

**North Carolina County Reports:
Policy Choices and Welfare Reform**

**Forsyth County
1997-2000**

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Forsyth County

A. The Policy Context

Forsyth County is located in the Piedmont Triad Region of North Carolina. It is a fairly large urban county with an area of 410 square miles. The population in 1999 was 291,850, with an average annual growth of 0.9% between 1990-1999. The racial make-up of the county is approximately 72% white and 25% African-American. Hispanics, Asians, and Native Americans consist of about 3% of the total population. The county is similar to neighboring Guilford County in that it is largely urban (68.2%). The municipalities within the county are: Bethania, Clemmons, High Point (part), Kernersville (part), King (part), Lewisville, Rural Hall, Tobaccoville, Walkertown, and Winston-Salem. The population of City of Winston-Salem is 173, 524 people, almost 60% of the entire county population.

Per capita income in the county was above the state average at \$31,304 in 1998. Between 1990 and 1998 the average annual per capita income growth was 3.8%. The county, originally settled by Moravians in 1753, became a firm base for tobacco and RJ Reynolds. Wachovia, one of the largest banks in the United States, has solid roots in the City of Winston-Salem. The service, manufacturing, retail, and government sectors lead the county in total employment.

Race is a divisive issue within the county, especially in the City of Winston-Salem. The city itself is divided both racially and geographically east from west. The growing suburbs of Clemmons, Kernersville, and Lewisville are the largely middle class,

white, and Republican areas of the county. The county still is affected somewhat by its history of paternalism by R.J. Reynolds and Wachovia Bank. While elite community leaders from the tobacco industry and Wachovia dominated the city of Winston-Salem for many decades, their influence has diminished over the last two decades.

Political Scene

The Forsyth County Board of Commissioners, the chief decision-making body, is elected on a partisan ballot and consists of seven members, with one serving as chair. Currently, five Republicans and two Democrats are seated on the board. Democrats make up 48% of registered voters within the county, yet the board has not seen a Democratic majority between 1992 and 2000. The low rate of turnover on the board indicates the low level of political conflict within the county. The board has been noted for its ability to generate unanimous votes, even when tax increase proposals are on the agenda. A young chair of the board, Peter Brunstetter, has held his position for seven years. He has been commended for his firm, dignified leadership style.

The county manager is responsible for much of the county's administration, as well as suggesting new policies and procedures to the Board of Commissioners. He presents the budget and can appoint department heads and administrators, except those elected and where certain mandates require that a board do so. Graham Previer, the current county manager, has held the position for 20 years, quite a rare feat for a county manager, especially in comparison to neighboring Guilford and Davidson counties. He has had an excellent relationship with the board. His calm and rational leadership style has earned him the respect of both elected and administrative officials. He counts himself

fortunate to have “veteran elected officials who like and respect each other and the staff.” (July 2000).

The Social Services Board is made up of seven members. Thorns Craven, a local attorney, has served as chair for several years. He also was appointed to head up the Welfare Reform Planning Committee. His calm and deliberate demeanor has kept some members of both groups from fanning the flames of controversy about welfare reform. One county commissioner, Democrat Walter Marshall, has also served on both the DSS board and the planning committee. While supportive of DSS, he did not endorse welfare reform, continues to speak often about its negative effect on clients, and has not approved of most of the changes introduced in Forsyth County DSS. According to interviewees, he and some other members are concerned about the impact of welfare reform on those individuals who cannot adapt to the new requirements, even though the majority of the clients have made the adjustment. However, in the last year or two, more questions in the community and on the two oversight boards have been raised about child protection and child welfare than about welfare reform, according to the county manager. The issue no longer has the sense of urgency and concern that it had two years ago.

The director of the Department of Social Services (DSS) is Dr. Ann Hamilton, who was appointed by the DSS Board in 1996 after serving in a similar capacity in other states. Considered an experienced, no-nonsense manager, she has been able to facilitate various groups that would not otherwise work together. She is also known for her vigorous promotion of program innovations and community partnerships, as well as providing careful attention to the details of department administration.

