

Tracking County Responses to Welfare Reform

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Durham County

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The Policy Context

Durham County is part of the expanding Raleigh-Durham-Chapel Hill metropolitan area, located in the North Carolina Piedmont. The city of Durham covers most of the central and southern part of the county and includes four-fifths of the county's 202,426 (1999) population. Durham County encompasses seventy-five percent of the Research Triangle Park, the largest planned Research and Development park in the country. Since the establishment of RTP in the 1950s, the county's traditional economic base of tobacco and textiles has given way to medical and technology-based industries that employ highly paid skilled workers. The largest employers include Duke Hospital and Medical School, IBM (computers), Nortel Networks (telecommunications) and Glaxo-Wellcome (pharmaceuticals).

Durham is a community of considerable economic and social inequality. While the county has consistently attracted the best paying jobs in the state, many of the jobs are held by residents of Wake, Orange, or other surrounding counties. Thus the average wage paid by Durham County employers, \$809 weekly (1999 3rd quarter), is higher than pay in any other North Carolina county. However, per capita income for Durham residents, \$31,300 in 1999, has lagged behind Mecklenburg, Wake, and Forsyth. Average levels of education in Durham County are well above those for the state as a whole. More than a third of the adult population in 1990 had a college or graduate degree. However, other indicators demonstrate that the County's prosperity does not extend to all of its residents. The poverty rate in 1990 was 11.9 percent—just slightly below the state average of 12.5 percent. School drop out rates have been an issue of great concern. A recent study of young people in Durham reported that overall dropout rates in the County schools are 27 percent above the state average. Disproportionately high levels of child neglect and abuse and of youth violence were also cited by the study.

The unemployment rate averaged 2.0 percent during 1999 as employment grew 3.0 percent between 1998 and 1999. The job market is a “job seekers,” market, with employers seeking workers in all occupational areas. However, the jobs being created in the county are not accessible to many Work First participants who lack the required skills and experience and/or cannot arrange transportation and child care for the hours and locations involved. Labor shortages are greatest in hospitality, manufacturing, and health care industries. Data from the Employment Security Commission and the Durham Convention and Visitors Bureau indicate that beginning wages for various high-demand, entry-level occupations range from minimum wage to about \$8 per hour for inexperienced workers, while average pay ranges from \$6 to \$10. The potential for Work First parents to earn the \$10 to \$14 per hour needed for an adult and two children to achieve self sufficiency is limited.¹

Political Environment

The Durham County Board of Commissioners has traditionally been controlled by Democrats. Three of the last four Boards had five Democrats and no Republicans. All of the incumbents were reelected in 1998. Four incumbents won in the May, 2000, primary, while the fifth did not run. Welfare has not been a contentious issue in electoral politics in recent years. More important than political parties in local issues are the four established political action groups that run the gamut in ideology from conservative to moderately liberal to very progressive. The Durham Committee on the Affairs of Black People, the oldest of these groups, offers a particularly strong vehicle for citizens to influence the political process.

The Board is demographically diverse, comprising two black men, two white women, and one black woman. The Chairman, an African-American female social worker, is described as well-informed and strongly supportive of services for families and children. She has served as

Chair of the Social Services Board, and is currently Co-chair of the Youth Coordinating Board, an advocacy group set up to address social, economic, and educational problems of young people in the county.

Citizen participation is way of life in Durham politics. Whenever there is an important decision to be made, a county administrator observed, the Commissioners form a citizen task force with representation from every group who has an interest in the issue. Committee meetings are quite open, and it is common for interested observers to be invited to join the group.

Volunteerism is strong in the county. A profusion of community development corporations, churches, business organizations, and other non-profits are active in poverty, education, and child welfare issues.

Durham county administration is currently headed by an interim County Manager. The previous Manager, who was well respected by the Board of Commissioners, county administrators, and the public, resigned in early 2000 to take a job in the private sector. The interim Manager had worked in Durham's Department of Mental Health before taking over the position of manager. The Director of the Department of Social Services (DSS) has worked in that position for more than 20 years. Trained as a social worker, he is an active participant in professional organizations at state and national levels. The two key Work First staff positions were filled by newcomers to the Department. The Assistant Director for Family Self-sufficiency began work in September, 1997. His broad experience in human services include positions in the Department of Social Services in New York City and in an international development agency. The Program Manager for Work First Employment Services previously worked for the N.C. Department of Health and Human Services.

