

# Vermont Work Verification Plan

Submitted by the Economic Services Division  
Vermont Department for Children and Families  
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## I. Countable Work Activities

### A. Unsubsidized Employment

#### 1. Describe the services or programs the State includes under the activity.

Unsubsidized employment is a job with wages or self-employment income not subsidized with Reach Up or any other public funds. Employment is considered subsidized if the employer, rather than the employee, receives a subsidy from TANF or any other public program. Employer tax credits for hiring economically disadvantaged workers are not considered subsidies.

#### 2. Describe how the State determines the number of countable hours of participation for the activity.

##### a. Wage-paying unsubsidized employment

Vermont bases countable hours of participation on hours for which the participant is paid, including paid leave and holidays.

Vermont projects up to six months of hours based on documented actual hours. Eligibility workers are required to re-determine financial eligibility for Reach Up families at least every six months. At the time of initial application and eligibility review, eligibility workers enter detailed data into the Access system<sup>1</sup> about each pay period in the past 30 days, including the frequency of pay (weekly, every other week, twice a month, or monthly), the date on which the earner was paid, gross wages, and total hours.

For a single paycheck that is not reflective of ongoing income and hours (e.g. unpaid sick leave), the eligibility worker will verify with the employer that the paycheck is unusual, and will not include it in the income/hours calculation. For TANF reporting purposes, Access calculates the average hours of work per week as follows:

- For wage earners paid weekly, by averaging the hours entered for each pay period.
- For wage earners paid every other week, by averaging the hours entered for each pay period and dividing by two.
- For wage earners paid twice a month, by averaging the hours entered for each pay period and dividing by 2.15.
- For wage earners paid monthly, by dividing the hours entered by 4.3.

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<sup>1</sup> Access is Vermont's automated eligibility determination and benefits processing system for the administration of Reach Up (TANF), food stamps, Medicaid and other health care programs, and State Essential Person. See Sections III, IV, and V, as well as Appendix A for more about Access.

Fluctuating or irregular income and hours will be averaged over a 90day period. An example of this type of income is per diem work. The eligibility worker will request paystubs for the previous 90 day period, and then average the income and hours using the following formula:

- Total Gross Pay From 90 day verification period paystubs
- Divided by number of paystubs
- Multiplied by pay frequency
- Equals gross monthly average income/hours

Eligibility workers will then enter the gross monthly average income and hours in Access.

The result of the Access calculation of average hours per week is carried forward until the eligibility worker enters different pay period data, including the wage earner's hours. Eligibility workers are required to collect and document such detailed data about wage earners' pay and hours of work when a change is reported or every six months, whichever occurs first.

If, as verified by the employer, these hours are not representative of future hours, however, the projection is based on the employer's documented statement of hours.

#### b. Self-employment

Vermont reports countable hours of self-employment as the result of dividing net self-employment income by the Vermont minimum wage. Net self-employment income is defined as gross self-employment income minus allowable business expenses, determined in the same way it is determined for the purposes of eligibility.

Vermont projects up to six months of self-employment earnings and business expense based on a tax return or, in the absence of a representative tax return, other detailed documentation of net self-employment income provided by the participant. Projected self-employment income is the same as that used to determine the family's TANF cash assistance grant.

The projection of net self-employment income is established under the same conditions as projections of wages: at the time of application and eligibility review and when a change is reported.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

- a. Wage-paying unsubsidized employment

Vermont bases its projections of hours on pay stubs, a statement from the employer, or other documentation from the employer. Such documents or copies of them are filed in the participant's case file.<sup>2</sup> The worker's written entry in the case file or data entry in Access attesting to the details of a verifying document, including the nature of the document (e.g., pay stub, time card), dates and number of hours, the participant's name, and the employer's name, is also acceptable as documentation. The worker's written entry in the case file of the details of a telephone call to the employer, including who verified the hours and what the hours were for what periods, also constitutes documentation.

- b. Self-employment

For self-employment, the participant's last income tax return, if it reflects current and ongoing circumstances, constitutes verification of net self-employment income. If no tax return is available, then the participant is required to provide detailed accurate records of income and expenses. A worker's written entry in the case file attesting to the details of a verifying document or collateral contact also qualifies as verification. Documentation of self-employment income is the same as that used to determine the family's TANF cash assistance grant.

## B. Subsidized Employment

1. *Describe the services or programs the State includes under the activity.*

Subsidized private employment is a job in the private sector, other than on-the-job training, that pays wages subsidized with Reach Up or other public funds or for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a participant. Subsidized employment includes supported employment for individuals who have disabilities when it is supported with TANF or public funds. Subsidized public employment is the same as subsidized private employment in all respects except that the job is in a public sector employment setting.

Employment is considered subsidized if the employer, rather than the employee, receives a subsidy from TANF or any other public program. Employer tax credits for hiring economically disadvantaged workers are not considered subsidies.

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<sup>2</sup> In the future, Vermont may convert some or all of the documents in the case file from paper to electronic images.

Wage-paying work study subsidized by an educational institution is considered subsidized employment.

2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont bases countable hours of participation on hours for which the participant is paid, including paid leave and holidays. Paid hours spent in support activities may be counted as subsidized employment but not on-the-job training. Such support activities include substance use disorder treatment, mental health treatment, rehabilitation, and various other barrier-removal and educational activities.

See section 2 above under Unsubsidized employment for further details.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

Vermont bases its projections of hours on pay stubs, a statement from the employer, or other documentation from the employer. Such documents or copies of them are filed in the participant's case file.<sup>3</sup> The worker's written entry in the case file or data entry in Access attesting to the details of a verifying document, including the nature of the document (e.g., pay stub, time card), dates and number of hours, the participant's name, and the employer's name, is also acceptable as documentation. If no documentation can be obtained, the worker's written entry in the case file of the details of a telephone call to the employer, including who verified the hours and what the hours were for what periods, constitutes documentation.

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<sup>3</sup> In the future, Vermont may convert some or all of the documents in the case file from paper to electronic images.

## C. Work Experience

### 1. *Describe the services or programs the State includes under the activity.*

Participation in work experience as a countable activity is to improve the employability of those individuals who have not been able to find full-time unsubsidized employment. Participation in this activity should help the participant establish a good work record and develop good work habits and skills. The type of skills a participant might develop in this activity include learning how to follow instructions, work independently, be a reliable worker, maintain a work schedule and improve work habits.

Participants engaged in this activity are not paid a wage and are not employees of the work site or the state of Vermont. TANF assistance provided to work experience participants is not considered wages for the purposes of social security, federal income tax, or state or federal earned income tax credits.

Each work experience placement is established under a written agreement or contract specifying, at a minimum, participation in an activity that meets the federal definition of work experience, required ongoing supervision, and reporting of actual hours of participation. Management staff review and approve each agreement or contract when it is initiated. Placements creating an employer/employee relationship subject to the FLSA minimum wage requirements are identified at that time. Questions about the FLSA are directed to the Wage and Hour Division of the U.S. Department of Labor at 1-866-4-USAGE or the web site at <http://www.dol.gov/esa/whd/flsa/index.htm>.

### 2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports actual hours of participation for work experience activities. In addition, the following rules apply to counting hours of participation:

- Hours of participation in support activities that do not meet a common sense definition of work experience are not counted for work experience. Such support activities include substance use disorder treatment, mental health treatment, rehabilitation, and various other barrier-removal and educational activities.
- Hours of participation in training or educational activities such as vocational educational training, adult basic education, and English as a Second Language are not counted under work experience.
- Hours of participation in job search and job readiness activities are not counted under work experience.

A week is assigned to a report month if the Saturday in the week falls within the month. Actual hours for the weeks assigned to the report month are used to calculate average hours per week.

