



New Mexico Human Services Department

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September 12, 2007

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In accordance with the regulatory requirements of the interim final rule that the U.S. Department of Health and Human Services (DHHS) published on June 29, 2006 and in accordance WVP General Guidance issued by Administration for Children and Families (ACF) on April 30, 2007 New Mexico respectfully submits the final New Mexico Work Verification Plan for your review and approval.

New Mexico will use the procedures established through this plan for verification and supervision of participants engaged in work activities. The effective date of the New Mexico TANF Work Verification Plan is upon U.S. Department of Health and Human Services Administration for Children and Families (ACF) approval. After ACF approval, we certify that this Plan will be fully implemented and operational no later than September 30, 2007. The Work Verification Plan includes all the information required by the regulations at 45 CFR 261.62(b) and accurately reflects the provisions under which the State is operating.

If you have any questions please contact michael.rogers@state.nm.us through e-mail or call @ (505) 827-7265.

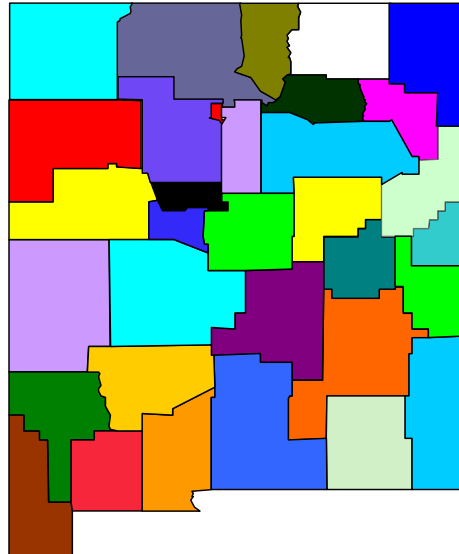
Sincerely,


Pamela S. Hyde, J.D.
Secretary

NEW MEXICO HUMAN SERVICES
DEPARTMENT

INCOME SUPPORT DIVISION

NEW MEXICO



Temporary Assistance for Needy Families

Work Verification Plan
Fiscal Year 2007

Bill Richardson
J.D.
Governor

Pamela S. Hyde,
Secretary

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INTRODUCTION

During the 43rd New Mexico Legislature in 1998, the New Mexico Works Act (NMWA) was passed and signed into law creating New Mexico's TANF program as a statutory entity.

It is the purpose of the NMW program to increase family income through employment and receipt of child support income, to enable and assist parents to participate in employment activities, and by viewing cash assistance as a support service rather than as an entitlement. In addition, the purpose of NMW is to change the culture of welfare, both on the part of the Human Services Department and the recipients, so that all parties can focus on addressing the barriers to participation in work activities in order to put New Mexicans to work.

The State of New Mexico intends to carry out the purpose of the TANF program by achieving the following objectives.

- Assist recipients to obtain and keep employment that is sufficient to sustain and strengthen the family;
- Provide parents with education and training, job preparation, work and support services to enable them to obtain and retain employment and thereby to leave the program;
- Move program participants into work and off of cash assistance and provide transitional services and program features supporting employment retention;
- Provide assistance and services to recipients that focus on addressing the barriers to participation in work activities;
- Provide a reasonable level and duration of support for those who are not able to move into employment in the near term;
- Make NMW assistance and services available in all areas of the state;

The New Mexico Human Services Department (HSD) requires department staff to determine eligibility, to calculate payments and to assure compliance with program requirements for administration of the NMW program.

Work program activities, training and educational services are administered by Service Providers under contract with the Department. The Department may delegate responsibility or contract for provision of work program services to other public agencies or private profit or non-profit entities.

New Mexico will use the procedures established through this plan for verification and supervision of participants engaged in work activities. The effective date of the New Mexico TANF Work Verification Plan is upon U.S. Department of Health and Human Services Administration for Children and Families (ACF) approval. After ACF approval, we certify that this Plan will be fully implemented and operational no later than September 30, 2007. The Work Verification Plan includes all the information required by the regulations at 45 CFR 261.62(b) and accurately reflects the provisions under which the State is operating.

I. COUNTABLE WORK ACTIVITIES

A. **Unsubsidized employment:** means full- or part-time employment in the public or private sector that is



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not subsidized by TANF or any other public program. New Mexico shall include paid apprenticeships and paid internships as unsubsidized employment.

- If the employee receives a subsidy (i.e. TANF) while employed, that shall not be considered subsidized employment.
- Recipients whose employers claim a tax credit for hiring economically disadvantaged workers and are not otherwise subsidized by the public sector for the employment will be considered to be in unsubsidized employment.