Time Frame–Highlights

November, 1996	Election of County Commissioners. Two new and 3 incumbent Commissioners are elected. All are Democrats.
July 1, 1996	Work First 2 year time clock begins
August, 1997	N.C. General Assembly passes legislation implementing federal Personal Responsibility and Work Opportunity Act of 1996. N.C. Association of County Administrators meets. Gov. Hunt speaks to the group about importance of monitoring implementation of Work First. Durham is identified as the county that had smallest decrease in caseload 1996-1997.
September, 1997	Department of Social Services (DSS) holds retreat with Social Services Board to consider the question of whether to apply for “Electing” status. New DSS staff member is hired to assist with planning.
October 13, 1997	Board of Commissioners accepts DSS Board’s recommendation to become “Standard” county, appoints committee to develop the county implementation plan.
Oct.–Dec., 1997	Planning committee meets bi-weekly. Families First program initiated by Durham Congregations in Action.
January, 1998	County Commissioners hold public hearing to get comments on proposed plan. Plan is approved and submitted.
June, 1998	Work First CEO Breakfast is sponsored by DSS, Greater Durham Chamber of Commerce, and Durham Business and Professional Chain to seek support from the business community.

- July, 1998 Work First 1998-2000 plan takes effect.
 Nine families leave the rolls because of two-year time limit.
- February, 1999 DSS contracts with Durham Congregations in Action to provide a Faith
 Coordinator for the Families First Program.
- August, 1999 Greater Durham Chamber of Commerce, under contract with DSS, hires
 new job developer to encourage Chamber member firms to support
 welfare reform.
- January, 2000 Faith Coordinator of Durham Congregations in Action receives the Faith-
 based Leadership Award and the Center for Employment Training wins
 Outstanding Non-Profit Award from Governor’s Work First Business
 Council.
- March, 2000 County Manager resigns to join consulting firm.
- August, 2000 Development of plan for 2000-2002 begins.

Decision Dynamics–1997-1998

Planning for Work First received top billing in Durham County Government in the fall of 1997. After Governor Hunt spotlighted Durham as last in the state in reduction of welfare rolls at the August, 1997, meeting of the North Carolina Association of County Commissioners, the Board of Commissioners and the County Manager were impressed with the need to “get our house in order”. They, as well as the Department of Social Services, focused intensely on planning for Work First. The decision of whether to become an “electing” or “standard” county and the design of a planning process were discussed at the annual daylong retreat of the Social Services Board

in September. A consultant was hired to facilitate the Board retreat and subsequent planning meetings. The Chair of the Board of Commissioners attended the full session, and the County Manager and his assistant assigned to welfare issues also participated during part of the day.

After considering the pros and cons of the issue, the DSS Director, County Manager, and Board of Commissioners Chair agreed that Durham should operate under the standard system. The Director of Social Services pointed out that under the electing status, the county would risk having to make up a shortfall out of county funds in case of misjudgement of enrollment projections and benefit levels. The County Manager and his assistant believed that becoming an electing county was not feasible because DSS did not have the administrative and planning systems in place to build a program from scratch in the time frame required. They also felt that the County Commissioners should avoid the legal responsibility for welfare payments, including hearing appeals and responding to lawsuits. Finally, the County Manager was influenced by a meeting with officials from Wake and other surrounding counties about the issue. The group was wary that differences of benefit levels might create incentives for welfare recipients to move from less to more generous counties. Although the Board of Commissioners voted at their October 13 meeting not to seek the increased control over DSS that the electing status offered, the Manager commented that being required to make the decision generated an educational process that caused the community to take greater ownership of the program than they would have otherwise.

Also at the October 13 meeting, the Board of Commissioners established the Work First planning Committee. Twenty-four persons served on the committee, including the Board Chair, another Commissioner, a City Council member, the County Manager, a Work First participant, and representatives of the Employment Security Commission, Mental Health, Social Services, and

Public Health, the Housing Authority, Public Schools, Durham Technical Community College, the Christian Coalition, and at least eight community-based organizations, ranging from business groups to poverty activists. The planning committee held a total of six meetings over a two month period to identify the need of the population to be served, describe economic conditions in Durham County, and provide input on the development of the plan. As many as 30 people attended the meetings.