Partial months are counted for families receiving an initial payment for only part of the month and for families whose assistance is terminated mid-month. Their average hours per week are calculated based only on the weeks for which they received assistance.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

Documentation of actual hours of participation in work experience activities is submitted to the case manager no less frequently than once a month. Participants bear the primary responsibility for submitting approved documentation to their case managers in a timely way. At a minimum, documentation of actual hours of participation in work experience includes the participant's name, program or placement site, and dates and actual hours of participation. Acceptable forms of documentation include a completed Participant Attendance Report, an official attendance record from the program or placement site containing the above information, an email from an official program email address containing the above information, or a time report completed by the participant and approved by a member of the Reach Up team. The documentation is filed in the participant's case file.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants in work experience activities are assigned a work site supervisor and receive ongoing supervision, as required by the work site agreement. Such supervision occurs no less frequently than once in each day in which the individual is scheduled to participate.

#### D. On-the-Job Training

1. *Describe the services or programs the State includes under the activity.*

On-the-job training (OJT) is an activity with ongoing supervision in which the participant receives training essential to the full and adequate performance of a job while engaged in productive work. The participant must be a paid employee during the time the participant spends in OJT. A paid apprenticeship is a type of on-the-job training.

The following characteristics distinguish OJT from subsidized employment:

- The contractual agreement establishing an OJT placement includes a formal training plan.
  - Only the costs of training are subsidized in an OJT placement.
2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont bases countable hours of participation on hours for which the participant is paid, including paid leave and holidays.

See section 2 above under Unsubsidized employment for further details.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

Vermont bases its projections of hours on pay stubs, a statement from the employer, or other documentation from the employer. Such documents or copies of them are filed in the participant's case file.<sup>4</sup> The worker's written entry in the case file or data entry in Access attesting to the details of a verifying document, including the nature of the document (e.g., pay stub, time card), dates and number of hours, the participant's name, and the employer's name, is also acceptable as documentation. The worker's written entry in the case file of the details of a telephone call to the employer, including who verified the hours and what the hours were for what periods, also constitutes documentation.

#### E. Job Search and Job Readiness Assistance

1. *Describe the services or programs the State includes under the activity.*

Job search and job readiness include a variety of activities designed to improve the participant's employment prospects and supervised on an ongoing basis. This is an appropriate activity for any participant seeking employment or needing skills that will prepare the participant to seek, obtain, perform, and maintain a job.

Job search includes identifying suitable job openings, making contact with potential employers, applying and interviewing for jobs, and traveling between job interviews.

Job readiness includes:

- Activities designed to prepare a participant to seek, obtain, and retain employment, such as resume and application preparation; work search training, interview skills training, training in work place expectations, and life skills training.

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<sup>4</sup> In the future, Vermont may convert some or all of the documents in the case file from paper to electronic images.



- Substance use disorder treatment, mental health treatment or rehabilitation activities when there is documentation that such activities have been determined to be necessary and certified by a qualified medical and mental health professional.
2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports actual hours of participation for job search and job readiness activities.

A week is assigned to a report month if the Saturday in the week falls within the month. Actual hours for the weeks assigned to the report month are used to calculate average hours per week.

Partial months are counted for families receiving an initial payment for only part of the month and for families whose assistance is terminated mid-month. Their average hours per week are calculated based only on the weeks for which they received assistance.

Not more than once for any individual in the preceding 12-month period, Vermont may count three or four days of job search and job readiness assistance during a week as a full week of participation. A full week of participation is calculated based on the average daily hours of participation for three or four days, and participation at that level is prorated for the remaining one or two days to determine the total hours for a five-day week. Any prorated hours of participation are included in the calculation of total hours.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

- a. Job search

To document actual hours of participation in job search, Vermont requires the participant to submit a written record of job search activities and contacts to his or her case manager no less frequently than once a month. At a minimum, this documentation of actual hours of participation in job search includes the participant's name, the dates and duration of the activity, the nature of the activity, and the employer's name and contact information.

A Reach Up team member review contacts and results from job search logs as part of job search coaching and supervision. Participants are asked for further documentation for any contact that is incomplete or questionable. Hours of job search for which documentation remains incomplete, inconsistent or

questionable are not reported for TANF purposes.

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b. Job readiness

Documentation of actual hours of participation in job readiness activities is submitted to the case manager no less frequently than once a month. Participants bear the primary responsibility for submitting approved documentation to their case managers in a timely way. At a minimum, documentation of actual hours of participation in a job readiness activity includes the participant's name, program or training site, and dates and actual hours of participation. Acceptable forms of documentation include a completed Participant Attendance Report, an official attendance record from the program or placement site containing the above information, or an email from an official program email address containing the above information. The documentation of actual hours of participation is filed in the participant's case file.

In the case of participants in substance use disorder treatment, mental health counseling, or rehabilitation therapy, Vermont projects up to six months of hours based on the documented treatment schedule verified by the service or treatment provider. Case managers will verify with the treatment provider monthly that the participant continues to participate, and will document this in case notes.

4. *Describe the methods of supervision for each unpaid work activity.*

a. Job search

Ongoing supervision of job search is the responsibility of the participant's case manager or another job search supervisor, although this does not necessarily mean that there is daily contact with the participant. The case manager may be employed by the Economic Services Division (ESD), which administers Reach Up, or by an agency contracting with ESD to provide case management services to Reach Up participants. Job search is also supervised, in other cases, by a job coach contracting with ESD. The participant is required to have regular contact with the case manager or other job search supervisor at least once a week.

Vermont Department of Labor (VDOL) operates Career Resource Rooms around the state, providing job seekers with access to the internet, telephones, a resource library, and office machines for preparing and copying resumes and job applications. VDOL also offers job search workshops.

b. Job readiness assistance

Participants in job readiness activities receive ongoing supervision from their case managers or by members of organizations providing structured job readiness activities. Vermont works with organizations such as Vermont

Adult Learning (VAL) and the Vermont Association of Business Industry and Rehabilitation (VABIR), who administer assessments, facilitate work-based learning experiences and job clubs, and coordinate community service placements and work experiences. Supervision occurs no less frequently than once in each day in which the individual is scheduled to participate.

In the case of participants in substance use disorder treatment, mental health counseling, or rehabilitation therapy, the service or treatment provider performs ongoing supervision. Such supervision occurs no less frequently than once in each day in which the individual is scheduled to participate.

5. *If the State intends to count substance use disorder treatment, mental health treatment and rehabilitation activities as job readiness activities, describe the criteria to determine whether recipients are “otherwise employable” and establish the necessity of treatment or therapy. Describe the certification requirements for qualified medical or mental health professionals used in this process.*

The case manager determines, based on the participant’s initial employability assessment or reassessment, whether the participant would be able to obtain and retain employment, were it not for a condition requiring substance use disorder treatment, mental health treatment, or rehabilitation activities.

Substance use disorder treatment, mental health treatment and rehabilitation activities may be counted as job readiness activities when it is reported by a qualified medical or mental health professional attesting to the necessity of substance use disorder treatment, mental health counseling, or rehabilitation therapy as they relate to the participant’s ability to work.

The person completing the report must verify that he or she is licensed or certified and currently registered to practice in the state in which the treatment is provided and not currently suspended from providing health care or diagnostic services by any government-regulating agency. The information is filed in the participant’s case file.

6. *Describe how the State ensures that no more than six total weeks<sup>5</sup> (four consecutive weeks) of job search and job readiness assistance are reported in a year.*

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<sup>5</sup> “Six weeks” is defined as 120 hours for an individual subject to a 20-hour weekly work requirements and as 180 hours for an individual subject to a 30-hour weekly work requirement.

The federal limit on job search and job readiness is enforced by Access<sup>6</sup> when it accumulates countable hours of participation by activity type.<sup>7</sup> Each month Access stores weekly hours spent in job search and job readiness assistance in its data base, identifiable and retrievable by the week in which the hours occurred. Before adding a week's hours to a participant's totals for job search and job readiness activities in the current report month, Access processing determines the start and end dates of the rolling 12-month year into which the week falls, determines the number of hours already counted in the year, and determines whether the week in question would be the fifth consecutive week. If either of the limits has been reached, Access does not add the week's hours into the participant's countable hours for TANF reporting purposes.

