19%	569,206	332,735	173,471	69%		
Taylor	418,062	385,557	150,676	65%	132,973	100,178	32,795	81%	443,472	395,913	47,559	89%		
Trempealeau	343,223	299,447	44,876	87%	99,549	96,866	2,683	97%	466,191	384,234	81,957	82%		
Waushara	357,893	288,825	69,058	81%	108,238	95,339	12,899	88%	1,062,699	1,065,177	57,522	95%		
Washington	798,525	895,343	(6,818)	101%	264,134	199,834	64,300	76%	852,098	439,356	212,802	75%		
Waukesha	444,244	448,002	(203,441)	68%	207,854	200,494	7,360	98%	574,049	431,202	142,847	75%		
Waupaca	438,741	324,989	109,752	75%	137,308	104,213	33,095	76%	2,493,990	2,079,916	414,074	77%		
Waushara	1,914,278	1,661,558	272,720	86%	669,044	340,316	320,718	55%	1,855,438	1,205,310	650,120	65%		
Wood	1,304,990	881,590	423,400	68%	443,539	254,036	189,503	37%	1,07,089	69,692	37,397	65%		
Wood	550,266	316,468	204,206	43%	179,282	47,920	131,462	37%	726,368	394,400	331,968	54%		
Grand Total	56,616,406	46,520,334	10,096,072	82%	19,223,395	15,351,026	3,872,369	69%	2,861,212	3,009,190	846,978	70%		
Grand Total	190,114	136,469	53,645	69%	45,906	45,906	0	100%	247,521	136,432	111,089	55%		
Grand Total	292,130	162,908	130,410	59%	81,593	78,227	3,366	94%	374,333	240,527	133,796	64%		
Grand Total	311,216	165,288	205,828	34%	88,231	65,443	22,788	74%	399,467	179,951	228,516	41%		
Grand Total	794,060	398,057	396,003	50%	215,750	143,890	71,860	33%	1,021,211	548,210	473,001	54%		
Grand Total	1,603,017	1,584,474	(1,479,459)	124%	3,206,504	1,359,389	1,947,115	67%	10,948,813	10,401,669	547,144	95%		
Grand Total	9,234,566	16,928,201	(7,090,765)	173%	6,884,336	2,158,010	4,726,346	31%	24,417,414	22,093,561	2,323,853	90%		
Grand Total	8,153,099	7,942,726	(82,373)	97%	3,376,448	1,389,370	2,187,078	39%	14,073,371	10,628,847	3,444,524	76%		
Grand Total	9,231,684	11,653,184	(2,553,500)	126%	3,613,963	2,748,699	865,265	76%	14,622,895	16,314,495	(1,701,600)	112%		
Grand Total	812,476	657,759	184,757	77%	268,081	145,741	123,342	54%	1,081,359	725,480	355,879	72%		
Grand Total	319,399	245,180	77,219	76%	71,911	38,909	43,002	40%	391,310	271,600	120,221	69%		
Grand Total	220,151	197,465	22,746	90%	58,343	56,400	2,155	43%	278,714	233,813	44,901	86%		
Grand Total	311,248	312,390	218,838	99%	181,504	47,105	134,399	28%	712,752	359,495	353,257	50%		
Grand Total	241,501	252,174	(10,673)	104%	67,314	31,238	36,076	48%	308,155	283,412	25,403	91%		
Grand Total	4,002,284	2,464,487	1,477,817	62%	1,445,107	325,439	1,119,668	23%	523,391	290,897	232,494	56%		
Grand Total	6,331,400	6,045,482	190,918	97%	2,511,674	1,439,080	1,072,595	57%	9,923,518	8,492,965	1,429,553	86%		
Grand Total	1,779,354	1,661,208	118,146	93%	594,362	359,076	235,286	59%	661,500	2,613,284	1,760,208	25%		
Grand Total	44,927,555	54,011,333	(9,083,777)	120%	21,318,916	9,695,390	11,643,526	45%	80,139,811	72,444,490	7,695,321	90%		

Summary by W-2 Administrative Agency for Services/Administration
to Benefits Ratio for Right of First Selection Criteria