Most of the discussion in the meetings focused on the needs of Work First clients. Every group wanted its perspective included, and the result was that all of the participants gained greater understanding of the barriers faced by low income families. The group heard personal testimonies, watched a role play, and compared local wage levels for low skilled occupations with research on family income needs. So much time was spent discussing the needs that extensive participation on strategies was not possible. Thus, the task of designing service delivery system was left primarily to the DSS staff. A newly hired Assistant Director for Family Self-Sufficiency and the County Manager's assistant prepared the plan document. In addition to the planning committee meetings, opportunities for public input were provided at forums held in public housing facilities, in public hearings held by the Social Services Board and finally, the Board of County Commissioners. Concerns raised by the public included day care, transportation, assistance for those who lose benefits due to the time limits, support for post-secondary education, flexibility for victims of family violence, and the need for jobs paying a living wage. In January, 1998, the planning committee approved the final draft of the plan and sent it to the Board of County Commissioners, who approved it unanimously. The committee continued to serve as an advisory group during implementation of the plan, though attendance waned. As the 2000-2002 planning cycle begins, the original committee, with some replacements, will be reconvened.

Goals, Objectives, Program Priorities

The key actors in planning and implementing welfare reform in Durham overwhelmingly agreed that their priorities were reducing poverty and ensuring the well-being of children. As the Director of the Chamber of Commerce phrased the dominant values, “Having people mired in poverty doesn’t do any good for anyone. We are concerned about helping children—they are the workforce of the future.” Durham leaders are aware that many county residents do not have the skills to succeed in the high wage jobs created by prosperous high technology firms moving to the area. Upgrading the work force so that county residents can capture a larger share of the new jobs is a major emphasis. Fairness in wages is also a concern in Durham, as is evidenced by a municipal ordinance that forbids the City to contract with businesses paying wages below the poverty level for a family of three. In this context, the changes in welfare laws did not seem to be “reform”. Forcing untrained people to take jobs that pay less than a living wage was not consistent with the community’s goals. Some of the County Commissioners considered Work First to be too punitive. One suggested that the program was a means of generating a cheap labor pool. Another leader complained that welfare reform could put more power in the hands of people who were not “family friendly.”

Reducing the welfare caseload, number one priority of the State DSS, was last on the list of goals for almost everyone involved in welfare planning and administration in Durham. Reducing expenditures was also not a priority. One Commissioner hoped that savings would result from the program, but so far, has voted to increase county expenditures for social services out of concern for providing services that would enable welfare clients to gain self-sufficiency. However, despite fundamental disagreement with aspects of Work First, Durham leaders responded to

criticism by the Governor by organizing to put welfare clients to work while providing supportive services and emergency assistance to help them achieve self-sufficiency.

Program Implementation: 1998-2000

Even before the plan officially took effect in July, 1998, Durham County DSS embarked on a concerted effort, first to restructure the organization and improve management systems, and secondly to build partnerships with community agencies and non-profit organizations. The results were a dramatic decline in caseloads, the establishment of several innovative programs, and some indications of progress toward the goal of reducing poverty.

Internal restructuring

Responding to intense pressure from the County Commissioners to bring the department into compliance with expectations placed on it by state government, the DSS hired two new staff members. These individuals assisted in developing the Work First plan and later filled key leadership positions in the reorganization of the department. Eligibility and employment services, along with child support, day care, emergency assistance, and special community initiatives were consolidated under the new Division for Family Self-Sufficiency (see organization chart in Appendix I). Initially, 26 of the Department's 76 staff members were assigned to Work First activities (Roquemore and Wright, 1998). Service delivery procedures were designed to determine and address clients' needs while monitoring compliance with applicable requirements and guidelines. Intake and eligibility processing workers were to assess each applicant's individual needs for all available assistance, including food stamps, medicaid, and emergency and diversion assistance. When an application for ongoing assistance (Work First cash assistance) is initiated, the eligibility worker and the employment services worker would interview the client jointly and continue to maintain close communication throughout the enrollment period. The Work

First program has emphasized “one-stop” convenience for clients, bringing together the Employment Security Commission, Chamber of Commerce, Vocational Rehabilitation, and Mental Health counselors at the Social Services office.

Aware that the eligibility clock had started July 1, 1996, for some four thousand clients, caseworkers held information sessions for as many as 100 clients at a time. Program requirements were explained and representatives from other community service were introduced to promote their services. Clients met with Work First workers to draw up their personal responsibility agreements and received first priority for services, such as day care, available at DSS. Cases with payments of \$50 per month or less received special attention. Workers tried to help them find alternative sources of income so that they could save their months of eligibility to use later when needs might be greater. By the time the work First Plan officially took effect in July, 1998, the caseload had dropped dramatically (see Appendix B) and only 9 families out of more than 4,000 enrolled in 1996 were terminated when the first time clocks expired.