## F. Community Service Programs

### 1. Describe the services or programs the State includes under the activity.

Community service programs are structured activities monitored by the case manager or other entity. Hours a participant spends in community service provide a direct benefit to the community or members of the community other than the participant or the participant's family.

Placement in this activity also provides participants with the opportunity to maintain their employment skills as well as to demonstrate their employment potential when they have been unable to obtain subsidized or unsubsidized work. The placement may also provide training and experience designed to enhance the participant's skills.

The placements are located at public or nonprofit sites with local supervision on an ongoing basis. Hours a participant engages in any type of organized community service placement, including those organized and required by the Vermont Department of Corrections or a diversion program, are countable under community service programs.

Placement in community service programs arranged by the Vermont Department for Children and Families is conducted in accordance with a contract between the department and a public or nonprofit agency specifying provisions such as length of placement, development of job skills, and release time for job search. Management staff review and approve each agreement when it is initiated. Placements creating an employer/employee relationship subject to the FLSA minimum wage requirements are identified at that time. FLSA questions are directed to the Wage and Hour Division of the U.S. Department of Labor at 1-866-4-USAGE or <http://www.dol.gov/esa/whd/flsa/index.htm>.

<sup>6</sup> Access is Vermont's automated eligibility determination and benefits processing system for the administration of Reach Up (TANF), food stamps, Medicaid and other health care programs, and State Essential Person. See Sections III, IV, and V, as well as Appendix A for more about Access.

<sup>7</sup> In NATURAL module ASUSMCLR.

Participants in this work activity are not employees of the placement site or of the state of Vermont.

- 2. Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports actual hours of participation in community service programs.

A week is assigned to a report month if the Saturday in the week falls within the month. Actual hours for the weeks assigned to the report month are used to calculate average hours per week.

Partial months are counted for families receiving an initial payment for only part of the month and for families whose assistance is terminated mid-month. Their average hours per week are calculated based only on the weeks for which they received assistance.

- 3. Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

Documentation of actual hours of participation in community service programs is submitted to the case manager no less frequently than once a month. Participants bear the primary responsibility for submitting approved documentation to their case managers in a timely way. At a minimum, documentation of actual hours of participation in community service programs includes the participant's name, program or placement site, and dates and actual hours of participation. Acceptable forms of documentation include a completed Participant Attendance Report, an official attendance record from the program or placement site containing the above information, an email from an official program email address containing the above information, or a time report completed by the participant and approved by a member of the Reach Up team. The documentation of actual hours of participation is filed in the participant's case file.

- 4. Describe the methods of supervision for each unpaid work activity.*

Participants in community service programs are assigned a work site supervisor and receive ongoing supervision, as required by the work site agreement. Such supervision occurs no less frequently than once in each day in which the individual is scheduled to participate.

- 5. If the State permits self-initiated community service positions, describe how it determines that the position provides a direct community service and improves the employability of the work-eligible individual.*

Community service programs are limited to structured activities that benefit the community directly under a formal agreement with a public or nonprofit agency that provides ongoing supervision. The agreement requires that the placement meet the federal definition of community service program. Management staff review and approve these agreements when they are initiated. To gain approval, the activity specified under the agreement must be structured and supervised, provide a direct benefit to the community, and provide participants with the opportunity to maintain their employment skills as well as to demonstrate their employment potential when they have been unable to obtain subsidized or unsubsidized work.

## G. Vocational Educational Training

### 1. *Describe the services or programs the State includes under the activity.*

Vocational educational training is an organized educational program designed to provide the participant with skills or certification in a specific area of study that prepares the participant for employment in a current or emerging occupation requiring training. The program must be provided by an education or training organization and include ongoing supervision. Federal law limits participation in this activity to no more than 12 months for any individual.

Basic and remedial education and English as a Second Language embedded in vocational educational training are counted as vocational educational training when the vocational educational institution provides such activities and requires them for successful completion of the vocational educational training program.

### 2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports hours of vocational education through actual hours spent in class, hours spent in distance learning/online activities, as well as study or homework time. Vermont determines the hours required or advised by a distance learning/online education program based on statements from the institution or academic advisor, as well as information available online from the program's official website. The case manager is the individual providing daily supervision and through ongoing engagement demonstrates that the participant is attending classes and is achieving satisfactory progress.

A week is assigned to a report month if the Saturday in the week falls within the month. Actual hours for the weeks assigned to the report month are used to calculate average hours per week.

Partial months are counted for families receiving an initial payment for only part of the month and for families whose assistance is terminated mid-month. Their average hours per week are calculated based only on the weeks for which they received assistance.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

The case manager documents hours of participation through daily supervision and reports of satisfactory progress in the program by the participant. The case manager may count all hours of homework required or advised by the educational program as supervised study time because all the hours of homework time are supervised and documented by the case manager.

At a minimum, documentation of actual hours of participation in vocational educational training includes the participant's name, program or training site, and dates that the program operates. Acceptable forms of documentation include written correspondence from the program, printed material from the official program website, as well as documentation received from the participant via in person, mail or email. The documentation of actual hours of participation is filed in the participant's case file.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants in vocational educational training receive ongoing supervision from their case manager who works with the participant to outreach to a member of the education or training organization providing the training. Supervision by the case manager may be in person, phone, email or text, though in person contact should be made a minimum of once per month.

5. *Explain how the State will ensure that basic and remedial education and English as a Second Language (ESL), if such activities are counted, are a necessary or regular part of the vocational education training.*

Reach Up participants receive vocational educational training from adult vo-tech centers, colleges, and other contracted providers. Basic and remedial education and ESL are counted only if the provider submits a statement to the case manager indicating that:

- a person requires such instruction to participate in the provider's vocational educational training program; or



- such instruction is integrated into the program curriculum and required for all program participants.
6. *Describe how the State ensures participation in vocational educational training does not count beyond the statutory limitations limiting participation to 12 months lifetime per individual.*

The federal limit on participation in vocational educational training is enforced by Access<sup>8</sup> after it has calculated the average weekly countable hours per month by activity type. If there are countable hours for vocational educational training in the month, Access adds one to a stored counter of cumulative months of vocational educational training for the individual. Then, if counter indicates that the participant has already accumulated 12 months in which vocational educational training hours have been counted, Access subtracts the vocational educational training hours from the vocational educational training totals for the report month.

#### H. Job Skills Training Directly Related to Employment

1. *Describe the services or programs the State includes under the activity.*

Job skills training means education or training that enables the participant to become proficient in an occupation or skill necessary to meet the participant's employment goal. Participation in job skills training must be supervised on an ongoing basis and develop or enhance skills directly related to the participant's attainment of, retention of, or advancement in an unsubsidized job available in the local or adjacent labor market or in some other labor market to which the participant is willing to relocate. The jobs skills training must be directly related to employment if the hours of participation are to be counted toward the participant's work requirement.

Participation in vocational educational training that also meets the definition of job skills training, such as ESL, is counted as job skills training, if the participant has reached the 12-month limit on vocational educational training.

2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports actual hours of participation, including supervised and unsupervised study in job skills training directly related to employment. Total reported hours of study must not exceed the hours required or advised by the program. Total reported hours of unsupervised study is limited to the hours of class time.

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<sup>8</sup> In NATURAL module ASUSMCLK.

See section 2 above under Vocational Educational Training for further details.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

The case manager documents hours of participation through daily supervision and reports of satisfactory progress in the program by the participant.