Determination of countable hours: New Mexico will use the following methodologies to determine countable hours:

- Hours for participants who work for wages will be determined by actual hours worked and will include paid leave and paid holidays.
- Countable hours for apprentices and interns will be determined by the number of hours paid.
- Hours for self-employed participants will be determined by dividing net countable income for the term reported divided by federal minimum wage for self-employed individuals. New Mexico will determine net countable income by deducting business expenses and self-employment costs from gross income reported. (New Mexico rules for income eligibility are found at 8.102.525.11 NMAC Determining Income for Self-Employed Individuals and rules for applying deductions are found at 8.102.520.12B NMAC Business expense and self-employment costs.)
- Whenever practical, income received in a recent 30-day period will be used to project income for up to a 6 month period,
 - Income received for a period either shorter or longer than a 30-day period of time may be used when it is determined by HSD to be indicative of the participant's projected income.
- Current state regulation requires for eligibility purposes:
 - that weekly income be converted to a monthly amount by multiplying average weekly income by 4.3 to determine monthly income; and
 - that biweekly income is converted to a monthly amount by multiplying average biweekly income by 2.15 to determine monthly income.

Documentation and Verification:

Wage, salary and contract income and hours will be verified and documented by using information provided from one or more of the following sources:

- check stub(s);
- letter from employer;
- pay check (or copy);
- work agreement or contract (*if and only if collateral contact confirms the agreement or contract indicates actual hours*);
- collateral contact with employer
 - must be an individual or agency designated by the benefit group to provide information concerning eligibility;
 - must be outside the TANF filing unit;
 - acceptable documentation must pass Quality Control standards for collateral contact validity;
 - collateral contact must be in a position to make a responsible and reliable assertion to what they are confirming; and
 - may be telephonic if and only if a pay stub, or other written documentation cannot be obtained
- Local wage data from State Department of Labor (DOL);



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- wage data broker provided through a data broker (i.e. TALX); and
- other verification measures allowed by State regulations for the TANF Program as listed on Attachment A (What You Still Need form ISD 160).

Self-employment income and hours will be verified and documented by using information provided by one or more of the following sources:

- most recent federal tax returns;
- quarterly or semiannual tax report(s);
- business records or receipts;
- sworn statement of estimated earnings;
- personal wage records i.e. ISD 418 (See Attachment B). ; or
- a business plan with a prospective estimate of earnings for start-up self employment.

Verification of reported and actual hours: Income verified by any of the sources listed above in this section will establish countable hours for unsubsidized employment for up to six months. Whenever practical income and hours will be based upon income projected from a recent 30-day period of actual income. Income received for a period either shorter or longer than a 30-day period of time may be used when it is determined by HSD to be more indicative of the participant's prospective income. If a reduction in work hours to below the participant's requirement becomes known to the agency, the reduction will be recorded and the participant's new work rate will be re-determined by the HSD. Copies of the documentation listed above will serve as verification of hours when wages, salaries, contract and self-employment income is received. Copies of documentation will be retained in the participant's case file for a term of no less than four years.

New Mexico will project weekly hours for unsubsidized employment:

- for hours reported on a weekly basis will be average weekly hours;
- for hours reported on a bi-weekly basis will be average bi-weekly hours divided by 2;
- for hours reported on a semi-monthly basis will be average semi-monthly hours divided by 2.15; and
- for hours reported on a monthly basis will be average monthly hours divided by 4.3.

B. Subsidized private sector employment: means employment in the private sector for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a recipient. New Mexico will use TANF funds to offset the wages of employing a TANF recipient for an established period of time, at which time the employer is expected to hire the recipient.

- If an employer receives a TANF or other public sector subsidy for an employee, then that employment will be considered subsidized employment.
- If the employee receives a subsidy (i.e. TANF) while employed, that shall not be considered subsidized employment.
- New Mexico shall include subsidized private sector paid apprenticeships and paid internships as subsidized employment.

Determination of countable hours: Hours in subsidized private sector activity will be determined by actual hours worked including paid leave and paid holidays and projected for up to six months.

Documentation and Verification:

Subsidized private sector employment income and hours will be verified and documented by using information



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provided by one or more of the following sources:

- check stub(s);
- letter from employer;
- pay check (or copy);
- work agreement or contract (*if and only if collateral contact confirms the agreement or contract indicates actual hours*);
- collateral contact with employer
 - must be an individual or agency designated by the benefit group to provide information concerning eligibility;
 - must be outside the TANF filing unit;
 - acceptable documentation must pass Quality Control standards for collateral contact validity;
 - collateral contact must be in a position to make a responsible and reliable assertion to what they are confirming; and
 - may be telephonic if and only if a pay stub, or other written documentation cannot be obtained
- Local wage data from State Department of Labor (DOL);
- wage data broker provided through a data broker (i.e. TALX); and
- other verification measures allowed by State regulations for the TANF Program as listed on Attachment A (What You Still Need form ISD 160).

Verification of reported and actual hours: Income verified by any of the sources listed above in this section will establish countable hours for subsidized employment for up to six months. Whenever practical income and hours will be based upon income and hours worked projected from a recent 30-day period of actual income. Income received and hours worked for a period either shorter or longer than a 30-day period of time may be used when it is determined by HSD to be more indicative of the participant's prospective income and hours worked. If a reduction in work hours to below the participant's requirement becomes known to the agency, the reduction will be recorded and the participant's new work rate will be re-determined by the HSD. Copies of the documentation listed above will serve as verification of hours when wages, salaries, and contract income is received. Copies of documentation will be retained in the participant's case file for a term of no less than four years.