County	Admin/Service %	Benefit %	Ratio
Adams	76	8	9.50
Ashland	56	6	9.33
Barron	111	5	22.20
Bayfield	112	9	12.44
Brown	75	7	10.71
Buffalo	48	23	2.09
Burnett	53	9	5.89
Calumet	72	9	8.00
Chippewa	55	9	6.11
Clark	61	4	15.25
Columbia	92	7	13.14
Crawford	85	4	21.25
Dane	89	35	2.54
Dodge	61	18	3.39
Door	109	25	4.36
Douglas	58	18	3.22
Dunn	73	14	5.21
Eau Claire	59	14	4.21
Florence	72	4	18.00
Fond du Lac	78	21	3.71
Grant	91	6	15.17
Green Lake	79	15	5.27
Iron	59	1	59.00
Jackson	80	6	13.33
Jefferson	69	8	8.63
Kenosha	167	20	8.35
LaCrosse	50	11	4.55
Langlade	66	13	5.08
Lincoln	57	10	5.70
Manitowoc	94	5	18.80
Marathon	79	21	3.76
Marinette	51	3	17.00
Marquette	84	6	14.00
Monroe	55	13	4.23
Oconto	70	4	17.50
Outagamie	50	23	2.17
Ozaukee	84	7	12.00
Pepin	111	13	8.54
Pierce	98	13	7.54
Polk	66	3	22.00
Portage	67	11	6.09
Price	106	11	9.64
Racine	66	16	4.13
Rock	74	10	7.40
Rusk	58	3	19.33
St. Croix	82	6	13.67

Sauk	69	16	4.31
Sawyer	42	6	7.00
Sheboygan	71	9	7.89
Taylor	60	10	6.00
Trempealeau	69	12	5.75
Vernon	89	15	5.93
Washburn	82	5	16.40
Washington	95	12	7.92
Waupaca	75	11	6.82
Waushara	75	3	25.00
Winnebago	77	12	6.42
Wood	65	12	5.42
Memominee	54	39	1.38
Total Counties	77	15	5.13
Tribes			
Bad River	55	51	1.08
Lac du Flambeau	64	42	1.52
Oneida	43	27	1.59
Total Tribes	54	37	1.46
Private Agencies			
Forest - FSC	69	21	3.29
Juneau - WW PIC	52	27	1.93
Kewaunee - FSC	84	15	5.60
Milwaukee (5)*	92	76	1.21
Oneida - FSC	50	13	3.85
Shawano - Job Ctr	73	22	3.32
Vilas - FSC	92	30	3.07
Walworth - Kaiser	72	15	4.80
Waukesha - Curtis	85	13	6.54
Total Private	90	72	1.25

*

UMOS
Employment Siutns
OIC-GM
Maximus
YW Works LLC



**MANITOWOC COUNTY
HUMAN SERVICES DEPARTMENT
JOB CENTER**

3733 Dewey Street, P.O. Box 874
Manitowoc, Wisconsin 54221-0874
Phone (920) 683-2888 Fax (920) 683-2850

Legislative Hearing Testimony
Human Services and Aging Committee
April 20, 1999

Re: W-2 Contract for 2000-2001

- In the 2000-2001 W-2 Request for Proposals released April 13, 1999, Manitowoc County's W-2 allocation was cut 79% from the 1997-1999 contract. Our current 28-month contract is \$4,983,539. The upcoming 24-month contract proposal is \$882,321, or 21% of the previous allocation. This is one of the highest reductions in the State, with no explanation as to how the allocation formula was computed.
- Allocations reflect DES W-2 caseload assumptions. Manitowoc County has been allotted a W-2 caseload of three (3) participants for the next biennium. This is unrealistic for a county with a population of over 80,000.
- It appears that because we did such an outstanding job of reducing our W-2 caseload, we are now being penalized for achieving the mission of the program. At the outset of the W-2 program in 1997 DES projected a caseload of 312 for Manitowoc. We have reduced our caseload to its current low level of three participants, but cannot guarantee we will never have a fourth individual in need of W-2 cash payments, or a fifth, or a twelfth. Had we ended the year with a caseload of 12, we would have been allocated a caseload of 12.
- Manitowoc County had several major plant closings in the fourth quarter of 1998 (Paragon Electric and Santa's Best, each with over 300 employees). Current healthy economic conditions cannot be guaranteed throughout the next biennium and agencies need the capacity to expand the program should that become necessary.
- At the outset of W-2, agencies were mandated to be part of local Job Centers. This was achieved. With such a drastic cut in funding, W-2 agencies will not be able to sustain or support Job Center activities.
- The W-2 administrative process has not been clearly defined by DES to the W-2 agencies. Goals change frequently and are communicated after it is too late to meet them, i.e., the 4:1 office expense to benefit ratio as a Right of First Selection standard, which was disseminated in the fall of 1998. Advance planning is needed from DES, not a continual crisis management mentality.