See section 3 above under Vocational Educational Training for further details.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants in job skills training receive ongoing supervision from their case manager who works with the participant to outreach to a member of the education or training organization providing the training. Supervision by the case manager maybe in person, phone, email or text; though in person contact should be made a minimum of once per month.

#### I. Education Directly Related to Employment, in the Case of a Recipient Who Has Not Received a High School Diploma or a Certificate of High School Equivalency

1. *Describe the services or programs the State includes under the activity.*

Education directly related to employment, in the case of a work-eligible individual who has not received a high school diploma or a certificate of high school equivalency, is education related to a specific occupation, job, or job offer.

Participation by an individual with a high school diploma or its equivalent from another country is counted as education directly related to employment on a case-by-case basis if these two criteria are met:

- the individual's literacy has been scored as lower than a grade 8.9 equivalent; and
- the participation is in an activity that would meet the definition of education directly related to employment, if the individual did not have a high school diploma.

An individual with a high school diploma or its equivalent from another country who meets the above criteria shall be considered a participant without a high school diploma or its equivalent.

Education directly related to employment includes the following:

- basic and remedial education that will provide an individual with basic literacy equivalent to at least grade 8.9;

- education in English proficiency when an individual is unable to understand, speak, read, or write the English language at a level necessary to obtain employment consistent with the participant's employment goal.

Participation in vocational educational training that also meets the definition of education directly related to employment is counted as education directly related to employment, if the participant has reached the 12-month limit on vocational educational training.

Participation in this work activity is limited to participants without a high school diploma or certificate of high school equivalency and must be supervised on an ongoing basis.

2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports hours of education directly related to employment through actual hours spent in class, hours spent in distance learning/online activities, as well as study or homework time.

See section 2 above under Vocational Educational Training for further details.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

The case manager documents hours of participation through daily supervision and reports of satisfactory progress in the program by the participant.

See section 3 above under Vocational Educational Training for further details.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants in education directly related to employment receive ongoing supervision from their case manager who works with the participant to outreach to a member of the education or training organization providing the training. Supervision by the case manager maybe in person, phone, email or text; though in person contact should be made a minimum of once per month.

- J. Satisfactory Attendance at Secondary School or in a Course of Study Leading to a Certificate of General Equivalence, in the Case of a Recipient Who Has Not Completed Secondary School or Received Such a Certificate

1. *Describe the services or programs the State includes under the activity.*

This is a countable activity for participants who have not completed high school or received a certificate of general equivalence and who regularly attend, in accordance with the requirements of the school or course of study, and receive ongoing supervision.

Satisfactory attendance at secondary school or a course of study leading to a Certificate of general equivalency includes the following:

- education designed to prepare a person to qualify for a high school diploma or high school equivalent; and
- a secondary school program.

2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports hours of satisfactory attendance at secondary school or study leading to a GED through actual hours spent in class, hours spent in distance learning/online activities, as well as study or homework time.

See section 2 above under Vocational Educational Training for further details.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

The case manager documents hours of participation through daily supervision and reports of satisfactory progress in the program by the participant.

See section 3 above under Vocational Educational Training for further details.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants maintaining satisfactory attendance at secondary school or study leading to a GED receive ongoing supervision from their case manager who works with the participant to outreach to a member of the education or training organization providing the training. Supervision by the case manager maybe in person, phone, email or text; though in person contact should be made a minimum of once per month.

K. **Providing Child Care Services to an Individual Participating in a Community Service Program**

1. *Describe the services or programs the State includes under the activity.*

Providing child care services to an individual participating in a community service program enables another TANF or SSP-MOE recipient to participate in a community service program. Participation in this activity is unpaid and must be

done with ongoing supervision. Such structured placements are developed in conjunction with the development of a community service program work site, subject to the terms of the work site agreement.

2. *Describe how the State determines the number of countable hours of participation for the activity.*

Vermont reports actual hours of participation for participants providing child care services to individuals participating in community service programs.

A week is assigned to a report month if the Saturday in the week falls within the month. Actual hours for the weeks assigned to the report month are used to calculate average hours per week.

Partial months are counted for families receiving an initial payment for only part of the month and for families whose assistance is terminated mid-month. Their average hours per week are calculated based only on the weeks for which they received assistance.

3. *Describe how the State verifies the actual hours of participation for the activity. Include the procedures for obtaining and maintaining documentation of hours of participation.*

Documentation of actual hours of participation for participants providing child care services to individuals participating in community service programs is submitted to the case manager no less frequently than once a month. Participants bear the primary responsibility for submitting approved documentation to their case managers in a timely way. At a minimum, documentation of actual hours of participation in this activity includes the participant's name, program or placement site, and dates and actual hours of participation. Acceptable forms of documentation include a completed Participant Attendance Report, an official attendance record from the program or placement site containing the above information, or an email from an official program email address containing the above information. The documentation of actual hours of participation is filed in the participant's case file.

4. *Describe the methods of supervision for each unpaid work activity.*

Participants providing child care services to individuals participating in community service programs are assigned a work site supervisor and receive ongoing supervision, as required by the work site agreement. Such supervision occurs no less frequently than once in each day in which the individual is scheduled to participate.

## II. Hours Engaged in Work

### A. Describe the state's excused absence policies for unpaid work activities.

Vermont reports hours of participation when a participant is scheduled to participate in an unpaid activity but has an excused absence for not participating. A Reach Up participant is allowed up to 80 hours of excused absences in the preceding 12-month period, no more than 16 hours of which may fall within the federal reporting month.

An absence is considered "excused" if the participant has received permission from his or her case manager or site supervisor or has good cause for not complying with a requirement of his or her Family Development Plan (FDP). The FDP establishes the participant's goal, the plan and schedule of activities the participant must engage in to attain the goal, and the requirements the participant must fulfill to avoid sanctions.

The criteria for good cause for failing to comply with an FDP requirement are as follows:

1. The participant, after making a good-faith effort, was unable to arrange transportation to or from the place of employment or FDP activity or child care essential for employment or participation in the activity, and the participant informed the employer or appropriate person as soon as possible.
2. Inclement weather prevented the person from traveling to work or participating in an FDP activity, and the participant contacted the employer or appropriate person as early as possible on the day of the inclement weather to explain the situation.
3. The person's participation in a drug or alcohol treatment program precluded participation in the FDP activity.
4. The person was required to appear in court or incarcerated, and the participant contacted the appropriate person in advance or, if it could not have been anticipated, as soon as possible following the incident.
5. A family emergency requiring the participant's immediate attention, such as the death, illness, or injury of a family member, or the participant's own illness prevented the participant from complying with a requirement, and the participant notified the employer or appropriate person of the situation at the earliest possible moment.
6. Failure to comply with a requirement was due to the effects of domestic violence. The participant must have had reason to anticipate that compliance

would have resulted in serious physical or emotional harm to the participant or the child in participant's care and that such harm would have significantly impaired the participant's capacity either to fulfill program requirements or to care for the child adequately. The department may request documentation from the participant to determine whether the effects of domestic violence constitute a good cause basis, using the same standards relied on for a deferment due to domestic violence.

7. The participant's work requirement was 35 or more hours per week, the participant had to be absent from the Reach Up work activity to go to a medical appointment, and the participant requested and received supervisory approval for time off to attend the appointment in advance.
8. The participant had to be absent from an FDP activity to go to an interview for an unsubsidized job, and the participant requested and received supervisory approval for time off to attend the interview in advance.
9. The participant, after making a good-faith effort, was unable to make necessary child care arrangements, and the participant notified the employer or appropriate person of the situation at the earliest possible moment.
10. The participant was absent from the FDP activity or employment due to an unforeseeable emergency such as fire, flood, or accident.
11. The participant asserts that the noncompliance was the direct result of a previously unacknowledged medical condition, provided that the following conditions are met:
  - the medical condition is expected to last at least 90 days;
  - the participant appears eligible for and is referred to vocational rehabilitation services; and
  - the participant is eligible for and demonstrates compliance with the vocational rehabilitation services provider.
12. The participant was called away from the job or FDP activity to attend to a school emergency involving the participant's child or another child for whom the participant receives Reach Up financial assistance or foster care payments from Vermont Family Services or a licensed child placement agency, and the participant informed the employer or appropriate person of this situation before leaving the work or FDP activity site or, when this was not possible, as soon as possible thereafter.