New Mexico will project weekly hours for subsidized private sector employment:

- for hours reported on a weekly basis will be average weekly hours;
- for hours reported on a bi-weekly basis will be average bi-weekly hours divided by 2;
- for hours reported on a semi-monthly basis will be average semi-monthly hours divided by 2.15; and
- for hours reported on a monthly basis will be average monthly hours divided by 4.3.

C. Subsidized public sector employment means employment in the public sector for which the employer receives a subsidy from TANF or other public funds to offset some or all of the wages and costs of employing a recipient. New Mexico will use TANF funds to offset all the wages of employing a recipient for up to twelve months. Subsidized public sector employees will be paid no less than the greater of federal or state minimum wage. Subsidized public sector employees may pursue job search as a paid activity not to exceed 4 hours per week. Paid job search will be supervised and reported as paid time.

- If an employer receives a TANF or other public sector subsidy for an employee, then that employment will be considered subsidized employment.
- If the employee receives a subsidy (i.e. TANF) while employed, that shall not be considered subsidized employment.



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- Recipients whose employers claim a tax credit for hiring economically disadvantaged workers and are not otherwise subsidized by the public sector for the employment will be considered to be in unsubsidized employment.
- New Mexico shall include subsidized public sector paid apprenticeships and paid internships as subsidized employment.

Determination of countable hours: Hours in subsidized public sector activity will be determined by actual hours worked including paid leave and holidays and projected for up to six months.

Documentation and Verification:

Subsidized public sector employment income and hours will be verified and documented by using information provided by one or more of the following sources:

- check stub(s);
- letter from employer;
- pay check (or copy);
- work agreement or contract (*if and only if collateral contact confirms the agreement or contract indicates actual hours*);
- collateral contact with employer
 - must be an individual or agency designated by the benefit group to provide information concerning eligibility;
 - must be outside the TANF filing unit;
 - acceptable documentation must pass Quality Control standards for contact validity;
 - collateral contact must be in a position to make a responsible and reliable assertion to what they are confirming; and
 - may be telephonic if and only if a pay stub, or other written documentation cannot be obtained
- Local wage data from State Department of Labor (DOL);
- wage data broker provided through a data broker (i.e. TALX); and
- other verification measures allowed by State regulations for the TANF Program as listed on Attachment A (What You Still Need form ISD 160).

Verification of reported and actual hours: Income verified by any of the sources listed above in this section will establish countable hours for subsidized employment for up to six months. Whenever practical income and hours will be based upon income and hours worked projected from a recent 30-day period of actual income. Income received and hours worked for a period either shorter or longer than a 30-day period of time may be used when it is determined by HSD to be more indicative of the participant's prospective income and hours worked. If a reduction in work hours to below the participant's requirement becomes known to the agency, the reduction will be recorded and the participant's new work rate will be re-determined by the HSD. Copies of the documentation listed above will serve as verification of hours when wages, salaries, and contract income is received. Copies of documentation will be retained in the participant's case file for a term of no less than four years.

New Mexico will project weekly hours for subsidized public sector employment:

- for hours reported on a weekly basis will be average weekly hours;
- for hours reported on a bi-weekly basis will be average bi-weekly hours divided by 2;
- for hours reported on a semi-monthly basis will be average semi-monthly hours divided by 2.15; and



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- for hours reported on a monthly basis will be average monthly hours divided by 4.3.

D. Work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available, means a work activity, performed in return for welfare, that provides an individual with an opportunity to acquire the general skills, training, knowledge, and work habits necessary to obtain employment. The purpose of work experience is to improve the employability of those who cannot find unsubsidized employment.

This activity will be supervised by an employer, work site sponsor, or other responsible party on an ongoing basis no less frequently than daily. Supervision will be compatible with the supervision provided by the employer to paid employees in training at that worksite. Work experience may be in a public or private sector setting. New Mexico shall include unpaid apprenticeships and unpaid internships as work experience.

All work providers must sign a work experience training agreement in which the HSD agrees:

- to make appropriate referrals to the sponsoring agency based on the TANF participant's training plan and individual needs;
- to provide the necessary support services and to monitor the participant's progress towards their employment goals;
- the participant/trainee must understand that they will not be paid while in a training activity and that they are not entitled to a job after the training is complete, and the sponsoring agency will be encouraged to give hiring preference consideration to the participant; and
- the Department will provide trainees with liability insurance.

The sponsoring agency must agree:

- that the training must relate to a vocational trade;
- that the participant is not paid while in a training activity;
- that it will provide supervision in a safe and healthy environment;
- the training is for the benefit of the participant and the sponsoring agency derives no immediate advantage from the trainee's activities
- that it will submit a progress report along with required attendance reports; and
- and the agency will give a hiring preference to the participant assigned to the agency

Both parties must agree:

- that participation will be free of any direct or indirect racial, ethnic, sex, age, handicap, political affiliation, or religious discrimination;
- that the participant shall not be assigned to a training site if it would result in the partial or full displacement of an already employed worker, a worker on lay-off status, or infringe on the promotional opportunities of a worker; and
- that a participant whose conduct becomes dangerous or disruptive or who consistently violates the sponsoring agency's rules and regulations will be terminated when all reasonable attempts at intervention have failed.

