

Kansas Department of

Social and Rehabilitation Services

Gary Daniels, Secretary

Joint Committee on Economic Development

October 12, 2006

SRS Employment Services

Integrated Service Delivery

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SRS Employment Services

Chairperson Jordan and members of the committee, my name is Candy Shively, Deputy Secretary of SRS. Thank you for the opportunity to provide information on SRS employment services.

SRS provides employment services to Temporary Assistance for Needy Families (TANF) recipients statewide. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 requires TANF recipients to work if they are able or otherwise cooperate in addressing employment barriers. TANF recipient participation is federally mandated. Each state is required to meet a work participation requirement of 50 percent for single parent households and 90 percent for two parent households. Kansas currently meets these federal requirements by providing job readiness, community service, work experience, job search, and some education/training activities. Each SRS management region has the flexibility to develop these services to meet the unique needs of consumers in their region. A combination of SRS staff and fee for service providers are utilized.

TANF recipients who are not working must often address multiple barriers such as low IQ, mental health issues, physical disabilities, substance abuse and domestic violence before they can become employed. These substantial barriers require availability of various services a workforce development agency, which must focus on employers, economic development and unemployed, may not have the resources to provide.

The United States Congress reauthorized the TANF program in December 2005. This reauthorization removed a great deal of state flexibility that was allowable under the 1996 legislation and requires additional work verification and accountability in meeting the federal work participation requirements. The TANF Reauthorization provisions are being implemented October 1, 2006 and will require increased SRS resources in order to meet and document work participation. In addition, there is an increased focus on linkages with our partners to help us achieve the federal requirements and maximize resources for our customers. Failure to meet the federal requirements could result in state fiscal sanctions. Loss of TANF funding through these fiscal sanctions would not only impact the state TANF program but would also impact other state programs which utilize TANF funding.

Kansas, as well as other states, has experienced caseload declines due to continued economic recovery since 2001. State Fiscal Year (SFY) 2006 began with 17, 299 TANF cases and ended with 16, 385 TANF cases. In FY 2006, 10,042 TANF adults became employed, earning \$70,209,246 annually and contributing \$2,106,277 in taxes. The cost of employment services, including barrier reduction, averaged \$48.54 per month per recipient during this period.

SRS has achieved high performance and received TANF High Performance Bonuses from the U.S. Department of Health and Human Services, Administration for Children and Families. The awards were for successes in two categories of measurement:

- ***Job Entry Success*** – the number of TAF consumers who become employed
- ***Success in the Workplace*** – the length of time TAF consumers retained employment and the wage increases received during the six months following employment

Kansas ranked 4th in the nation for 2001 and 10th in the nation in 2002 in overall scoring. The bonus amounts were \$5.1 million for 2001 and \$4.7 million for 2002.

Kansas also was recognized in the 2002 award for improvements in the percentage of low income TANF families who received Food Assistance, as well as for improvements in the percentage of TAF families with children who received Medicaid or Healthwave after they ended cash assistance.

The Administration for Children and Families ranked Kansas 14th in *Job Entry* success in 2003 and 11th in 2004. Kansas ranked 13th in *Success in the Workplace* in both 2003 and 2004. Although not in the top ten states in 2003 or 2004, the Regional ACF office affirmed the continued high performance of Kansas.

TANF High Performance Bonuses have not been issued since 2004.

SRS also provides employment services to Food Stamp recipients in Dickinson, Geary, Pottawatomie, Riley, and Saline counties. The Food Stamp Employment and Training Program (FS E & T) is funded by the USDA and each state is mandated to provide some level of services to Food Stamp recipients. SRS case managers identify and address employment barriers and provide an array of services to assist customers to obtain employment and provide additional services after employment to ensure stabilization and promote job retention. In SFY 2006, the FS E & T program served an average of 176 adults each month. The average monthly cost per adult was \$29.85.

Vocational rehabilitation (VR) services are the cornerstone of SRS efforts to help people with disabilities become gainfully employed in the competitive workforce. During SFY 2006, VR services were provided for a total of 14,871 individuals whose disabling conditions included

physical disabilities, severe and persistent mental illness, developmental disabilities, and significant learning disabilities. The average cost per person served is \$1325 per year. Nearly 97% of these individuals have severe disabilities, meaning that they experience limitations in daily living functions such as mobility, self-care, communication, interpersonal skills and work tolerance. They also require multiple services over an extended period of time in order to achieve employment. In fact, consistent with national statistics, the average duration of a Kansas VR case resulting in successful employment is about two years.

Services are individualized and focus on both the vocational and rehabilitation needs of each customer. For example, services may include the provision of artificial limbs or braces, assistive technology or adaptive aids; physical, occupational and psychological therapy; and vocational training to achieve the certificates or degrees necessary to enter specific professions. In the provision of services, VR collaborates extensively with other programs to identify comparable benefits and services to assist our customers in reaching their goals, to coordinate referrals, and to contract for specific service provision.

As a result of VR services, a total of 1,891 Kansans with disabilities achieved employment in SFY 2006. A total of 50% of these individuals achieved full-time competitive employment; and an additional 47% achieved part-time competitive employment. People with disabilities achieve a variety of occupations in jobs typical in the workforce, such as those in the service, technical, managerial, clerical, sales, agriculture, and construction sectors. The following "Top 10" list of actual full-time employment outcomes illustrates how VR services can help people with disabilities achieve self-sufficiency.

HOURLY WAGE	POSITION	SRS REGION
\$50.00	Dump Truck Driver	West
\$43.26	Director of Nursing	KC Metro
\$42.00	Project Manager, Consulting Firm	KC Metro
\$36.00	Computer Programmer	KC Metro
\$30.00	Carpenter	KC Metro
	Metal Fabricator/Welder	KC Metro
	Tech Support, Railroad	Northeast
\$28.40	Flooring Installer	KC Metro
\$27.60	Assistant Professor	KC Metro
\$25.60	Nurse	Southeast
\$25.00	Pharmacist	KC Metro
\$25.00	President, Heating/AC Company	Wichita
\$24.18	Programmer Analyst I	KC Metro

In their first full year of work, the annual earnings of the 1,891 people employed as a result of VR services will total more than \$22.5 million, a substantial impact on the Kansas economy.

A study conducted by the Center for Economic Development and Business Research at Wichita State University in January 2005 shows that the employment of VR customers has a positive, or multiplier impact, on the economy. For each dollar earned as a result of a VR placement, there is approximately \$1.66 in total earnings throughout the economy. People employed as a result of VR services spend their income in local communities on housing, groceries, gasoline, services, and taxes. As a result, for each person employed, there are about 1.85 total jobs created in the overall economy.

The match rate for VR funding is favorable for the State, at a rate of 21.3% State to 78.7% Federal. The amount of the federal grant is a fixed or capped amount, and Kansas currently fully matches all available Federal funds.

This concludes my testimony. I will be glad to respond to questions.