In addition, hours missed due to the following holidays are considered excused absences, not subject to the 80-hour and 16-hour limits:

- New Year's Day,
- Martin Luther King Day,
- Presidents' Day,
- Vermont Town Meeting Day,
- Memorial Day,
- Independence Day,
- Labor Day,
- Veterans Day,
- Thanksgiving Day, and
- Christmas Day.

This excused absence policy applies to the following unpaid work activities: work experience, job search and job readiness assistance, community service programs, vocational educational training, job skills training directly related to employment, education directly related to employment, and satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, and providing child care services to an individual participating in a community service program.

Case managers enter excused absences (subject to the 80-hour and 16-hour limits) into Access, which tracks the hours and displays them in an electronic log. Excused absences are also written in the case notes which are maintained in the case file.

#### B. *FLSA Deeming*

Vermont operates an approved mini-Simplified Food Stamp Program (SFSP). Core hours for Reach Up families with a work-eligible individual participating in work experience or community service programs the maximum number of hours permitted under the FLSA are deemed to meet the core activity requirement, if those hours total fewer than the core activity requirement. Vermont combines TANF and food stamp benefit amounts, net of child support payments, and divides the result by the Vermont minimum wage in the determination of maximum hours permitted. The Vermont minimum wage is higher than the federal minimum wage.



### III. Work-Eligible Individual

Vermont defines a work-eligible individual as an adult (or a minor child head-of household) receiving assistance under TANF or a separate State program, or a non-recipient parent living with a child receiving such assistance unless the parent is a minor parent and not the head of-household or a non-citizen who is ineligible to receive assistance due to his or her immigration status. On a case-by-case basis, Vermont includes recipients of Supplemental Security Income (SSI) benefits and excludes parents receiving Social Security Disability Insurance (SSDI) benefits. A parent providing care for a disabled family member living in the home is excluded from the definition of a work-eligible individual, provided that there is medical documentation to support the need for the parent to remain in the home to care for the disabled family member.

1. *Describe the state's procedures for identifying all work-eligible individuals, as defined at §261.2.*
  - a. Data collection, verification, and processing overview

Vermont determines eligibility for Reach Up families based on data collected from the applicant head of household and collateral sources, as needed. The principal tool for collecting data about the family's circumstances is the ESD-202 Statement of Need form, which is used for individuals and households applying for Reach Up, SNAP and State Essential Person assistance. See Appendix B. In completing the Statement of Need, the applicant head of household indicates what kinds of assistance members of the household are requesting and provides detailed data identifying each household member and their income, resources, and expenses.

Verification and documentation of information provided by the head of household is required at the time of initial eligibility determination and periodic eligibility reviews and when changes occur.

The data are entered into Vermont's data processing system, Access, and edited extensively, both at the time of data entry, in background, and during eligibility processing. See Appendix A for an overview of Access data entry, editing, and eligibility processing.

Once a month, data about the circumstances of families receiving TANF and SSP-MOE during the previous month are extracted from the Access system and stored in SPSS data files. These data are used for ESD planning, evaluation, and analysis. They are also used to meet reporting requirements, including federal TANF and SSP-MOE reporting requirements.

Some data required for TANF and SSP-MOE purposes are transmitted to HHS in the same form it is extracted from Access. Other data are used to derive the data elements required by HHS.

Before transmitting the TANF and SSP-MOE data files, SPSS programming staff run the files through a series of edits that mimic the edits they will later undergo at the federal level. These staff are also responsible for resolving any data problems at HHS's request following receipt of transmitted files. See Section V for more detail on Vermont's SPSS processing.

- b. Adults or minor heads of household receiving assistance under TANF or a separate state program.

In Access the applicant head of household (role code = '01') must always be a parent or other caretaker relative of an eligible child (or an unborn child) before the family will be determined eligible for assistance by the eligibility subsystem. The spouse of the head of household (role code = '02') is identified by his or her relationship to the applicant head of household. A parent of the applicant's child, not a spouse, is also identified as such (role code = '03'). Any other family members must qualify as eligible minor children to receive assistance.

Eligible minor parents who are not heads of household are coded as children related to the applicant head of household (role code = '05,' '06,' '07,' '08,' or '09').

During Access eligibility processing, all family members who are parents or siblings of an eligible child are included in the assistance group for the purposes of determining financial eligibility, except those receiving SSI assistance. Such family members are assigned a Reach Up member code of '1' in Access, denoting someone whose income and resources must be considered in determining the family's eligibility.

Eligibility for each member is also determined on an individual basis. Access sets a person needs flag to 'failed' when a member does not pass Access person-level eligibility tests. If this does not make the family ineligible under Vermont rules, the needs of such a member would not be included in the calculation of the family assistance benefit, and s/he would not be identified as an individual receiving assistance.

An adult or minor head of household receiving assistance, then, is a member of an eligible family with a role code = '01,' '02,' or '03,' a Reach Up member code of '1,' and a person needs flag = 'passed.'

Vermont opts to exclude a parent receiving Social Security Disability Insurance (SSDI) on a case-by-case basis. Retroactive receipt is also a basis for exclusion, within the limits of TANF reporting deadlines.

- c. Nonrecipient parents living with a child receiving assistance under TANF or a separate state program included as work-eligible individuals.

A nonrecipient parent living with a child receiving assistance is a member of an eligible family with a role code = '01,' '02,' or '03,' a Reach Up member code of '1,' and a person needs flag = 'failed.'

- Under Vermont rules, a minor parent not considered emancipated under Vermont law and living with an eligible son, daughter, or sibling receiving Reach Up assistance must also be included as a member of the assistance group in the eligibility determination. A minor parent eligible for assistance in her own right is coded as the applicant head of household.
  - In Vermont, the family's assistance grant is reduced by a dollar amount when sanctions are imposed because of a parent's noncompliance with work requirements. The sanctioned parent remains an eligible member of the assistance group.
  - Vermont has opted to include parents receiving SSI as work-eligible individuals on a case-by-case basis.
- d. Adults not included as work-eligible individuals
- In Access, a caretaker relative other than a parent not receiving assistance has a role code = '01' (applicant head of household), but there is no eligible child in the assistance group who is the son or daughter of the applicant head of household (role code = '05').
  - In Access, a nonrecipient parent receiving SSI has a Reach Up member code equal to '9.' Work-eligible individuals granted SSI retroactively are manually excluded for the period of their retroactive eligibility, as permitted within TANF reporting deadlines.
  - Under Vermont rules, a minor parent who is not head of household and not considered emancipated must be considered an eligible child if the assistance group includes the minor parent's child or sibling as an eligible child. An emancipated minor parent is considered a head of household in her own right.
  - In Access, a parent caring for a disabled family member in the home has a Reach Up participation code of '11.' The family member's medical condition must be certified by a medical professional as documented by the presence of a completed ESD-210NMR, *Medical Report (Needed in the Home)*, in the case file.
  - Under Vermont rules, the family member must be a parent, spouse, civil union partner, or child of the parent in question. The family member must be disabled or seriously ill, requiring continuing in-home care under the direction of a physician as a result of an accident, disease, or physical or mental condition, and also meet one of the following criteria:

- ✓ The person is expected to require care for at least two weeks and no more than 12 weeks.
- ✓ The person is expected to require care for more than 12 weeks, and no alternative care that enables the participant to fulfill the unmodified work requirement can be arranged.
- ✓ The person has a terminal illness and has a life expectancy of fewer than 12 months.