Determination of countable hours: Work experience activity hours will be determined by actual hours worked with holiday time and excused absences calculated in (See § II A of the verification plan below). New Mexico has been approved for a "mini" simplified Food Stamp plan and will implement a determination of work requirements to comply with FLSA minimum wage standards (See Attachment C). Individuals in work experience shall be deemed to be working 20 hours, if the numbers of hours in this activity allowed by FLSA



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fall short of the core requirement.

Food Stamps and TANF assistance provided to work experience participants are not considered as wages for Social Security, Federal income tax or Earned Income Tax Credit provisions. Currently New Mexico does not cover work experience under workman's compensation, but reserves that option.

If the participant is placed in work experience as a trainee, FLSA standards and deeming of hours of participation shall not apply. New Mexico will consider six criteria to determine if the participant is a trainee. Participants placed in work experience where a preponderance of the following criteria apply, will be deemed a trainees. The criteria include:

- training is similar to that given in a vocational school;
- training is for the benefit of the trainees;
- trainees do not displace regular employees;
- sponsoring agencies derive no immediate advantage from trainees' activities;
- trainees are not entitled to a job after training is completed; and
- sponsoring agencies and trainees understand that the trainee is not paid.

Documentation and Verification:

Verification of reported and actual hours: Verification of work experience hours will be provided by the reporting of hours through time sheets. (See Attachment D) Hours assigned to a participant for work experience will be monitored and adjusted monthly to individual participant requirements. Time sheets must indicate daily supervision and will be signed by the work site supervisor or other responsible individual. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into the HSD's computer tracking system. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file and retained for a minimum of four years.

E. On-the-job Training (OJT) means training in the public or private sector that is given to a paid employee while he or she is engaged in productive work and that provides knowledge and skills essential to the full and adequate performance of the job. On-the-job training must be supervised by an employer, work site sponsor, or other responsible party on ongoing bases no less frequently than daily. New Mexico will coordinate with Department of Labor (DOL), Workforce Investment Act (WIA), One-Stops or the New Mexico In-Plant-Training program to engage TANF participants in this work activity. OJT may be subsidized or unsubsidized. OJT is paid employment and may include professional certification, practicum, internship, and clinical training. To qualify as OJT there must be a contractual agreement with the employer and the HSD may pay no more than 50% of the participant's wage and benefit package. The employer of an OJT participant will retain the employee after the successful completion of the OJT contract and the existence of a written training plan; these plan requirements distinguish OJT from other subsidized employment.

Determination of countable hours: Hours in an OJT activity will be determined by actual hours worked or upon the contract the HSD has with the employer (*if and only if collateral contact confirms the contract indicates actual hours*), including paid leave and holidays and projected for up to six months.

Documentation and Verification:

OJT employment income and hours will be verified and documented by using information provided by one or more of the following sources:

- check stub(s);



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- letter from employer;
- pay check (or copy);
- work agreement or contract (*if and only if collateral contact confirms the agreement or contract indicates actual hours*);
- collateral contact with employer
 - must be an individual or agency designated by the benefit group to provide information concerning eligibility;
 - must be outside the TANF filing unit;
 - acceptable documentation must pass Quality Control standards for collateral contact validity;
 - collateral contact must be in a position to make a responsible and reliable assertion to what they are confirming; and
 - may be telephonic if and only if a pay stub, or other written documentation cannot be obtained
- Local wage data from State Department of Labor (DOL);
- wage data broker provided through a data broker (i.e. TALX); and
- other verification measures allowed by State regulations for the TANF Program as listed on Attachment A (What You Still Need form ISD 160).

Verification of reported and actual hours: Income verified by any of the sources listed above in this section will establish countable hours for OJT employment for up to six months. Whenever practical income and hours will be based upon income and hours worked projected from a recent 30-day period of actual income. Income received and hours worked for a period either shorter or longer than a 30-day period of time may be used when it is determined by HSD to be more indicative of the participant's prospective income and hours worked. If a reduction in work hours to below the participant's requirement becomes known to the agency, the reduction will be recorded and the participant's new work rate will be re-determined by the HSD. Copies of the documentation listed above will serve as verification of hours when wages, salaries, and contract income is received. Copies of documentation will be retained in the participant's case file for a term of no less than four years.

F. Job Search and Job readiness assistance means the act of seeking or obtaining employment, preparation to seek or obtain employment, including life skills training and substance abuse treatment, mental health treatment, or rehabilitation activities for those who are otherwise employable. Substance abuse treatment or therapy, mental health treatment or therapy, domestic violence counseling or rehabilitation activities must be determined as necessary for participation in work activities and documentation certified by a qualified (state certified) medical or mental health professional. Job search and job readiness assistance activities must be supervised by the HSD or other responsible party on an ongoing basis no less frequently than daily.

Supervision of this activity will be provided by the Career Development Specialist and will consist at a minimum of daily contact via telephone or email providing guidance. The Career Development Specialist will be responsible for monitoring time through random verification of contacts and valuation of time spent per contact.