B. Highlights of Welfare Reform (1996-2000)

The issue of welfare reform in Forsyth County has been largely confined to the primary administrative officials involved in its implementation, following the decision of the Board of County Commissioners to be an electing county.

Welfare Reform Timeline: Forsyth County (from the *Winston-Salem Journal*)

Summer 1996:

- Dr. Ann Hamilton is appointed director of the Forsyth County Department of Social Services
- President Clinton signs the Personal Responsibility and Work Opportunity Act (PRWOA)

January 1, 1997:

- Federal welfare reform takes effect in North Carolina, placing almost all welfare recipients on a five-year lifetime limit for cash assistance

August 1997:

- The NC General Assembly votes on the state welfare reform package, which includes the provision to allow counties a choice of whether to be an electing or standard county in implementing welfare reform

September 1997:

- The Forsyth County Board of Commissioners creates the Welfare Reform Planning Committee and appoints its several of its members

October 1997:

- The Welfare Reform Planning Committee convenes and begins by hearing background reports by the County DSS staff
- The Board of Commissioners votes to be an electing county

December 1997:

- The committee decides that the county's welfare reform plan should focus more on incentives rather than punishing welfare recipients

- A draft of the county welfare plan is presented to the public on December 29th

January 1998:

- The planning committee recommends that Forsyth County withdraw its application to participate in the state's pilot project as an electing county
- The state emphasizes its eagerness for Forsyth County to remain as the only urban county in the project

February 1998:

- The Forsyth County Board of Commissioners formally votes to participate in the state's pilot project, thus giving the county electing status
- The Welfare Reform Plan is presented to the Board of Commissioners; it does not make changes in benefit levels
- The Forsyth County Board of Commissioners approves the plan and submits it to the state Division of Social Services

March 1998:

- The state DSS reviews the plan and requests that Forsyth County make some modest revisions in its plan; Forsyth County DSS resubmits its plan with minor changes

April 1998:

- The Forsyth County plan is accepted by the state DSS and is ranked 14th in its county priority list submitted to the state legislature

July 1998:

- The Work First Planning Committee appoints two residents to the committee; critics had argued that the committee lacked input from the residents, since all committee members were from county agencies

October 1998:

- The General Assembly picks Forsyth County in a lottery to select the electing counties whose plans had been approved by the state DSS

November 1998:

- Forsyth County DSS organizes a faith conference entitled “Faith Acts as Welfare Changes,” held at Winston-Salem State University; various churches and local officials participated in the event.

C. Decision Dynamics 1997-98

The “Electing” or “Standard” County Decision

The electing or standard decision was an interesting one in Forsyth County, though most participants did not have strong feelings on the issue. According to the interviewees, the county manager and the Board of County Commissioners did not care either way. The DSS director and the Social Services Board were not strongly in favor of becoming an electing county, but Ann Hamilton told the county commissioners “whatever you decide, we’ll do our best to make it work.” On the other hand, within the social services network in the state, some county directors had very negative expectations about the electing status, and they urged Dr. Hamilton not to support it.

What is most significant is that outside forces played the greatest role in the decision. The county manager, DSS director, and the chair of the Social Services Board pointed to different influences. The County Manager Graham Previer said that the Republican legislative delegation (especially Lyons Gray and Teresa Esposito) really wanted the pilot status. Gray and Republican welfare reform advocate Julia Howard from nearby Davie County met with Previer to push their views. State Legislators Cheri Berry (R-Catawba) and Julia Howard also visited the commissioners and promoted it. According to one interviewee, state DSS Director (formerly assistant county manager in Forsyth) Kevin FitzGerald also encouraged Forsyth County to choose the electing option.

As the planning committee also explored and debated this issue, Dr. Hamilton tried to obtain a clearer idea of the benefits or pitfalls in the electing option from the state DSS. However, the consequences of choosing the electing status were “very foggy,” since it was a “chaotic time” and no one at the state level had answers to her questions about what greater flexibility might mean for the electing counties.