The new Work First Employment Services supervisor made sure that all DSS staff were frequently reminded about the program’s numeric goals and kept informed about progress toward those goals. However, caseload reduction and even number of clients entering employment were not adequate indicators of success by local standards. In order to discover what happens to participants after they leave the welfare rolls, the department commissioned a study by a research center at the University of North Carolina in 1999. By examining possible differences among five groups of current and former Work First recipients in indicators of family well-being including food security, health care access, housing , children’s school performance, the eighteen month study is expected to provide valuable information to guide the next phase of planning in fall of 2000.

Community partnerships

Extensive community involvement in helping Work First families move toward self-sufficiency has been a hallmark of welfare reform in Durham. Work First was able to build on a number of innovative partnerships already underway in the county. Three of the most notable collaborative efforts are Social Workers in Schools, the Adolescent Parenting Program, the Chamber of Commerce Job Development, and the Families First, described below. Special initiatives have also been undertaken with two strong non-profit organizations, the Center for Employment And Training and Operation Breakthrough. Finally, DSS has worked with the Employment Security Commission, the Housing Authority, Durham Technical Community College, the Department of Mental Health, and Vocational Rehabilitation., in relationships similar to those in many other counties.

DSS, in partnership with the Durham Public Schools and the Duke University Medical Center, has sought to promote the mental and physical health of children and their families. Social Workers have been stationed at schools to work with “at risk” children and their families on improving school attendance and performance. The parenting program has targeted first-time parents 17 years old and younger for intensive services aimed at enabling parents to complete high school, delay second pregnancies, and prevent problems that may result in neglect, abuse, or delinquency of children. The program includes outreach to the father and the extended family. By enhancing children’s success in school, these programs are expected to ensure better employment opportunities for youth later in life and to prevent them from becoming future Work First participants.

The Greater Durham Chamber of Commerce has been an integral part of Work First planning and implementation throughout the process. The Chamber, led by a president who once

worked as a job developer for an employment and training program, operates from an expansive definition of economic development. Poverty reduction is a primary focus, along with the traditional economic development goals of job creation and capital investment. In effort to capture more of the benefits of economic development for residents of Durham, work force development is a major part of the annual work program. The Durham DSS first contracted with the Chamber for job development services in 1991 under the JOBS program. The contractual relationship has continued under Work First, supporting a full-time staff position in the Chamber's Business/Economic Development Division. During fiscal year 2000, the Chamber Job Developer helped to organize several job fairs on-site at DSS, screened 242 participants, and placed 132 Work First participants in jobs with average starting wages of \$7.70. This Chamber-DSS partnership has been a model for the state. As a member of the Governor's Work First Business Council, the Chamber president has spread Durham's perspective on welfare to business leaders across the state.

The faith community has also been closely involved with the development of Work First in Durham. The Durham Congregations in Action (DCIA), a local organization, and Jubilee, a project of the N.C. Council of Churches have focused on increasing Work First related ministries and training congregations for effective civic participation. The DCIA established the Families First program in the fall of 1997 to serve as a support system for families that are leaving welfare and going to work. DCIA and Jubilee recruit and train church groups and match the trained support teams with Work First families referred by DSS. DSS continues to provide support that families are eligible to receive, and the church group supply additional transportation, child care, budget planning, mentoring, and tutoring. In February, 1999, DSS contracted with DCIA for the services of a paid Faith Coordinator whose role is to train congregations to work with Work First

families. As of July, 2000, 47 congregations had been involved in the Work First effort in some way, and 12 families were working in covenant relationships with trained congregational groups. In January, 2000, DCIA's Faith Coordinator received an award for Faith-based Leadership from the Governor's Work First Business Council.

County-state relations

The key players in the implementation of Work First have not noticed a change in county-state relations. The state still hands down guidelines and funding allocations. DSS administrators noted that the state, for the most part, has determined how to reallocate state funds freed up by reductions in cash assistance rather than allowing counties to make decisions about what services were most needed locally. They see a need for increased flexibility in eligibility for Work First services so that services can be provided more "wholistically" to families who have been terminated from the program due to going to work or reaching their time limits. DSS administrators remarked that the state DSS had created some problems by its failure to issue clear policies during the 1997 and 1998, but probably no more than the difficulties that have to be expected with major legislative changes.