Determination of countable hours: Job-search: Credit for looking for job openings, making contact with potential employers, applying for vacancies and interviewing for jobs, and in labor market training will be determined by actual hours spent on these activities.

Preparing an individual to obtain employment: Countable hours for activities, such as: preparation of resumes, job applications, honing interviewing and communication skills, receiving instruction and training on work place expectation, labor market training and life skills training will be determined by actual hours of participation. To be countable as participation these hours must be supervised daily and reported on time



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sheets.

In New Mexico *life skills activities* will be considered as job readiness. *Life skills activities* may include money management, parenting, nutrition education, and substance abuse treatment when necessary to obtain employment or when directly related to keeping a job. Participation in *life skills activities* must be prescribed by a qualified medical, mental health or social work professional certifying that such treatment or activity is necessary.

Job search and Job Readiness activities include:

- Structured job search, including searching for job openings, applying for jobs and interviewing for positions.
- Participation in workshops to build skills in job search competencies such as honing interviewing skills, instruction in work place protocol and expectation, resume writing, and job search clubs.
- Life skills training.
- Substance abuse treatment prescribed with treatment plan by a qualified social worker or health care practitioner.
- Mental health services prescribed with treatment plan by a qualified social worker or mental health care practitioner.

Treatment: Countable hours for substance abuse treatment, mental health treatment, or rehabilitation treatment for those otherwise employable will be determined by actual hours spent participating in treatment or rehabilitation.

Job search and job readiness shall be limited to six weeks in a federal fiscal year in which no more than four weeks are consecutive. Determination of whether a recipient is “otherwise employable” will be determined by written medical evidence obtained from medical doctors; doctors of osteopathy or podiatry, ophthalmologists, psychiatrists, psychologists, treatment providers, such as qualified counselors, certified nurse practitioners and chiropractors, a physician assistant (when medical report is co-signed by the supervising physician), other qualified social worker, mental health or health care practitioners, or individuals who provide mental health services in a community mental health services agency and meet the minimum mental health professional qualifications set by the agency. In compliance with federal requirement, New Mexico will count even one hour of Job Search in a seven day period as a week of job search for the purposes of Job Search limitations.

Verification of reported and actual hours: Verification of job search and job preparation activities hours will be provided by the reporting of hours through time sheets. Time sheets must indicate daily supervision and will be signed by the Career Development Specialist or other responsible individual. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into HSD’s computer tracking system. HSD’s tracking system will be monitored to ensure that no recipient is credited with job search or job readiness activity participation for more than four consecutive weeks or six weeks per federal fiscal year. The tracking documents, printouts or copies of time sheets will be filed in the participant’s case-file and retained for a minimum of four years.

New Mexico will make collateral contact to confirm job search activities on 20% of the contacts made for each sampled case in which job search is recorded. Random checks will be made by TANF work providers to ensure accurate reporting. Hours of participation are only acceptable if the logs or time sheets are complete and the State is able to verify the hours.



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G. Community Service Programs means structured programs and embedded activities in which TANF recipients perform work for the direct benefit of the community under the auspices of public or nonprofit organizations. Community service programs will be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and child care. Community service programs are designed to improve the employability of recipients not otherwise able to obtain employment, and must be supervised on an ongoing basis no less frequently than daily. The HSD will review each placement and take into account, to the extent possible, the prior training, experience, and skills of a recipient in making appropriate community service assignments.

The majority of New Mexico's placements in community service occur at local schools, churches, homeless shelters and animal shelters where volunteers are needed. New Mexico hopes to expand the placements to include voluntary participation in environmental protection activities.

Determination of countable hours: Participation in community service hours will be determined by actual hours worked with holiday time and excused absences calculated in (See § II A of the verification plan below). New Mexico has been approved for a "mini" simplified Food Stamp plan and will implement a determination of work requirements to comply with FLSA minimum wage standards (See Attachment C). Individuals in Community Service activities shall be deemed to be working 20 hours, if the numbers of hours in this activity allowed by FLSA fall short of the core requirement.

Verification of reported and actual hours: Verification of community service hours will be provided by the reporting of hours through time sheets. Hours assigned to a participant for community service will be monitored and adjusted monthly to individual participant requirements, in accordance with FLSA standards. Time sheets must indicate daily supervision and will be signed by the work site supervisor or other responsible individual. Time sheets will be submitted to the HSD or designee on paper or through electronic means. Time sheet results will be entered into the HSD's computer tracking system. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file and retained for a minimum of four years.

Supervision of Community Service activity will be provided by the work site supervisor who must report time spent in the activity on signed time sheets.

H. Vocational Education training (not to exceed 12 months with respect to any individual) means organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations requiring training other than a baccalaureate or advanced degree. New Mexico will report engagement in the following as Vocational Training activities core-activities or as secondary activities.

- **Vocational associate degree programs:** those programs consisting of both academic and vocational for-credit course work that usually requires about 60 credits. Completion of these programs can provide an associate of arts (AA), associates of science (AS) or associate of applied science (AAS) degree in fields defined as vocational.
- **Instructional certificate programs:** programs generally designed to upgrade job-related skills, which generally require up to a year to complete and involve far less academic work than associate degrees.
- **Industry skills certifications:** industry-developed certificates for students who demonstrate specific



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skills, often through a test. Preparation for tests, include both self-study and courses offered at postsecondary institutions or other training providers.