Several officials indicated that they were not in favor of electing status, citing the costs in comparison to benefits of such a policy. Much of the reluctance stemmed from concerns over changing the benefits and eligibility levels for recipients. County Manager Graham Previer suggested that if no concrete changes were going to be made, then Forsyth County DSS should not participate in the state’s pilot project. Some members of the planning committee argued that the county would have to spend \$3 million to help people get off welfare, under electing status (White, December 1997). The state mandated that counties choosing electing status must provide community service jobs for people who could not find work elsewhere. Doing so would require the county to find jobs for about 1,200 people a month and spend \$1.2 million in childcare and transportation. About \$1 million would have to be spent in changing the way Medicaid and Food Stamps were distributed.

In January of 1998, the planning committee recommended that Forsyth County withdraw its application to participate in the state’s pilot project (White, January 1998). However, the state response to this possibility demonstrated its eagerness for the county to remain as the only urban county in the project, even though the plan did not include broad changes, and followed much of the state’s welfare policies. DSS Director Ann

Hamilton stated that the choice did not matter much either way, since there appeared to be no particular advantage, except for some initial up-front funding.

In January 1998 the Forsyth County Board of Commissioners formally agreed to participate in the state's pilot project. County Manager Previer said in the end it was a "reluctant" decision. DSS Director Hamilton said the decision was not very difficult, and there were no second thoughts about it.

Welfare Reform Planning Committee

The original committee of 14 members was either filled automatically by the state legislation or appointed by the Board of County Commissioners in the fall of 1997. The chair of the committee was Thorns Craven, a local attorney who also serves as chair of the Social Services Board. The other members were almost all representatives of other county departments or nonprofit agencies. The initial committee did not include any clients. The following were appointed as members:

- Rick Bagley, Vice-Chair (Forsyth County School Board)
- Ken Crews
- Douglas Battery
- Elizabeth Harris (Manager for Government Affairs, Chamber of Commerce)
- Dr. Sherman Kahn (Director, Forsyth County Health Department)
- Dr. Rose Johnson (Forsyth Technical Community College)
- Steven Jones (Jobs Specialist, Urban League)
- Bob Law (Executive Director, Experiment in Self-Reliance)
- Walter Marshall (Forsyth County Commissioner)
- Curtis Mitchell (Manager, Employment Security Commission)

- Ron Morton (Executive Director, Forsyth-Stokes Mental Health)
- Marie Roseboro (Director, Winston-Salem Housing Authority)
- John Sheldon (Vice President, Goodwill Industries)

After the plan had been formally approved by the state DSS, two additional members were appointed following some criticism by Walter Marshall and others that the committee failed to include client representatives. Two women were nominated by the Housing Authority and appointed to the committee:

- Ueome Denise Hye (AFDC client and student)
- Alicia R. Taylor (resident, Housing Authority of Winston-Salem)

However, even though the Planning Committee has continued to meet quarterly for updates and presentations, only one of these clients attended one of the meetings.

Once the initial decision was made to go forward with the plan to be an electing county in the fall of 1997, DSS officials briefed the Welfare Reform Planning committee and offered several recommendations and options for their consideration. The Committee, which was responsible for writing the plan, met five times between November 3, 1997 and January 15, 1998, conducted focus groups with clients, and obtained input from various community leaders in their meetings. DSS presented data that the county could save as much as \$645,000 a year by withholding cash assistance from those families that failed to meet the state's Work First requirements. One of the proposals was to withhold a family's cash assistance for three months if a recipient in that family failed to follow the requirements. The family would have six months to comply before losing benefits for good. DSS also suggested that the county could eliminate cash assistance to households in amounts under \$50 a month, saving \$4,000 a month, and also

saving clients from using their lifetime limit for very small amounts. Finally, the agency proposed a working relationship with the Employment Security Commission, linking both agencies by computer. The committee discussed this possibility, along with the possibility of a working relationship with the Housing Authority of Winston-Salem to establish community-service work sites.

Committee members indicated that they were not in favor of any of the proposals that included penalties because they could hurt the wellbeing of families. Committee member Walter Marshall, also a county commissioner and on the Social Services Board, disagreed with DSS projections and proposals, claiming there would be no safety net for children and the proposals could discourage people to find work. He was often the most outspoken critic of any welfare reform proposals that involved penalties or limits on assistance, both during the planning stages and in the process of implementation.