Recommendation: Allocate funding for the next W-2 contract according to a formula that does not penalize agencies that did an excellent job of reducing caseloads and allows sufficient funding based, at least partially, on county population.

Connie Hendries
Economic Support Division Manager



**MANITOWOC COUNTY
HUMAN SERVICES DEPARTMENT
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February 25, 1999

Kevin Huggins, Area Administrator
Division of Economic Support
GBRO
200 N. Jefferson St., Suite 428
Green Bay, WI 54301

Re: W-2 Right of First Selection

Dear Mr. Huggins:

The Manitowoc County Human Services Department protests DWD's use of a 4:1 ratio of office expenses to benefits as a criterion for our disqualification from the W-2 contract right of first selection. This criterion was not spelled out in the W-2 contract but was disseminated to agencies over a year after the program began.

In the absence of a DWD definition of a W-2 client, Manitowoc County's office structure was set up predicated on our TANF-based definition of a W-2 client. This office structure was approved by DWD. Fiscal claims were submitted based on provision of supportive services (Food Stamps, MA, Child Care) to prospective TANF-eligible W-2 clients, as well as actual W-2 participants. There was no indication that DWD would later develop criteria that would penalize agencies for this fiscal office structure.

We believed our previous attempts to address the unfairness of the 4:1 ratio had been successful when we received a letter from Secretary Linda Stewart (see attached). We are now requesting that DES honor her statement "The 4:1 or less expenditures to cash benefits ratio will only be used when an agency does not have the right of first selection based on caseload." We have met all other performance standards and contend we should be awarded the right of first selection for the next W-2 contract.

Thank you for your consideration.

Sincerely,

Thomas A. Stanton, Director
MANITOWOC COUNTY
HUMAN SERVICES DEPARTMENT

Pc: Secretary Linda Stewart
Representative Bob Ziegelbauer

Tommy G. Thompson
Governor
Linda Stewart
Secretary



State of Wisconsin

Department of Workforce Development

OFFICE OF THE SECRETARY
201 East Washington Avenue
P.O. Box 7948
Madison, WI 53707-7948
Telephone: (608) 268-7552
Fax: (608) 268-1784
<http://www.dwd.state.wi.us/>

January 22, 1999

Dear W-2 Agencies:

Recently I attended listening session around the state to hear how W-2 is progressing. One of your strongest concerns was how we were implementing the Financial Requirements of the Right of First Selection. Concerns I heard were:

- Success in reducing cash benefits caseload is working against the agencies through the use of the 4 to 1 ratio.
- Credit is not given for Food Stamp, Medicaid and Child Care activities
- Credit is not given for case management only cases and diversions

To respond to your concerns I am modifying the "reasonable costs" financial requirement for the right of first selection. There is no change to the financial requirement that an agency not exceed the 10% administrative cap.

The right of first selection process will first assess each agency against criteria based on caseload. The 4:1 or less expenditures to cash benefits ratio will be only be used when an agency does not have the right of first selection based on caseload. When an agency meets neither the caseload nor 4:1 ratio criteria, an agency may submit a written request documenting special workload circumstances to be considered in whether it meets Right of First Selection.

Expenditures used in determining reasonableness will consist of administrative and office expenditures including subcontracts, but not cash benefits. Caseloads to be used in the reasonable cost calculation will include W-2 cash benefit and case management cases and FSET. Medicaid and Non-FSET FS cases will remain excluded since they are separately funded by the IM contracts. Current add-on factors will need to be modified based on the expanded definition of caseload.

Finally, requests due to special workload circumstances would include large workload reductions prior to the current W-2 contracts, large amounts of seasonal employment and high numbers of child care only and diversion cases. Child care cases that are part of a W-2 or FSET workload will not be considered since that eligibility is done as part of the other eligibility determinations.

DES will shortly be issuing a new numbered memo reflecting the contents of this memo.