- **Noncredit course work:** curriculum designed to accommodate those who want specific job-related skills.

New Mexico shall include the following and similar offerings as Vocational Education activities:

Associate Degree programs include, but are not limited to:

- Accounting
- Architectural design
- Automotive Service Management
- Aviation Operations
- Building Construction Technology
- Business Administration
- Business Marketing Management
- Civil Engineering Technology
- Computer Engineering
- Criminal Justice Technology
- Culinary Management
- Dental Hygiene
- Drafting and Design
- Early Childhood Management
- Electronics Technology
- Fire Science Technology
- Graphic Design Technology
- Interior Design
- Legal Assisting
- Medical Laboratory Technician
- Nursing, Registered Nurse (RN)
- Radiography
- Respiratory Care

Vocational Certificate programs include, but are not limited to:

- Airframe and Power Mechanics
- Auto Collision Repair
- Automotive Machine Shop
- Automotive Service Technician
- Barbering
- Brick Masonry
- Carpentry
- Child Care Center Operator
- Corrections Officer



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- Cosmetology
- Credit Union Service Marketing
- Dental Assisting
- Electricity
- Facials Specialty
- Heating and Air Conditioning
- Message Therapy
- Medical Secretary
- Nails Specialty
- Network Support Services
- Office Systems Specialist
- Paramedic
- Plumbing
- Practical Nursing
- Teller Training
- Travel Agency Operations
- Webmaster and Web Development
- Welding

Basic remedial education and English as a Second Language (ESL) can count as part of the Vocational Education component only if they are included as embedded activities in the curriculum. In order to count as work activity basic remedial education or ESL must be required subjects by counseling or evaluative services provided by the attended educational facility.

Distance education and online certificate programs in the Associate Degree and Certificate programs listed above must be taken at an institution accredited by the Council for Higher Education Accreditation (CHEA) or the Distance Education Training Council (DETC) in order to qualify as a work activity and approved on a case-by-case basis by HSD. In order to count for participation class and homework hours must be reported on time sheets and verified as supervised by the attended institution's instructor or aide.

Determination of countable hours: Countable hours in Vocational Education will be determined actual hours spent in class-time and completion of supervised study hours, with holiday time and excused absences calculated in (See § II A of the verification plan below). Supervised study time will consist, at a minimum, of study in a setting where the instructor or aide is present. Hours spent in supervised group or individual study arrangements must be reported on time sheets and require supervisor verification for each block of reported study time.

Verification of reported and actual hours: Countable hours will be reported through time sheets signed by the instructor or other responsible party. The time sheets will contain an area for reporting supervised study time. In order to count as participation, each block of study time must be confirmed as supervised and initialed by the instructor or aide. The time sheet will contain a query regarding good or satisfactory progress. The HSD will monitor curriculum to ensure the class and study time spent in the academic portion of vocational training relating to ESL and basic or remedial education receive separate reporting identification on time sheets and recorded only as secondary activity. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into the HSD's computer tracking system with codes indicating Vocational Training or Job Skills Training Directly related to Employment as



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appropriate. This activity will be entered into New Mexico's eligibility system and will be monitored for the duration of the recipient's tenure on TANF benefits, by the Department and the Career Development Specialist to ensure it is limited to 12 months. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file.

New Mexico enters vocation education participation hours in the Work Program Screens on ISD2. This information is permanently saved in the computer system. Any vocation education activity recorded in a month is considered a month of participation in vocational education. When New Mexico's disaggregate report sample is reviewed, any work eligible recipient that is participating in vocational education in the sample month is evaluated to determine if the 12 month limit lifetime limit has been reached. If the recipient has reached the 12 month limit, then the hours reported in vocational education are reported on the ACF 199 as "Other Work Activities" and are not considered as hours used to meet participation requirements.

I. Job Skills Training Directly Related to Employment means training or education for job skills required by an employer to provide an individual with the ability obtain employment or to advance or adapt to the changing demands of the workplace. New Mexico will count activities such as Adult Basic Education (ABE), English as a Second Language, Post Secondary Education and other programs not considered as Vocational Education and not counted in Core activities in this activity. The HSD will determine on a case-by-case basis if the participant qualifies for this activity.

Distance education and online programs for Adult Basic Education (ABE), English as a Second Language, Post Secondary Education and other programs not considered as Vocational Education must be taken at an institution accredited by the Council for Higher Education Accreditation (CHEA) or the Distance Education Training Council (DETC) in order to qualify as a work activity. These activities must be approved on a case-by-case basis by HSD and must be assigned as prerequisites by the institution's advisor or guidance counseling service. In order to count for participation class and homework hours must be reported on time sheets and verified as supervised by the attended institution's instructor or aide.

Determination of countable hours: This activity will be supervised daily and countable hours will be determined actual hours spent in class-time and completion of supervised study hours, with holiday time and excused absences calculated in (See § II A of the verification plan below). Supervised study time will consist, at a minimum, of study in a setting where the instructor or aide is present. Hours spent in supervised group or individual study arrangements must be reported on time sheets and require supervisor verification for each block of reported study time.