The Durham DSS director and other community leaders have sought to influence welfare policy at the state level. For example, the issue of domestic violence as a barrier to successful employment was raised by a representative of the Southerners for Economic Justice early in the county's Work First planning process. Durham leaders encouraged state policy-makers to adopt as part of the state Work First Plan the "family violence option" provided by federal welfare legislation. North Carolina agreed to provide services and waivers for good cause from certain requirements and penalties that would unduly penalize or endanger victims of violence. Durham County became a pilot county for this option. Work First social workers collaborate with

volunteers from a local domestic violence prevention group to provide assistance to battered persons.

In the planning for 2000-2002, Durham will discuss the option of applying for elective status. The experience of electing counties in the past two years has removed much of the uncertainty that clouded the decision in fall of 1997. Now it is clear that electing counties can use the state payment system and that the state will make up the difference if unforeseen fluctuations in enrollments should result in cost overruns in cash assistance. The reconvened Work First Planning Committee may consider proposing to use local flexibility to establish more liberal eligibility standards.

Work First achievements

As a result of Work First implementation, Durham County experienced a steep decline in the welfare caseload, effected a dramatic change in the culture of the DSS and its clients, and strengthened the capacity of community organizations to address the child and family poverty issue. After its slow start in 1996 and early 1997, Durham's caseload dropped 47.6 percent, from 3865 in July, 1997 to 1868 two years later. The county's rate of decrease was substantially higher than the 38.8 percent statewide decline for that period. The reduction of Work First families in Durham slowed in fiscal year 2000, decreasing 11.0 percent by May, 2000 (see Appendix II for a graphic comparison of county and state caseload trends).² The county has achieved its employment goals since 1997, earning a B (reaching 90 to 109 percent of goal) for 1997-1998, and staying on target through May to meet the fiscal year 2000 goal. Although the key players in Durham's Work First implementation are pleased to be moving ahead in what they were mandated to do, their assessments of the caseload decline reflect their ambivalence about caseload reduction as a goal. The Chair of the County Commissioners, for example, stated that

she was unsure whether decline in the welfare rolls was a positive or a negative impact of welfare reform. Another Commissioner indicated that he would rather see the clients continue to receive subsidies until they could gradually become self-sufficient.

Several of those involved in Work First implementation mentioned a change in the culture of welfare as a major achievement. DSS administrators remarked that the department has a “whole new way of doing business.” They now provide “temporary assistance” rather than “income maintenance,” and workers have become much more aggressive about encouraging clients to enter the work force. Improved integration of economic and social services has had a positive impact. A County Commissioner thought that Work First’s major success was teaching clients responsibility. Some former welfare recipients are proud not to be dependent on government checks, and future generations are realizing that they will not be able to depend on the government. However, another Commissioner viewed the culture change in a negative light, i.e. that the average person in the community is now less understanding or tolerant of welfare clients.

Work First provided a focus for mobilizing community resources to help poor families achieve self-sufficiency. Though government officials and civic leaders viewed welfare reform as a politically motivated policy decision imposed from the federal level, they embraced the Work First concept and worked very hard to comply with its requirements while safeguarding children, according to the Chair of the Board of Commissioners. DSS administrators maintain that welfare reform demonstrated that the whole community is needed to address poverty--DSS cannot do it alone. Welfare is one element of the solution, along with a decent minimum wage, sufficient opportunities for training, and intensive efforts in the schools to prevent teens from becoming pregnant and dropping out. For the Chamber of Commerce, Work First provided opportunities to

affirm poverty reduction as an economic development goal. Through contacts with welfare clients in planning meetings and as job applicants, the business community gained greater understanding of the barriers that welfare families face. The Chamber president noted that the latest statistics show a healthy increase per capita income last year for Durham, and attributes that trend to welfare reform and other initiatives to assist children and families. Work First also enhanced the involvement of churches in meaningful charity. Though the dominant assessment of community leaders interviewed in this study was that community involvement had increased and had contributed significantly to the success of the program, one County Commissioner saw volunteer activity as primarily “lip service” of little real benefit to poor families.

Attention to Work First has declined since 1999, since the program was meeting or exceeding expectations of the state, and was bringing positive rather than negative publicity to the community. Meetings of the Work First Advisory Committee have become less frequent and the Commissioners are no longer attending. However, as the Chamber president put it, “We have not solved the poverty problem that underlies the welfare problem.” Durham citizens and organizations continue search for new methods to encourage family self-sufficiency. Most recently, the Chamber organized a conference, “Future Search”, that brought together business leaders and social activists to address poverty issues in the community.