In the end the committee did come to a consensus on the plan that focused primarily on incentives and proposed some new objectives to reach their goal of encouraging people to work. According to Dr. Hamilton, the focus groups with clients and the meetings with community agencies did not generate any new or useful ideas; however, both she and her staff agreed that the inclusion of the community agencies was most helpful to start the process of involving them in the implementation of the plan. One of the interviewees added, "It was wonderful to have the county manager attend most meetings. He kept reiterating that 'welfare reform is a community effort' and that helped the partners realize that this was not about just DSS."

Due to the time constraints, DSS usually brought issues to be considered to the table, but having full discussion about all aspects was impossible due to the time

constraints. As the DSS planner stated: “We tried to educate the committee about the changes brought about by Work First, but this was difficult for a very complex program. I wish we had had more time to do it. Overall, I thought we needed more time to plan--to look at data and educate the committee on what was working and what might need to be changed...I was new to the position at the time and was surprised that the state data systems made it virtually impossible to get any local data to analyze in the planning process.”

Relationships with the State DSS

The Forsyth County DSS has always had a close relationship with the state, in large part due to access to DSS Director Kevin FitzGerald. However, Dr. Hamilton expressed a great deal of frustration with the lack of information early on about the supposed flexibility that the electing status could give the county. For example, the proposal to set up individual loan accounts and car saving accounts required up-front money, but the county could not get it approved. During the planning process, she received little technical assistance, and often the advice that was given was confusing, incorrect or inconsistent. Some proposals, such as her idea that SSI count as part of family income, were turned down by the state during the planning phase. Interestingly, the SSI proposal was left in the plan, but not implemented. However, other counties used this policy and the state accommodated the changes necessary to continue writing the checks. These counties have subsequently reported that the policy was effective in reducing caseloads. On several occasions during the fall of 1997, DSS wrote the state to request assistance in evaluating the additional county goals. Since the state would not pay for an independent evaluation, the county decided to use the state goals (Hamilton

email, 2000). As a result of the lack of support, flexibility and clear guidance, the plan that was finally adopted was very conservative and was almost identical to the state plan.

The submitted plan was returned for additions, minor modifications and explanations during the spring of 1998. One significant missing piece was the budget for using the block grant funds for 1998-2000. Another was a mandated community service component for recipients who could not find employment. A third was a required county-level appeals process for clients whose cash assistance had been terminated at the two-year time limit. On the positive side, the state commended Forsyth County for developing county goals that exceeded state expectations.

Expectations About the “Electing” Status

After going through the planning process, and obtaining a better idea about the realities of the electing status, Forsyth County officials had no great expectations for any greater flexibility than would be available for other counties. As it turned out, Dr. Hamilton believes that the electing status was no different from the standard approach. The technical assistance by the state was the same, and the promised additional discretion for electing counties did not occur. Standard counties have done a great deal of innovation without that status, she stated. Overall the welfare reform effort, in Dr. Hamilton’s words, “created a milieu to think outside the box...instead of doing things as they’d always been done.”

D. Goals, Objectives and Work First Plan Summary

The primary goal of Forsyth County’s Work First program was to promote self-sufficiency among the client population, through a number of incentives and staff

assistance in job placements and support services. Instead of punishing recipients for not obtaining or maintaining employment, the committee decided to take an incentives approach. Because Forsyth County had chosen to have the electing status, the committee was able to create innovative strategies to enhance job retention. One strategy was to keep families on welfare for a limited amount of time after obtaining full-time employment. Another was to give a one-time cash bonus to recipients who remained employed full-time for a specific amount of time. The committee agreed that using existing employment services such as day care and transportation, in conjunction with cash incentives, would decrease recidivism. After much debate, the committee also endorsed a 24-month time limit on cash assistance, to encourage recipients to move into employment. However, a strong emphasis was placed on ensuring that support services (e.g., transportation, childcare, counseling) would be available to those families.