Vermont's Medical Review Team (MRT), composed of social workers, doctors, and nurses, reviews each request for status as needed in the home to care for a disabled family member, along with the required medical report. The team may request additional documentation from the medical professional certifying the need or investigate the availability of alternate care arrangements before making their decision.

When a participant is determined needed in the home to care for a disabled family member, the eligibility worker enters the date by which the disability must be reviewed into the Access system. The system notifies the worker with an edit message as the date approaches.

2. *Describe verification procedures for ensuring the accuracy in reporting of work-eligible individuals on the TANF Data Report and the SSP-MOE Data Report.*
  - a. Work participation status<sup>9</sup>

*Work Participation Status* for each adult or minor head of household is derived in Access and stored for the month. The derivations are based on data stored in Access and comprehensively edited, or derived from edited or derived data. Much of the work participation data is stored in the Access CLOCK file, which captures six years' worth of monthly data.

Access derives each of the code values for work participation status on the basis described below:

- (01) *Disregarded from participation rate, single custodial parent with child under 12 months. There is a 12-month lifetime limit on disregarding a family from the all families work participation rate (i.e., the overall work participation rate) for this reason.*

Derived on the basis of not meeting minimum participation requirements, the date of birth of the youngest child (younger than one year), the number of adults (one), the number of months exempt on this basis (fewer than 12), and not sanctioned in the report month.

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<sup>9</sup> Work participation status is derived in Access module ASUSMCLK.

- (02) *Disregarded from participation rate because both of the following apply: required to participate, but not participating; and subject to sanction for the reporting month, but not subject to sanction for more than 3 months within the preceding 12-month period. (Note: this code should be used only in a month for which the family is disregarded from the participation rate. While one or more adults may be subject to a sanction in more than 3 months within the preceding 12-month period, the family may not be disregarded from the participation rate for more than 3 months within the preceding 12-month period.)*

Derived on the basis of not meeting minimum participation requirements, being sanctioned in the report month, and the number of months of family sanction in the preceding 12-month period (fewer than 4).

- (03) *Disregarded, family is part of an ongoing research evaluation (as a member of a control group or experimental group) approved under Section 1115 of the Social Security Act.*

Not applicable in Vermont.

- (04) *Disregarded from the work participation rate based on an inconsistency under an approved welfare reform waiver that exempts the family from participation.*

Not applicable in Vermont.

- (05) *Disregarded from participation rate based on participation in a Tribal Work Program.*

Not applicable in Vermont.

- (06) *Exempt, single custodial parent with child under age 6 and child care unavailable.*

Derived on the basis of not meeting minimum participation requirements, Reach Up participation code (36, child care not available), and birth date of youngest child (younger than six), and the number of adults (one).

- (07) *Exempt, disabled (not using an extended definition under a State waiver).*

Derived on the basis of the individual's able-to-work status (unable to work) and the number of adults (two).

- (08) *Exempt, caring for a severely disabled child (not using an extended definition under a State waiver).*

Not applicable in Vermont.

- (09) *Exempt, under a federally recognized good cause domestic violence waiver.*

Derived on the basis of not meeting minimum participation requirements and Reach Up participation code (54, domestic violence barriers).

- (10) *Exempt, State waiver.*

Not applicable in Vermont.

- (11) *Exempt, other.*

Not applicable in Vermont.

- (12) *Required to participate, but not participating; subject to sanction for the reporting month; and subject to sanction for more than 3 months within the preceding 12-month period.*

Derived on the basis of not meeting minimum participation requirements and months of sanction in previous 12-month period (more than three).

- (13) *Required to participate, but not participating; and subject to sanction for the reporting month, but not subject to sanction for more than 3 months within the preceding 12-month period.*

Not applicable. Such an individual is assigned a *Work Participation Status* of '02,' and the family disregarded from the work participation rates.

- (14) *Required to participate, but not participating; and not subject to sanction for the reporting month.*

Derived on the basis of not meeting minimum participation requirements and total countable hours for the month (none).

- (15) *Deemed engaged in work -- single teen head-of-household or married teen who maintains satisfactory school attendance.*

Derived on the basis of date of birth and hours of satisfactory school attendance.

- (16) *Deemed engaged in work -- single teen head-of-household or married teen who participates in education directly related to employment for an average of at least 20 hours per week during the reporting month.*

Derived on the basis of not meeting minimum participation requirements, date of birth (age younger than 20), and average hours of participation per week in education related directly to employment (20 or more).

- (17) *Deemed engaged in work -- parent or relative (who is the only parent or caretaker relative in the family) with child under age 6 and parent engaged in work activities for at least 20 hours per week.*

Derived on the basis of not meeting minimum participation requirements, date of birth of the youngest child (age younger than six), number of adults (one), and average hours of participation per week (20 or more).

- (18) *Required to participate and participating, but not meeting minimum participation requirements.*

Derived on the basis of not meeting minimum participation requirements and total countable hours for the month (more than zero but fewer than federal requirement).

- (19) *Required to participate and meeting minimum participation requirements.*

Derived on the basis of meeting minimum participation requirements (i.e., the derivation of the individual's required weekly hours of participation and the average number of hours of participation per week).

- (99) *Not applicable (e.g., person living in household and whose income or resources are counted in determining eligibility for or the amount of assistance for the family receiving assistance, but not is not in the eligible family receiving assistance or noncustodial parent that the State opted to exclude in determining participation rate).*



Not applicable in Vermont.

b. Inclusion of families in overall and two-parent family work participation rates

Access derives values for *Type of Family for Work Participation* on the basis of the number of work-eligible individuals in the family and whether one parent in a two-parent family is disabled as follows:

(1) *Family included only in overall work participation rate.*

Vermont includes families with only one work-eligible individual in this category.

(2) *Two-parent family included in both the overall and two-parent work participation rate.*

Vermont includes families with two work-eligible individuals in this category.

(3) *Child-only family with no work-eligible individual.*

Vermont includes families with no work-eligible individual in this category.

Vermont does not count families in initial months for which assistance is received in a later month.

See Section V for more detail on the derivation of the *Work-Eligible Individual Indicator*.

c. Exclusion of families from the work participation rates

Vermont excludes families coded '3' for *Type of family for work participation*, child-only family, when it has determined that there are no work-eligible individuals.

Vermont excludes families with a work-eligible individual sanctioned for refusing to work from both rates, as long as the family has been under such sanctions fewer than three of the previous 12 months.

Vermont excludes families with a single parent caring for a child younger than one from the overall rate, as long as the parent is not meeting the work requirement and has not already been excluded on this basis for 12 months.

Vermont excludes families with two parents, at least one of whom is disabled, from the two-parent family participation rate.

See Section V for more detail on the way Access determines of values for *Work-Eligible Individual Indicator* and imposes federal time limits on other exclusions.

- 3. Describe the procedures that show how the state ensures that, for each work-eligible individual, it accurately inputs data into the automated data processing system, properly tracks the hours, and accurately reports countable hours to HHS that do not include participation in an activity that does not meet a federal definition.*

To record an individual's participation in a work activity, the case manager enters codes identifying the type of activity. Access then requires entry of the start date and the projected end date. Once the activity is recorded, the case manager is able to enter actual hours of participation in the activity for each week in the month falling between the start date and projected end date, or the actual end date, if one has been entered. Access calculates average hours per week per activity from these entries. Access puts out a to-do message alerting the case manager when the projected end date of an activity draws near.

Vermont also uses the internal controls described in Section IV of this plan to ensure that data used in the calculation of TANF work participation rates are accurate and complete. In addition, programming changes to Access are routinely tested by both programmers and testers familiar with field operations before implementation to make sure they work as intended. Full-time computer problem-solving staff help case managers resolve problems they encounter in the field, if possible, and identify necessary programming changes on an ongoing basis.