Sincerely,

Linda Stewart, Ph.D.
Secretary



MANITOWOC COUNTY
HUMAN SERVICES DEPARTMENT
JOB CENTER

3733 Dewey Street, P.O. Box 874
Manitowoc, Wisconsin 54221-0874
Phone (920) 683-2888 Fax (920) 683-2850

December 17, 1998

Linda Stewart, Secretary
Department of Workforce Development
GEF-1
201 E. Washington Avenue
Room 400X
Madison, WI 53707

Re: W-2 Right of First Selection Fiscal Criteria

Dear Secretary Stewart:

We want to draw your attention to some concerns Manitowoc County W-2 administrators have in regard to the Right of First Selection financial criteria. I know Central Office has received correspondence from Sheboygan and Winnebago Counties (see attached). These letters clearly state our position as well as theirs and I won't belabor those points. However, I believe there is an additional issue which should be considered.

Agencies that have been providing W-2 services are proud of the success they have achieved, believe strongly in the program concepts and want to continue in their administrative role. By establishing a four-to-one ratio of office expenses to benefits, a situation has been created wherein it is in an agency's best interests to increase W-2 payment cases, because office expenses cannot be reduced retroactively. At the W-2 ETN on December 15 state staff discussed the issue of some agencies retroactively claiming case management only cases as payment cases. This confirms the theory that agencies may do what is necessary to "make the rate" in order to continue as W-2 agencies.

In all good conscience I could never ask my staff to place W-2 participants in a subsidized component for the sake of meeting a budgetary target. We firmly believe in the philosophy and mission of the W-2 program. To reverse that process now would be dishonest. In fact, Manitowoc County staff were proponents of self-sufficiency for many years before we were able to implement the W-2 program.

I am confident you did not intend to create a W-2 benefit recruitment situation when the fiscal ratios were disseminated, but that may be the result. Had agencies had the fiscal performance criteria in their possession at the outset of the contract, appropriate planning would have taken place. The only explicit fiscal criterion in the contract was the 10% cap on administrative costs. If the use of a ratio of office expenses to benefits is continued, you may well see W-2 payment caseloads rise for the duration of the current contract. This is in direct opposition to the program goals.

It should be noted that our local State Representative, Bob Ziegelbauer, has taken an interest in the Right of First Selection process and attended the ETN with HSD administrators on Tuesday. His question to me was "Isn't this a successful program?" I said it was very successful. He said "And you've done everything you need to do except meet this ratio that you just found out about a few months ago?" I responded affirmatively. He said "Then why does this process seem so difficult?" I had no answer.

Please eliminate the ratio as a performance indicator and limit the fiscal performance standards to the 10% administrative cap which was spelled out in the contract. Agencies that have been performing well programmatically will also do well fiscally if they know at the outset what the criteria are.

Thank you for your attention to this matter.

Sincerely,

Connie Hendries
Economic Support Division Manager
MANITOWOC COUNTY
HUMAN SERVICES DEPARTMENT

Pc: J. Jean Rogers, Administrator, DES
Ginevra Ewers, Section Chief, BMO
Kevin Huggins, Area Administrator, GBRO
Tom Stanton, Director, MCHSD
Bob Ziegelbauer, State Representative
Michael Van Dyke, Chair, W-2 Advisory Committee
Gary Johnson, Director, Sheboygan County
Gina Vanden Branden, Financial Coordinator, Winnebago County

Attachments



SHEBOYGAN COUNTY JOB CENTER

3620 Willous Avenue • Sheboygan, Wisconsin 53081 • (920) 208-5800 • FAX (920) 208-5900

November 24, 1998

Secretary Linda Stewart
Department of Workforce Development
201 E. Jefferson Street
Madison, WI 53707

Re: W2 Right of First Selection

Dear Secretary Stewart:

After reviewing the Right of First Selection criteria, as outline in Administrator's memo 98 - 32, I find it necessary to express some concerns. Sheboygan County has and continues to demonstrate excellent and innovative approaches to welfare reform services and programs. We have received National and State recognition for being leaders in welfare reform. However, we do not currently meet the Right of First Selection criteria and therefore do not qualify to operate the W 2 Program in the next contract period without having to submit a competitive bid. W 2 administrative agencies that do meet the criteria are deemed "successful performers."