The Work First Planning Committee also established thirteen specific objectives to support this goal of self-sufficiency:

1. Implement the First Stop Initiative
2. Expand diversion assistance
3. Implement job retention assistance
4. Implement substance abuse screening
5. Implement screening for domestic violence
6. Implement biometrics imaging
7. Initiative family violence option
8. Establish community service initiative
9. Establish “job quit” policy

10. Provide cash incentives for retention
11. Coordinate IDA development
12. Expand employer commitment to hiring Work First recipients; develop a Work First Employer Alliance with the Chamber of Commerce
13. Aggressively plan for use of automation to improve services; develop an intra-agency automated tracking system.

The Work First Planning Committee ultimately reached a consensus on both the primary goal and the set of objectives. The committee considered numerous proposals throughout the planning process. Some of the proposals considered, but not included, were: 1) changing WFFA Cash Assistance Benefit Levels, eliminating payments of \$50 or less a month, and, 2) instituting full-family sanctions if adult fails to meet work requirement. The committee decided not to adopt the proposal to reduce payments because they wanted to focus on incentives and not punishments.

E. Program Implementation: 1998-2000

Distinctive Features of Forsyth County's Efforts in Welfare Reform

Whether directly due to the electing status or just the state and federal changes, welfare reform gave Forsyth County DSS "permission to do things differently," as Dr. Hamilton stated. While most areas of personnel, budgeting, and program operations were not given much more flexibility, the TANF funds did provide greater choice and opportunity to tailor programs to the identified needs in Forsyth County. One of the primary strategies was to go after grants--state, federal, and foundation funding. With the innovative leadership of the director and the hiring of a planner, who writes most of the

grants with community partners, DSS efforts have succeeded. The department had received approximately \$300,000 in outside funds prior to 1997; by 2000, with the addition of the new block grants and aggressive grantwriting, \$20 million in funding had been obtained from a variety of sources for the needs of low-income residents. Many of these grants have required partnerships and matches from other agencies to obtain the funding and run the programs.

An initiative that Dr. Hamilton is becoming well known for in social services circles is her endorsement and promotion of Feminomics, an idea originated by Rita Wolfson from Asheville, NC. Wolfson was brought in by Dr. Hamilton to train DSS employees about a form of economic literacy education, to teach women (as well as men) about personal finances and planning to increase their wealth, not just their income. This initiative involves DSS employees as volunteer facilitators in classes geared toward people with incomes under the 200% of the poverty level. Setting up individual development accounts (IDA's) is a central piece of this effort to encourage residents to start saving money to reach their financial goals, whether it involves college, retirement, or starting a business. Since they typically have special problems or knowledge gaps in this area, the focus is on women learning about money, choices, and power that comes from economic literacy. This program has been a distinctive focus of DSS in the last year, to serve not only welfare recipients, but also low-income residents more generally. "We're really proud of the economic literacy piece," said the county manager.

Forsyth DSS has also made a concerted effort over the last three years to establish the central role of the community partners, including other county departments, nonprofit agencies, and the area businesses. The community agencies now work quite effectively

together to reduce barriers to self-sufficiency, especially in the areas of employment and transportation. According to interviewees, the perception and trust between DSS and community agencies have seen a dramatic turnaround. DSS used to be seen as an impenetrable “fortress” by outside agencies, because DSS did everything themselves without other agencies. Very little contracting out or consultation took place. After planning for welfare reform, DSS was seen as having the money and willingness to collaborate. Consequently, other agencies now come to the table with ideas and funding sources that can only be accessed with a combined effort.

DSS has developed many contracts for welfare-related services with community partners. One of the chief successes has been the relationship with Goodwill Industries, which produces job assessment and training, with Forsyth Tech as a subcontractor. They received a large performance-based contract after a competitive Request for Proposal (RFP) process. Other partners include Centerpoint (formerly Forsyth-Stokes Mental Health Authority), Winston-Salem Transportation Authority, Experiment in Self-Reliance, Meals on Wheels, Family Services, Services for the Blind, Catholic Social Services, SCAN (Stop Child Abuse Now), Adult Day Care and Mt. Zion Church. Two relationships that were more difficult to get on track were public agencies: Job Link, a city JTPA agency, which provides job development services; and the Winston-Salem Housing Authority, which recently received funding for housing-related services.