Barriers and problems

The barriers to successful work force participation mentioned most frequently key actors in Work First planning and implementation were transportation and day care. Though resources have been available to pay for these services, feasible job opportunities for clients are restricted by the location and hours of employment. Clients often must find jobs that are located on the bus line and must coordinate work schedules with child care availability. The Chamber of Commerce

job Developer documented these problems as the most significant ones encountered by his clients. In addition lack of education is a barrier to obtaining employment that leads to self-sufficiency. The limitation on support for training under Work First was perceived as a problem by community leaders.

In the early stages of Work First implementation, many clients were able to make the transition into employment relatively easily. In the last year, problems of clients termed “hard core” or “non-functional” have come to the fore. The lack of effective means for addressing drug use is a major barrier. Domestic violence has also been noted as a barrier to successful employment for its victims. Adequate services and flexibility in applying Work First sanctions are needed.

The declining caseload and changing client characteristics have caused some dislocation in DSS staffing, budgeting, and hours of operation. The need for Work First eligibility services declined with the caseload, though clients who left Work First were still in need of medicaid and food stamps. With the most capable clients already working, those who were left required more intensive services. The organization experienced problems in the attempt to shift workers from areas where workload had decreased (economic services) to units that were experiencing increased demands (employment services and child welfare) because the skills required were different. Unfilled positions and other start-up delays in the first year of implementation produced a sizable carry-over to be spent in the 1999-2000 fiscal year. These funds were allocated primarily to emergency assistance and to contracts with DCIA, the Chamber of Commerce, and the UNC Sheps Center for Health Services Research. The carry-over has now been spent, and DSS faces the prospect of reducing expenditures for 2000-2001. A request for additional local funding for emergency services was struck from the proposed county budget by the County

Manager, and an appeal for reinstatement by the DSS Board to the Board of Commissioners was not successful.

Because so many clients are now working, DSS has recognized a need to extend office hours so that Work First participants can conduct necessary business without missing time from their jobs. An internal task force on work hours, now studying the issue, is likely to recommend that the office be open one evening per week and on Saturday mornings.

DSS Work First leaders have several concerns related to state welfare policies. First, DSS administrators warn that the goal of reducing caseloads may be impossible to continue to meet. Durham's caseload reached a low point early in 2000, and has fluctuated since then. The Work First program has no control over applications and should not be evaluated poorly when new clients are added to the rolls, administrators argue. Work First must find a new way to measure success. Secondly, administrators are concerned about how the state is redirecting funds saved by declines in cash assistance. Rather than allowing the county to decide how to allocate resources, the state has earmarked reinvestment funds for daycare, mental health, or other services. Though caseloads have declined, DSS administrators would like to see support continued for Work First services. Work First case workers are in a position to address stress in families early, and have the potential of preventing child welfare and substance abuse problems. Third, administrators point to eligibility rules for job retention services as a problem that is particularly troublesome for coordination with church groups in the Families First program. Creative blending of state child welfare with TANF may address this issue. Finally, the Chamber of Commerce President is

aware that a change of administration at the state level raises the possibility of disruption in support for work force development initiatives, and is active in promoting Durham's philosophy on reducing poverty.

Assessment

Planning and implementation of Work First has demonstrated that Durham County has a formidable array of economic, intellectual, and political resources that may be brought to bear on a problem. Criticism by the Governor stimulated the Board of Commissioners and County Manager to place welfare reform at the top of the agenda in fall of 1997. DSS and the rest of the community rallied to put in place a program that would minimize harm to families facing termination in a few months.

All elements of the community shared a concern for safeguarding children and reducing poverty. Though the degree of consensus about Work First appeared very high, there was an undercurrent of disagreement. Some participants' reaction to the culture change in the welfare system was that "finally, able-bodied welfare recipients would be required to get a job". On the other hand, a more populist element looked favorably on entitlement to government benefits for those who could not earn a living wage in the job market, viewing work requirements as a means of creating a pool of low wage labor. Strong civic leadership helped to emphasize common interests across the ideological spectrum, bringing diverse groups together to support services for individual families.

The management team at the Durham DSS effectively restructured the internal organization and marshaled needed assistance from other community organizations to achieve impressive success in achieving the short term goal of reducing the welfare rolls. The managers showed themselves to be responsive to the direction of political leadership as well as faithful to

the values of their profession. Substantial further decline in the caseload is unlikely to occur, because remaining child-only cases and adults with multiple problems will be slow to leave, while new families continue to apply.