Most puzzling is four to one ratio measurement of good financial practices. The assumption is that successful W 2 vendors will issue a certain level of W 2 cash benefit payments in relation to the amount spent on direct services. Something is flawed with this assumption. The intent of W 2 is there is a place for everyone who is willing to work to their ability. Therefore, this measurement presupposes that a certain percentage of individuals will always be in need of a W 2 cash benefit payment. Also, the measurement does not take into account the up front work done by a Financial and Employment Planner in exploring with an applicant other resources and opportunities nor does it include ongoing case management services to participants who are in unsubsidized employment but require ongoing support to maintain and retain that employment. Considering the four to one ratio as a measurement of a successful work program, W 2 agencies should then encourage people to enter Community Service and W - 2 Transition positions.

It is our understanding that the Legislature insists on the four to one criteria. Based on this insistence, our second concern is DWD's reluctance to define a W 2 case. We asked state staff on a regular basis, during the past two years, to identify and define a W 2 case and what administrative costs could be reported as a W 2 expense. The response was that W 2 agencies could de-obligate W 2 funding to Income Maintenance or they could allocate food stamp and medical assistance costs to the W 2 contract. There was no mention of the four to one ratio at any time during this dialogue. The decision not to de-obligate W 2 funds now negatively impacts on our ability to meet Right of First Selection criteria.

The only fiscal cap indicated in the RFP was 10% for AMSO. In all fairness, we recommend that if the Department of Workforce Development insists on using the four to one ratio, that consideration be given to W 2 agencies that did not de-obligate funding from W 2 to Income Maintenance for the administration of food stamps and medical assistance. In addition, the ratio does not take into consideration the up-front time for diversion, child care eligibility determinations or the time "some" W 2 agencies have dedicated to collaboration and coordination of Job Center activities.

Sheboygan County successfully converted ALL AFDC cases to W 2 in September of 1997. This was in compliance with DWD's recommendation. Considering the four to one ratio, we are being penalized for taking this assertive approach in the implementation of W 2. By converting all cases, we did not have any AFDC payments to count toward the four to one ratio beyond the month of September 1997. W 2 agencies that successfully accomplished this case conversion should be receiving an incentive for the State, not a penalty.

Sheboygan County's success in implementing and operating a successful W 2 program is now resulting in our potential downfall. In creating and maintaining an infrastructure that places people to work and helps them retain employment without cash benefits payments, the County has jeopardized its potential as a future W 2 vendor.

Thank you for your consideration of this matter.

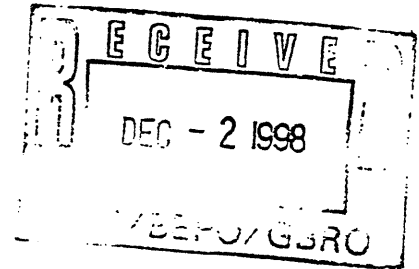
Sincerely,

Gary D. Johnson, Director
Sheboygan County Health and Human Services Department

✓ cc: Kevin Huggins, Area Administrator

Winnebago County

November 30, 1998



Kevin Huggins, Area Administrator
Division of Economic Support
Green Bay Regional Office
200 N. Jefferson St., Suite 428
Green Bay, WI 54301

Dear Kevin:

This memo is in regard to concerns I have about W-2 and the issue of deobligation. What follows is a summary, as I see it, of what has transpired and the problem that has resulted. If you could respond in writing, I would appreciate it. If you think this would be appropriate for discussion at the ETN, please pass it along. If you think I am beating a dead horse, please let me know.

The W-2 contract started in 1997 and the first contract was a 28-month contract, expiring on 12/31/99. Winnebago County was awarded \$10,000,000 for the 28-month contract. The W-2 program replaced the AFDC program (cash assistance). The food stamp program (500 cases) and the child care subsidy program (400 cases) remained in tact. These two programs require eligibility testing and case management. I am new here, but as I see it, this is it, in a nutshell.