Having a variety of contractors and types of agencies has made service planning and implementation more complicated than ever before, but most agencies have been quite cooperative. An example of a drawn-out and difficult process was a recent housing contract case in which the project required cooperation from certain other public agencies

that had funds to add to that of DSS. In late 1999, DSS secured a grant from the state for housing poor people in a partnership with the Winston-Salem Housing Authority and area nonprofits. The grant totaled \$473,000 and will go to help over 700 people obtain emergency housing, transitional housing, and first homes, as well as pay their rent. The housing departments of Winston-Salem and Forsyth County, Experiment in Self-Reliance, Crisis Control Ministry, Sunnyside Ministry of the Moravian Church, and the Salvation Army assisted in writing the grant. After several months of ironing out the details and types of cooperation required with the other partners, the contract from this grant was finally signed in June 2000 by the Board of County Commissioners. Some agencies also experienced cash flow difficulties during this period. Participants described the process as “very laborious and frustrating.” A contracts manager was hired in mid-2000 to help manage the planning process and monitor the compliance of the contracts, as well as to assist agencies in improving their communication and performance.

The business community has also been involved in the welfare reform effort to hire DSS clients, although its role has been largely played out by only a handful of major employers. According to Graham Previer, “Not all businesses have done what they thought they could.” (July 2000) The Chamber of Commerce has also not played the central role that was initially expected during the planning process. Wachovia Bank and Baptist Hospital have been the major employers; however, their wages are low, and the opportunities for promotion, limited. A good economy has helped everything work well, since businesses were anxious to hire DSS clients to fill their vacancies. Dr. Hamilton stated proudly that “DSS employees are no different than the companies’ other

employees,” but DSS gives their clients more support to stay on the job. Case managers work closely with both the employers and the clients to keep them working.

Churches and faith-based organizations have also participated in a less visible or formal way in the process of welfare reform implementation. A faith planning conference, entitled “Faith Acts as Welfare Changes,” was held at Winston-Salem State University on November 6, 1998. While DSS sponsored and organized it, various churches and local officials participated in the event to encourage faith communities to become more involved in promoting self-sufficiency. Kevin FitzGerald, the state’s DSS Director, explained how the churches could help poor people by providing counseling, job-training partnerships, and youth programs. Dr. Hamilton, in her introductory remarks, stressed that the conference was not going to be bogged down by the traditional divisions in the community of faith—race, big/little church, denominations, etc. She said the focus was to help people, and that DSS was not going to tell them how to do it. While the group of participants did not immediately develop concrete plans, it served as a starting point to discuss opportunities for individual congregations and partnerships to be part of the community-wide ownership of the problem of the poor. Later a group named the Interfaith Partnership emerged and adopted the Industrial Area Foundation model that Dr. Hamilton was familiar with from her Texas experience. It was the beginning of an effort for grass-roots community development and leadership that is not directed by public agencies.

Organizational Changes

DSS has made some major changes in the organization in the process of implementing welfare reform. Some changes have been structural, while perhaps the

most important ones have been cultural. The divisions of social services and income maintenance have been dissolved and incorporated into three divisions under Adult Services, Child Welfare, and TEAM (Temporary Economic Assistance and Maintenance). The TEAM unit is the centerpiece of welfare reform, since it includes any service that can assist a family in reaching its economic goals. These sources include employment services, day care, WFFA, Medicaid, child support, and Food Stamps. (Bradshaw, August 24, 2000). Interdisciplinary teams have also developed in the Child Welfare division with some success. Organizational and staff assignments also had to be changed as needs and skills changed from income maintenance to services. Since assisting clients with a range of services is expensive, the number of department personnel has been increased, not cut, even though the number of clients has declined.

The culture of DSS has also undergone a dramatic alteration, according to interviewees. The new philosophy of DSS is to affirm clients and community partners. Prior to welfare reform, the main goal of employees was not to get people jobs. It was to determine eligibility and hand clients the money and services. Now there is consensus that jobs are the focus, and that is much more challenging work for employees.