Work First's success in helping Durham families to move toward self-sufficiency and in reducing "generational poverty" is unknown. Recent statistics showing higher per capita income, lower school drop out rates, and lower teen pregnancy rates suggest that well-being of families is improving, but no systematic evaluation has attempted to separate effects of welfare reform from impacts of a booming local economy, in-migration of higher income families, or other factors. Results from a study focusing directly on the status of current and former Work First participants are not yet available. County leadership seems satisfied with the administration of Work First on the local level, though some are suspicious that the state and federal rules under which the program must operate are not consistent with the community's long term goals.

To date, the change in state-local relations due to Work First has been minimal. Eligibility and payment rules have been forced on the county, and the state has retained authority to reallocate most of the funds saved through reduction in cash assistance. Though all now agree that some of the results of the change in the culture of welfare have been beneficial, the county would like to have flexibility to provide more generous benefits and more control over funding decisions. The community is politically and administratively quite well-equipped to handle greater autonomy. The goals of protecting child welfare and reducing poverty have been clearly articulated and widely supported. Moreover, the Social Services Department has proven itself capable of supporting planning efforts and implementing policy changes.

Regardless of the specifics of the division of authority among local, state, and federal levels, the community has a high capacity to make adjustments necessary to pursue local priorities

through various channels. First, local leaders are able to use information and contacts to influence state policy. Several key actors interviewed in this study mentioned state policy issues and discussed contacts and strategies that they were using to advance local concerns. Secondly, Work First implementation has demonstrated that the local human service system has considerable capacity to adapt to changes at the state and federal level. When Work First cut back welfare rolls, the private and non-profit sectors tried to partially compensate. Churches organized to provide material and psychological support, while the Chamber of Commerce stepped up efforts to encourage employers to work with welfare clients. If the state reinvested savings from cash assistance in services at the Department of Mental Health, DSS could allocate its Work First services to other needs. To an extent, the issue is how much state and federal funding comes to the county more than which agency receives it. Of course the adaptability of the county human service system does have its limits, as the Board of Commissioners recently demonstrated reluctance to increase local spending to compensate for the decrease in funds available in the current fiscal year for emergency assistance. The scarcest resource in Durham County is the time and attention of community leaders and activists. Work First provided a focus for action to advance the county's agenda in the area of child welfare and family self-sufficiency.

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Persons Interviewed

MaryAnn E. Black. Chair, Durham County Board of Commissioners

Joe W. Bowser. County Commissioner

Ted Conner, Vice President, Economic Development, Greater Durham Chamber of Commerce

Arnold Dennis, Assistant Director for Family Self-Sufficiency, Durham County Department of Social Services

Beth Hill, Workforce Development Director, Greater Durham Chamber of Commerce

Dan C. Hudgins,, Director, Durham County Department of Social Services

David Powell, Director of Economic Development, Durham County

Ellen W. Reckhow, County Commissioner

Rhonda Stevens, Work first Employment Program Supervisor

David Thompson, Durham County Manager

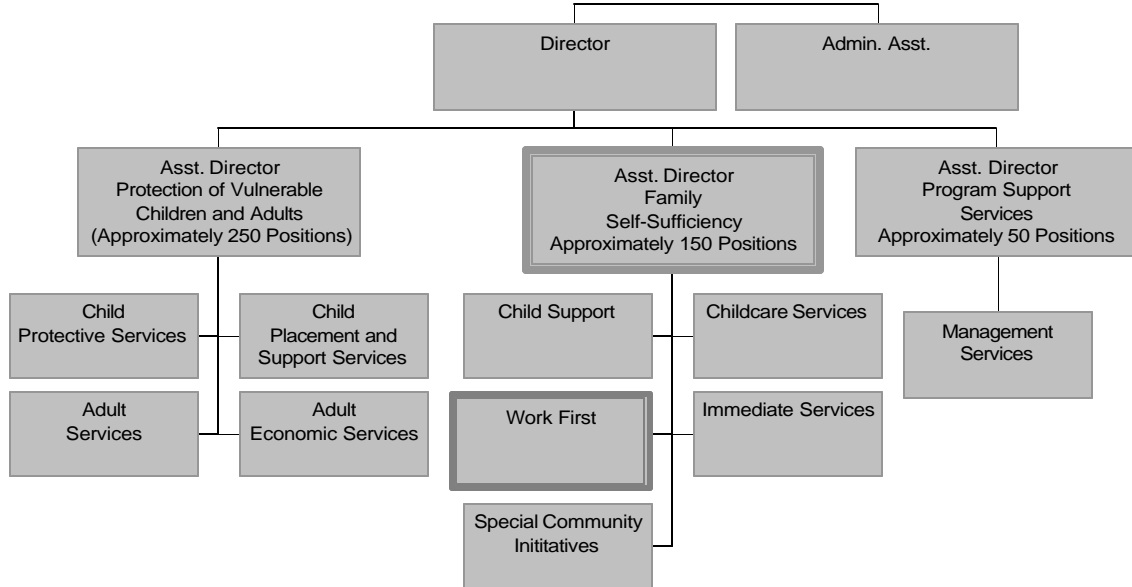
Thomas J. White, President, Greater Durham Chamber of Commerce