Access is a comprehensive system designed to perform integrated data collection, data checking, eligibility determination, benefits processing, and reporting for TANF, SNAP and State Essential Person assistance. Much of the data used to determine variables used in the calculation of TANF participation rates is also used to determine eligibility for all these programs. Data used for SNAP is also subject to highly structured federal quality assurance review.

#### IV. Internal Controls

1. *Describe the internal controls designed to ensure established work verification procedures are being properly employed.*

Vermont's rules around the definitions of work activities are read and reviewed during new case manager training and reviewed periodically during district case reviews. Case management supervisors and management teams also discuss work verification procedures during monthly meetings.

All eligibility workers and supervisors have received training in the collection, documentation, and entry of hours for paid activities.

Management, operations, and policy staff continue to work closely with staff responsible for Access and SPSS<sup>10</sup> programming to assure compliance with Vermont's Work Verification Plan.

To assure compliance with federal definitions of work activities, case management staff review the work site agreements for all new community service work program and work experience activities, as well as descriptions of new job readiness activities.

All existing grant agreements and contracts with providers of case management services, education and training, work site placements, and other services related to participation in work activities require adherence to Vermont's Work Verification Plan, including the definitions of countable work activities and countable hours of participation, ongoing supervision, and documentation of actual hours. Full-time staff monitor compliance with all such grant agreements and contracts on an ongoing basis.

Vermont selects a stratified random sample of 100 cases each month during the following calendar month. The automated sampling is based on a computer-generated random start and a sampling interval calculated to select 25 ongoing two-parent families, and 75 other ongoing families. If there are fewer than 25 families in the stratum of two-parent families, all families in the stratum are selected for review. No newly approved families are included in the sample because they are not likely to have reported hours of work activity.

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<sup>10</sup> Vermont extracts data files from Access each month and converts them into SPSS files. These files are used for planning, evaluation, analysis, and reporting. See Section V for more on this process.

Relevant documentation for each selected case is emailed to central office, or scanned into a central document storage system. Then it is reviewed for accuracy. Districts are contacted if further documentation or clarification on a case is needed. Hours recorded on the documentation are compared with the hours entered into Access

Vermont will make the findings of the monthly sample review and the case management review available to ACF and other auditors in their review of Vermont's work verification system.

2. *Describe the processes used to identify and report all hours of employment.*

ESD conducts an automated quarterly match against the wage data collected by Vermont Department of Labor (VDOL) to administer unemployment compensation. Each quarter a file of Reach Up participants is matched against the wage data, and discrepancies are reported to ESD's Quality Control and Fraud Unit for follow up with employers and caseworkers.

ESD conducts a daily match of Reach Up participants against VDOL's in-state data on new hires. Notification is sent to caseworkers by the Access system for follow up when a participant is identified as a new hire but there is no record of earnings in Access.

ESD conducts a monthly match of Reach Up participants against the National Directory of New Hires (NDNH). Discrepancies are reported to an individual assigned responsibility for follow up with employers and caseworkers.

3. *Describe the internal controls to control for data errors, including transcription and coding errors, data omissions, computational errors, and compilation errors.*

See item 1, above, review of stratified random sample of cases. See also Section III, item 3, accurate reporting, and Section V, item 2, consistency edits.

4. *Describe the checks used to isolate electronic systems and programming errors and the steps to ensure that all work participation report items are internally consistent.*

In addition to the internal controls described elsewhere in this section and document, Vermont's Access system incorporates a module staging process and two testing environments to ensure the correct functioning of each new programming module and subsequent changes to it. A module is 'checked out' of the Access production environment by a programmer with changes to make in it. It can be checked out by only one programmer at a time, eliminating the possibility of two programmers making simultaneous changes to the same module. The programmer checks the module into the Access development

environment, where programming changes are made and tested. This module is the same as the production environment except for modules being changed. Once the programmer is satisfied with the results of testing the changes, s/he checks the module into the Access certification environment. This environment is the same as the production environment except for modules with changes to test. A tester familiar with field operations and Access processing from a user's standpoint designs and carries out a more comprehensive testing plan to make sure the changes will work in the field. Only when the tester certifies the changes is the module checked back into the Access production environment.

5. *Describe any sampling and estimation techniques employed in data validation.*

Vermont reviews a stratified random sample of cases based on a computer-generated random start and a sampling interval calculated to select 100 ongoing cases each month. See item 1, above.

## V. Verification of Other Data Used in Calculating the Work Participation Rates

Once a month, data about the circumstances of families receiving TANF and SSP-MOE during the previous month are extracted from the Access system and stored in SPSS data files. These data are used for ESD planning, evaluation, and analysis. They are also used to meet reporting requirements, including federal TANF and SSP-MOE reporting requirements.

Some data required for TANF and SSP-MOE purposes is transmitted to HHS in the same form it is extracted from Access. Other data are used to derive the data elements required by HHS.

Before transmitting the TANF and SSP-MOE data files, SPSS programming staff run the files through a series of edits that mimic the edits they will later undergo at the federal level.

1. *For each of the data elements used in calculating the work participation rates, describe the state's data validation procedures to ensure "complete and accurate" data reporting.*

### a. Reporting Month

When the data are extracted, Access derives the first day of the previous month from the current date in the format YYYYMM01 and stores it in each record in the data extract. The data in the extract represent the detailed circumstances of the families in the Reach Up program during that previous month.

SPSS then derives the *Reporting Month* from this data by dropping the two digits at the end.

### b. Stratum

Vermont reports on its entire caseload. The *Stratum* for all cases is set in SPSS equal to '01.'

### c. Case Number

The *Case Number* is the unique identifier assigned in Access by ADABAS, the Access data base management software, to the case. Once assigned, it can never be changed.

d. Disposition

Vermont reports on its entire caseload. The *Disposition* for all cases is set in SPSS equal to '1,' completed.

e. Type of Family for Work Participation

The *Type of Family for Work Participation* is derived in SPSS based on the number of work-eligible individuals in the family. Families with one work-eligible individual are coded '1,' those with two are coded '2,' and those with no work-eligible individuals are coded '3.'

f. Amount of Food Stamps Assistance

The *Amount of Food Stamps Assistance* is extracted from Access, which stores the amount of food stamps assistance when it issues the benefit to the family.

g. Receives Subsidized Child Care

Payment and regulation subsidized child care in Vermont is administered by the Child Development Division (CDD) of the Department for Children and Families. A monthly file of child care payments is matched in SPSS against the file of Reach Up families for federal reporting. Values for *Receives Subsidized Child Care* are derived in SPSS based on these data.

h. Amounts of TANF and SSP-MOE Assistance

The *Amounts of TANF and SSP-MOE Assistance* are extracted from Access, which stores the amount of assistance when it issues benefits to the family.

i. Family Affiliation

A *Family Affiliation* value of '1,' member of the eligible family receiving assistance, is derived in SPSS on the basis of two Reach Up data elements extracted from Access: an individual's member code equal to '1' and person-needs-flag equal to 'P.' The member code is set to '1' in Access if the individual's income and resources must be considered in determination of the family's eligibility for assistance. The person-needs-flag is set to 'P' in Access if the individual's needs are considered in determining the amount of the family's assistance grant. Any parent or sibling of any eligible child who is also living with the family and who does not receive SSI must have a member code of '1' in Access before the family's eligibility for benefits is processed. Eligible caretaker relatives other than parents also have a member code of '1.'

Similarly, a *Family Affiliation* value of '2,' ineligible parent of eligible child, is derived in SPSS based on two separate sets of criteria. In the first instance, a value of '2' is assigned when an individual's member code = '1' and person-needs-flag is equal to 'F,' indicating that the individual's needs are excluded in determining the amount of the family's assistance grant. In the second instance, a value of '2' is assigned when an individual's member code equals '9,' which signifies an ineligible parent receiving SSI instead of Reach Up benefits. A parent must be coded in Access as the applicant head of household, the spouse of the head of household, or a parent of the applicant's child.