Using job placements as the primary performance measure for employees was hard for social workers to accept at first. The goal set for each caseworker was to get seven new clients to work each month. Though now accepted by supervisor and employees, they are dealing with the most difficult clients with the most difficult problems. Before cutting off cash assistance, workers must make home visits and must do everything they can at the 18-month point to encourage the clients to find employment prior to the 24-month limit.

Changes in County-State Relations

Over the last three years, the role of the state DSS has been altered from one that directed all the funding and details of welfare to one that is at least in principle has become more of a facilitator and conduit of information about federal and state legislative changes. The focus for Forsyth DSS in its relationship with the state in first year was on what was different, what they could and could not do (e.g., IRA accounts could not be done). Dr. Hamilton became frustrated with the short-term thinking by the state and federal offices, even though the rhetoric about welfare reform had called for electing counties to be creative. The state blocked some of her ideas, such as setting up IRA accounts for clients, counting SSI as family income, and changing some personnel procedures. She has continued to work with the state DSS as best she can. In her opinion, the state DSS now has less control “because they have been worked over and worn out.”

The state information systems were also woefully inadequate for planning and monitoring purposes. County-level data were not available, and therefore the department and planning committee had little concrete trends or evidence to make choices with.

Unfortunately, this is still the case, according to the DSS planner. She stated,

It is hard to judge what's working and what isn't with little access to detailed data. We know the caseload has gone down dramatically but cannot get any profile information on the composition of the cases remaining and how they differ from caseload in earlier years. How much of the success at employment and caseload decline is due to the strong economy? We do not have access to data that might help answer some of these questions.

Forsyth County has spent over \$750,000 in automation and computerization over the past four years, including its linked effort with the Employment Security

Commission. Yet its own system still needs to be improved to track clients and outcomes more easily and accurately.

Successes and Shortcomings

According to interviewees, the chief successes in welfare reform in Forsyth County are the following: a significant reduction in the welfare rolls, increased economic literacy in the form of IDA's and Feminomics, a more involved and committed staff, new ways to overcome barriers to employment (e.g, transportation and daycare), and increased partnerships with community agencies. The shortcomings have been in some lags in employment placements and some slowness to institute innovations suggested in the plan.

The 13 proposals that were included in the original welfare plan have not all been implemented, for a variety of reasons. By July of 2000, 6 of the 13 stated goals in the Work First Plan had been fully implemented, as reported in a recent meeting of the Welfare Reform Planning Committee. One initiative called for a First Stop System. This program provides a centralized employment registration process, linking DSS and the Employment Security Commission. Other programs implemented were job retention assistance, substance abuse screening, domestic violence screening, family violence option, and IDA development. The community service initiative, which would provide jobs within the community for those who could not find employment elsewhere, had only been partially implemented. For various reasons, biometrics imaging, job quit policy, cash incentives for retention, alliance with the Chamber of Commerce, and automation for improved services had not been implemented. In the case of biometrics imaging, the state dropped its plan to require it.

Welfare caseloads have declined significantly over the last two years. By April 1998, 750 welfare recipients had gone to work for the fiscal year, more than half the total number DSS officials had hoped would be placed in jobs by that June. Most recipients were working less than 30 hours a week, but were supplementing the extra hours with employment training. Fifty-nine recipients were at risk of losing their benefits due to their time clock expiring, half of whom failed to meet state requirements for training and employment (*Winston-Salem Journal*, April 1998). Extra effort was expended to ensure that not all would lose benefits. Between 1997 and 1999, according to state DSS statistics, the number of Work First families on cash assistance dropped by 35% to 2,267. Most of the decline was due to recipients finding employment and the lower number of new applicants.

As of July 2000, approximately 40 families had had their cash assistance terminated due to the two-year time limit, according to DSS (Albright, August 2000). An average of about three or four families or individuals are being terminated each month. Only two people in the last year have asked for extensions of their time limits, and one was approved. The other person was found to have committed fraud all along. According to the plan, DSS was supposed to go to the Social Services Board to hear such cases and act as the final arbiter; however, that was not needed because of the small number of cases and DSS handling them with ease.