Hours spent in group or individual study arrangements must be reported on time sheets and require supervisor verification for each block of reported study time.

Verification of reported and actual hours: Countable hours will be reported through time sheets signed by the instructor or other responsible party. The time sheets will contain an area for reporting supervised study time. In order to count as participation, each block of study time must be confirmed as supervised and initialed by the instructor or aide. The time sheet will contain a query regarding good or satisfactory progress. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into the HSD's computer tracking system with a code indicating Job Skills Training Directly related to Employment as appropriate. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file and retained for a minimum of four years.

J. Education Directly Related to Employment, in the case of a recipient who has not received a high



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school diploma or a certificate of high school equivalency means education related to a specific occupation, job, or job offer. New Mexico will count activities such as adult basic education (ABE), English as a Second Language (ESL) and where a high school or equivalency diploma is required as a prerequisite for employment will include education leading to a GED or equivalency diploma. Participants must make “good or satisfactory progress” in order to continue the program to completion.

Distance education and online programs for ABE, GED and ESL must be taken at an institution accredited by the Council for Higher Education Accreditation (CHEA) or the Distance Education Training Council (DETC) in order to qualify as a work activity and approved on a case-by-case basis by HSD. In order to count for participation class and homework hours must be reported on time sheets and verified as supervised by the attended institution’s instructor or aide.

Determination of countable hours: This activity will be supervised daily and countable hours will be determined actual hours spent in educational activity and completion of supervised study hours, with holiday time and excused absences calculated in (See § II A of the verification plan below). Supervised study time will consist, at a minimum, of study in a setting where the instructor or aide is present. Hours spent in supervised group or individual study arrangements must be reported on time sheets and require supervisor verification for each block of reported study time.

Verification of reported and actual hours: Countable hours will be reported through time sheets signed by the instructor or other responsible party. The time sheets will contain an area for reporting supervised study time. In order to count as participation, each block of study time must be confirmed as supervised and initialed by the instructor or aide. The time sheet will contain a query regarding good or satisfactory progress. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into the HSD’s computer tracking system with a code indicating Education Directly Related to Employment as appropriate. The tracking documents, printouts or copies of time sheets will be filed in the participant’s case-file and retained for a minimum of four years.

“*Good or satisfactory progress*” shall be defined by the institution or agency conducting the training, will include daily supervision, and at a minimum, shall have standards for performance, attendance and completion of course within proscribed time frames that are indicative of successful completion of the course. The performance standards must be discussed and approved by the HSD prior to customer placement in the activity.

K. Satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate means regular attendance, in accordance with the requirements of the secondary school or course of study at a secondary school, or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate. This activity may include ABE or ESL. Participants in this activity must make good or satisfactory progress as defined by the school or course of study.

Distance education and online programs for ABE, GED and ESL must be taken at an institution accredited by the Council for Higher Education Accreditation (CHEA) or the Distance Education Training Council (DETC) in order to qualify as a work activity and approved on a case-by-case basis by HSD. In order to count for participation class and homework hours must be reported on time sheets and verified as supervised by the attended institution’s instructor or aide.

Determination of countable hours: This activity will be supervised daily and countable hours will be based on



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actual hours spent in class-time and completion of supervised study hours, with holiday time and excused absences calculated in (See § II A of the verification plan below). Supervised study time will consist, at a minimum, of study in a setting where the instructor or aide is present. Hours spent in supervised group or individual study arrangements must be reported on time sheets and require supervisor verification for each block of reported study time.

Verification of reported and actual hours: Countable hours will be reported through time sheets signed by the instructor or other responsible party. The time sheets will contain an area for reporting supervised study time. In order to count as participation each block of study time must be confirmed as supervised and initialed by the instructor or aide. The time sheet will contain a query regarding good or satisfactory progress. Participants not obtaining good or satisfactory progress for two consecutive reporting periods will not be credited with hours of participation during the second reporting period and if followed by a third consecutive report without good or satisfactory status will not be credited for hours in the third reporting period and will be dropped from the activity. Time sheets will be submitted to the HSD or designee on paper or through electronic means on a biweekly basis. Time sheet results will be entered into the HSD's computer tracking system with a code indicating satisfactory attendance at a secondary school as appropriate. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file and retained for a minimum of four years.

L. Providing child care services to an individual who is participating in a community service program means providing child care to enable another TANF recipient to participate in a community service program. New Mexico will credit this activity as an unpaid activity only.

Determination of countable hours: This activity will be supervised daily and child care service hours will be determined by actual hours worked with holiday time and excused absences calculated in (See § II A of the verification plan below).