A *Family Affiliation* value of '3,' ineligible caretaker relative of an eligible child, is derived in SPSS based on the individual's person-needs-flag equal to 'F' and the relationship of the eligible children in the family to the head of household. If there is no parent living with the family, the caretaker relative must be entered as the applicant head-of-household in Access. The relationship of each family member to the head of household is also coded. When there is no eligible child coded as a son or daughter of the head of household, but there is at least one minor child related to the head of household, the head of household is identified as a caretaker relative. Needy caretaker relatives may choose to have their needs included in the family's assistance grant.

A *Family Affiliation* value of '4,' ineligible minor sibling of an eligible child, is derived in SPSS when the child's member code equals '8,' signifying a child receiving SSI instead of Reach Up benefits. Other minor siblings must be included in the eligible family before Access will determine the family's eligibility.

Under Reach Up rules, there is no instance in which a person would be assigned a *Family Affiliation* value of '5,' person whose income and resources are considered in determining eligibility. That person would have been assigned a value of '1,' '2,' or '4.'

j. Noncustodial Parent Indicator

Since Vermont has not opted to include the noncustodial parent as part of the eligible family, the *Noncustodial Parent Indicator* is set to '2' in SPSS.

k. Date of Birth (Adult)

Every individual's *Date of Birth* is extracted directly from the Person Master Index file in Access. Access invokes the following first-level edits, which



prevent the worker from leaving the Access screen on which date of birth is entered until the edit is cleared:

- Birth date in future not accepted.
- Birth date more than 120 years in past not accepted.
- Birth date not a valid date not accepted.

1. Relationship to Head of Household

Every individual's relationship to the applicant head of household is extracted directly from the Access data base. The Access codes are mapped to the TANF *Relationship to Head of Household* in the following way:

- Head of household '01', spouse '02', and grandchild '06' coded the same way in both systems.
- Access daughter or son '05' mapped to TANF '04.'
- Nephew or nieces '07', sibling '08', and first cousin '09' mapped to TANF '07.'
- Other eligible parent of applicant's child '03' mapped to TANF '10.'

Access editing and eligibility processing prevents an individual with any other relationship code from being included in the Reach Up assistance group unless the individual is an unrelated child of the parent of the applicant's child, determined by data entered and edited elsewhere in Access. In this case, the child would be coded friend '12' in Access and '09' in TANF. Access eligibility processing enforces Vermont Reach Up rules specifying that all parents and siblings of any eligible child in the assistance group must be included in the assistance group.

m. Parent with minor child

The *Parent with Minor Child* code is derived in SPSS for all adults and minor heads of household based on the *Type of Family for Work Participation* for the case. If *Type of Family for Work Participation* equals '3,' *Parent with Minor Child* is set to '3.' If *Type of Family for Work Participation* is '2,' then *Parent with Minor Child* is set to '1.' If *Type of Family for Work Participation* is '1,' then *Parent with Minor Child* is set to '2.'

n. Work-eligible individual indicator

The *Work-Eligible Individual Indicator* is derived in SPSS for all case members with Access role codes of '01,' (applicant head of household), '02' (spouse of applicant head of household), and '03' (other parent of applicant's eligible child). The role code in Access denotes the individual's relationship to

the head of household. All adults and minor heads of household will have a role code of '01,' '02,' or '03.'

The values of *Work-Eligible Individual Indicator* are derived in SPSS as follows:

*1 Yes, an adult (or minor child head of household) receiving assistance.*

Derived in SPSS based on Reach Up member code equal to '1' (income and resources included in eligibility determination) and person-needs-flag = 'P' (recipient)

*2 Yes, a nonrecipient parent due to a sanction.*

Not applicable. Under Vermont rules, a sanctioned parent remains eligible for assistance.

*3 Yes, a nonrecipient parent due to a time limit.*

Not applicable. Under Vermont rules, a parent who has reached the 60-month time limit is eligible for assistance in a separate state program, along with the rest of the family.

*4 Yes, a nonrecipient parent receiving SSI (and state opts to include).*

Not applicable. Vermont has not opted to include parents ineligible for assistance because they receive SSI.

*5 Yes, a nonrecipient parent due to other reasons.*

Derived in SPSS based on Reach Up member code equal to '1' (income and resources included in eligibility determination) and person-needs-flag equal to 'F' (nonrecipient).

*6 No, a nonrecipient but not a parent.*

Derived in SPSS based on a role code equal to '01' (applicant head of household), person-needs-flag equal to 'F' (nonrecipient), and the absence of any eligible child with a role code equal to '05' (son or daughter).

*7 No, an ineligible alien due to immigration status.*

Reach Up member code equal to '1', '2' or '3' (income and resources included in eligibility determination) and an "immigrant status code of '01', '02' or '08'.

- 8 *Yes, a nonrecipient parent receiving SSI (and state opts to exclude).*

Derived in SPSS based on Reach Up member code of '9' (parent receiving SSI).

- 9 *No, parent caring for a disabled family member in the home.*

Derived in SPSS based on Reach Up member code equal '1' (income and resources included in eligibility determination and a Reach Up participation code of '11' (needed in the home to care for a disabled family member). A parent caring for a disabled family member attending school full-time does not qualify for this participation code.

- o. Date of birth (child)

Every individual's *Date of Birth* is extracted directly from the Person Master Index file in Access. Access invokes the following first-level edits, which prevent the worker from leaving the Access screen on which date of birth is entered until the edit is cleared:

- Birth date in future not accepted.
- Birth date more than 120 years in past not accepted.
- Birth date not a valid date not accepted.

2. *Describe any procedures employed to eliminate data inconsistencies between two or more data elements.*

Before transmission, the data are run through a series of edits in SPSS to identify the following inconsistencies:

- a. *Type of Family for Work Participation = '1' but no adult member.*
- b. *Work Participation Status = '01' but no child younger than one.*
- c. *Work Participation Status = '15' but single parent not younger than 20 or not attending secondary school.*
- d. *Work Participation Status = '16' but single parent not younger than 20 or not participating 20 hours per week in education directly related to employment.*
- e. *Work Participation Status = '06' or '17' but no child younger than six.*
- f. *Work Participation Status = '17' but single parent not participating at least 20 hours per week in work activities.*
- g. *Type of Family for Work Participation = '3' but one or more adult members.*

- h. *Type of Family for Work Participation = '2' but no adult member.*
  - i. *Type of Family for Work Participation = '2' but only one adult member.*
  - j. *Type of Family for Work Participation = '2' but more than two adult members.*
  - k. *Type of Family for Work Participation = '2' but Work Participation Status = '01' for one of the adult members.*
3. *Describe the State's procedures to ensure that a family is not disregarded from the work participation rate for more than 12 months per lifetime based on being a single custodial parent with a child less than one year of age.*

Access increments a counter to record the fact that a family with a single parent caring for a child younger than one has been disregarded from the work participation rate in a given month. Each month Access checks this counter to make this determination.

4. *Describe the State's procedures to ensure that a family is not disregarded from the work participation rate for more than three months in any period of 12 consecutive months based on a work-eligible individual's refusal to participate in work.*

Access sets a flag to record the fact that a family has been disregarded from the work participation rate because a parent has been sanctioned for fewer than four months. Each month Access makes this determination based on this monthly flag.

5. *Describe the State's procedures for ensuring a family deemed engaged in work based on 20 hours of participation in countable work activities meets the requirements of a single custodial parent or caretaker relative with a child under age six.*

Access makes this determination each month by calculating the age of the youngest child in the family and determining the number of adults.

*Describe the checks used to isolate electronic systems and programming errors and the steps to ensure that all work participation report items are internally consistent.*

See item 2, above.

6. *Describe any sampling and estimation techniques employed in data validation.*

Not applicable.