Notes

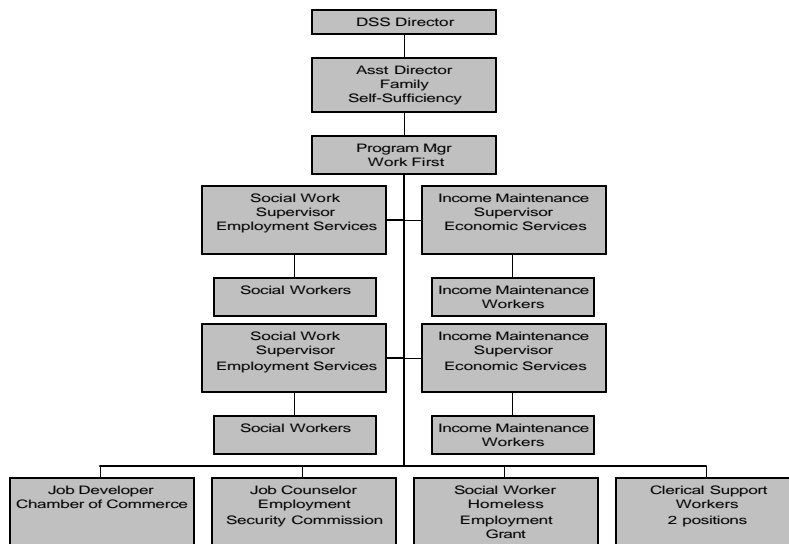
1. Sources for the statistics include Greater Durham Chamber of Commerce, N.C. Department of Commerce, N.C. Employment Security Commission, and the *Durham Herald-Sun*
2. The caseload statistics cited are point-in-time counts taken from the state Department of Social Services progress reports. They may differ slightly from the statistics displayed in Appendix A, which are taken from the Jordan Institute for Families, Management Assistance for the Work First Program

Appendix A
 Organization Charts
 August, 2000

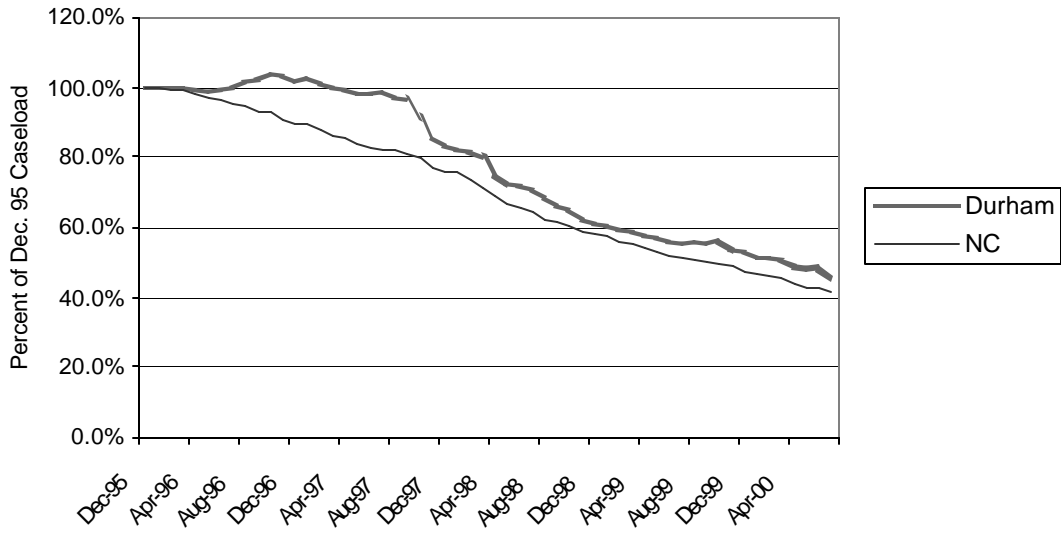
Durham Department of Social Services



Work First Program



Appendix B Work First Caseload Trend



Source: Jordan Institute, Management Assistance for Work First