According to the state report card issued in September 1999, Forsyth County scored A's for child support collections and reductions in caseloads, and a B for the number of recipients who stay off welfare. But it did not meet its "Putting Adults to Work" goal for clients securing employment for the '98-'99 year, primarily because the

state used income eligibility figures, not its employment data for scoring this measure.

The required corrective action was to improve communication among staff regarding clients who went to work to ensure that the state system was coded correctly to capture all those who in fact were employed. It must have worked—DSS exceeded its '99-'00 goal.

Welfare reform has not been a complete success for all Forsyth County clients, of course. Interviewees reported continuing difficulties with placing hard-to-serve clients, especially those with serious health and mental health problems. Some clients resist taking advantage of the support services available. And then there is a base of hardcore welfare recipients who remain dependent upon services despite DSS efforts to encourage their self-sufficiency.

For the most part, Forsyth County DSS has not had to be too concerned about political pressures or interference in implementing welfare reform. However, an occasional controversy has accompanied some of the successes of their programs. In September of 1998, State Representative Michael Decker (R-Forsyth) removed the county from a NC House bill that would fund Wheels-to-Work, a county program that aids recipients by selling them used cars from the County Motor Pool and Goodwill Industries (Rice, 1998). Decker claimed the bill was worded so as the recipients would get the cars for free, thus hampering self-sufficiency. DSS Director Ann Hamilton stated that the cars were not free, that recipients must pay for the car, insurance, and upkeep. During this same month, officials in Forsyth County warned the state that money for childcare was desperately needed, and that they needed some flexibility in their budget. DSS claimed that if they did not receive the funding soon they would have to create a

waiting list for childcare. This situation would have ultimately affected Work First since the law states that the work requirement could not be enforced without providing child care. Both of these situations were ultimately resolved with some skillful maneuvering and rational argumentation. However, DSS has learned to be alert to unexpected barriers to their success.

F. Assessment of Forsyth County Welfare Reform

Overall Forsyth County's planning and implementation of Work First has been a calm, measured process with significant successes. Nonetheless, the anticipated flexibility when choosing the electing status did not materialize and was a primary source of frustration to DSS staff. The innovations they undertook were not credited to either state DSS assistance or the electing status they received.

The chaos and confusion that marked the planning period in late 1997 about the consequences of being an electing county has been replaced by a high level of confidence in the department's abilities to change its culture and create new opportunities for clients. Under the leadership of its strong department head, the organization has changed direction and moved to work much more closely with the community partners and clients in promoting a shared sense of responsibility for turning around the lives of poor people.

The welfare reform decision making and planning process involved elected officials, the business community and human service agencies in the county. This significant departure from past decisions began a shift in responsibility for welfare recipients from DSS alone to the entire community. It also was an opportunity to think more broadly and imaginatively about how to break the cycle of dependency and failure that many families

on welfare experience. While welfare recipients were not included directly in these discussions, except in focus groups, one or two of the planning committee members were able to raise issues that represented client concerns about the safety net that needed to be in place for those unable to move into employment. The appointment of two additional members in the summer of 1998 was a token effort and did not represent meaningful participation at that late date.

The implementation of Work First in the county has not been without challenges. Some of the partnerships have not worked as well as others. Some agencies, Goodwill and Forsyth Tech, have cooperated and performed well. Others, including public partners, have had some internal difficulties as well as some cultural and organizational histories that have meant that they were less cooperative and less effective. As Graham Previer observed, "It is curious that the state and federal governments promote cooperation and have built in this necessity for working with other organizations that do not always cooperate with DSS." (July 2000) However, because these agencies bring additional funding, they are forced to work with them despite the obstacles. Just the same, the Forsyth County interviewees agreed that one of the best outcomes that has resulted from welfare reform has been the partnerships DSS has forged to assist low-income people in finding employment and ultimately achieving self-sufficiency. The other primary positive outcome is that many individuals and families are moving off the welfare rolls into jobs, education, and brighter futures.

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