At the beginning of the contract, in September of 1997, Counties were asked to make a decision regarding deobligation. What that boiled down to was that we were asked to decide where we wanted to charge our labor costs for the food stamp eligibility and the childcare eligibility programs. We have 10 people who perform these functions for our County, totaling approximately \$340,000 per year in wages and fringes. When we were asked to make this decision I asked (Kevin Huggins and Roger Kautz) what kinds of things we should consider. As I was new to all of this, I needed information. The only response I received was to consider how your W-2 agency is organized. If the County were not going to do W-2, then surely you would want to have the W-2 agency deobligate to the County for the eligibility work. The response was, it depends how your individual situation is set up. If the County was the W-2 Agency, it did not really matter, was the response. If you decided to charge them to the W-2 contract, there was funding there to cover these expenses. If you wanted to charge them to the Financial Assistance contract, they would de-obligate the necessary funds out of the W-2 contract to the Financial Assistance contract. We had to make this decision in September of 1997 for 1997 and 1998. We at Winnebago County decided to house these 10 people in our new workforce development center and so we decided to charge these costs to the W-2 contract. We again were asked to make this decision for 1999 in November of 1998. Again, we had no information that would lead us to believe that we would be penalized for making the decision again, to charge these expenses to the W-2 contract, consistent with our past practice. I understand that some Counties did as we did and some others chose to de-obligate. Was that just luck that they made the right decision or are we missing something here?

November 30, 1998

Page 2

In November, 1998 we attended a meeting in Green Bay where it was explained to us by the regional experts that in order to have the Right to First Selection on the next contract, our ratio of office (labor and fringe) expense to benefits (W-2 benefits only) has to be 4 to 1. Now if you were a county that had decided to charge 10 eligibility workers to the Financial Assistance contract, and had de-obligated W-2 funds there to pay for it, this ratio would not present a problem. However, if you are a County that decided, as we did, to charge this \$340,000 to the W-2 contract, then this ratio becomes impossible. We have to have \$340,000 of labor in our ratio with no benefits to balance it. I was told that although the 4:1 ratio was not even an idea in the initial contract, that it is perfectly acceptable for the State to develop this at this late stage in the game. I do not think that it is fair for us to be penalized by this. I think that we should be able to take the \$340,000 out of our office expenses to compute the ratio. Now, when comparing Counties on this basis, you are comparing apples to oranges, depending on the decision that counties made regarding de-obligation. How can you compare us all to the 4 to 1 ratio, when you allowed us to individually define our expense structure?

I am even more concerned about how this might penalize us in the next W-2 contract. If the next W-2 contract office expenses are determined by taking the W-2 benefits * 4 then we won't have enough funding for these 10 positions that determine eligibility for food stamps and child care subsidy. Will the Income Maintenance contract be automatically adjusted upward so that we could start charging those expenses there instead? The possibility of de-obligated funds from W-2 to Income Maintenance is a moot question if the next contract is based on a ratio of 4:1.

Please respond.

Sincerely,



Gina Vanden Branden
Financial Coordinator

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WISCONSIN CATHOLIC CONFERENCE

TO: The Honorable Members of the Senate Human Services and Aging Committee
FROM: John Hubscher, Executive Director
DATE: April 20, 1999
RE: DWD Draft Request for Proposals for W-2 Service Providers

Thank you for this opportunity to comment on the Department of Workforce Development's draft Request for Proposals for W-2 service providers.

In 1994, the Wisconsin Catholic Conference enumerated a number of guiding principles by which we intended to evaluate any proposal to reform welfare. Given the experience with statewide implementation of the W-2 program and the discussion before the Committee today regarding the RFP, we would like to reiterate one of those basic principles: *Real welfare reform seeks to help people leave poverty behind, not just leave the welfare rolls.*

The Wisconsin Catholic Conference was concerned in the early stages of the development of W-2 that the incentive structures for both public and private agencies were flawed, and that the W-2 service providers would be "rewarded" for simply decreasing the number of people on the rolls. The extreme drop in the number of individuals being served under W-2 has resulted in substantial payments for those W-2 agencies that served fewer individuals than anticipated. Therefore, it appears that according to the evaluation criteria, as designed for the first contract period, the W-2 agencies achieved "success".

Performance-Based Criteria

Given the experience with the program to date, the WCC supports the Department's proposal to apply a number of performance-based criteria to evaluate the effectiveness of W-2 providers in the upcoming contract period. The performance-based criteria shift the focus away from an analysis of success based upon declining caseloads and toward an analysis of success based upon job placement, job value (in terms of health benefits and wages), job retention, and education progression.

While the performance-based criteria approach is a step in the right direction, we recommend some additional criteria.

Special population needs

We note that in reviewing the experience of the W-2 program, the dramatic drop in caseload in some counties comes at a time when unemployment rates in those counties are well above