Verification of reported and actual hours: Verification of individuals providing child care services to an individual who is participating in a community service program hours will be provided by the reporting of hours through time sheets. Time sheets must indicate daily supervision and will be signed by the community service participant or other responsible individual. Time sheets will be submitted to the HSD or designee on paper or through electronic means. The HSD will ensure time sheets do not indicate more than two hours per day more than the community service participant is reporting for their activity. This will be accomplished by comparing the time reported by the individual providing day care's time sheet to the time sheet of the individual participating in community service. The daily maximum of two hours will ensure that child care can be credited while the community service participant travels to and from their job site, but will not credit childcare hours for other activities done by the community service participant. Time sheet results will be entered into the HSD's computer tracking system. The tracking documents, printouts or copies of time sheets will be filed in the participant's case-file and retained for a minimum of four years.

Guidance and supervision for individuals providing child care services to an individual who is participating in community service programs will be provided by the Department and shall consist at a minimum of daily telephonic conferences and will be designed to promote a move to self-sufficiency.

II. HOURS ENGAGED IN WORK

A. Excused Absences



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In New Mexico holidays shall include:

- New Year's Day
- Martin Luther King Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veteran's Day
- Thanksgiving Day
- Christmas Day

Other Excused Absence Policy: Eligibility for an excused absence from a work activity may be determined by the supervisor of the work activity, by the Career Management Specialist, or by HSD's caseworker based on good cause provisions in the TANF state regulations. Other situations in which an employee would be excused from work without penalty in the public or private sector may count as an excused absence. For excused absences, there is an allowable maximum of ten days per year, with no more than two days in any month. An excused absence may not exceed the number of hours that the participant was scheduled to be participating in a non-paid activity.

Activity Categories Eligible for holiday and Other Excused Absences: The holiday and other excused absence credit will be applied on a monthly basis to the following work activities and may not exceed the scheduled hours that the excused absence or holiday covers:

Work Experience
Job search and Job Readiness Assistance
Community Service Programs
Vocational Education Training
Job Skills Directly Related to Employment
Education Directly Related to Employment
Satisfactory Attendance at a Secondary School
Providing Child Care to Community Service Participant

B. FLSA Impact on Work Experience and Community Service

The Interim Regulations issued by Administration on Children and Families (ACF) require the state agency to apply Fair Labor Standards Act (FLSA) in the allowable core work activities of work experience and community service. New Mexico is concerned how this new interpretation of FLSA impacts the State's ability for meeting work participation requirements.

The regulations allow for States to "deem" families who work the maximum number of hours permitted under FLSA rules, but still fall short of the 20-hour core activity requirement, as having met that requirement. This provision applies only to work experience and community service as defined at §§ 261.31 and 261.32. It is the State understanding that ACF is limiting this "deeming" policy to States that combine the FSP and TANF benefit amounts when calculating maximum hours for these two work activities. New Mexico has applied for a



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“mini-” Simplified Food Stamp Program (SFSP) option that permits States to count the value of food stamps in determining maximum hours of work. The mini-SFSP allows us to combine the dollar value of food stamps and then “deem” any hours that fall short of the standard and the TANF work experience or community service program can serve in place of the FSP workfare program.

For participants assigned to work experience and community service the state agency shall take the combined amount of monthly cash assistance and food stamp benefits based upon the most recent certification of benefits and divide the combined amounts by the higher of the Federal or State minimum wage. The balance will be rounded down to the closest full number in calculation of participant hours. In both all-families and two-parent situations where hours are calculated under this provision the state agency shall “deem” any remaining hours for the month up to the monthly work requirement once the maximum number of allowable hours has been met. In no situation shall a recipient be required to complete work experience or community service above the hours determined during for a month’s participation.

New Mexico has applied for no other provision except the minimum requirement of the Interim regulations.

New Mexico is not applying any other provisions beyond the hour work requirement that is not required under the Interim Regulations.

III. IDENTIFYING WORK ELIGIBLE INDIVIDUALS

A Work Eligible Individual is defined as an adult or minor child head of household receiving TANF Cash Assistance or a non-parent caretaker living with a child who receives TANF Cash Assistance, unless the head of household or parent/caretaker meets any of the following:

- A minor parent and not the head-of-household or spouse of the head-of-household;
- An alien who is ineligible to receive assistance due to his or her immigration status; or
- A recipient of Supplemental Security Income (SSI) benefits, unless the recipient is employed and is meeting the work participation rate and is included as an optional work eligible individual.
- A parent/caretaker recipient, who is providing care for a disabled family member living in the home who does not attend school on a full-time basis.
 - In order to qualify for this exception, the caretaker must provide written verification from a medical practitioner that they are required to be the caretaker of the disabled family member. The verification must be reviewed and the exemption approved by the incapacity review unit.

Individuals applying for New Mexico’s Temporary Assistance for Needy program must complete a paper application, and meet with a Family Assistance Analyst (FAA) to review the application. During the initial meeting, or within thirty days, the individual applying for assistance must provide certain documents that are used to establish the individual’s and their family’s citizenship, residency, age, relationship, resource, income levels, and other factors. Additionally, if the individual states they or one of their family members has a physical or mental impairment that precludes participation in work activities, medical documentation must be provided that specifies the individual’s limitations or for the requirement of the individual to care for an incapacitated household member. Medical documentation must be from a qualified medical practitioner.

The FAA establishes eligibility for assistance once the applicant submits all of the necessary documentation. The FAA is also responsible for reviewing the work status of all adult or minor head of household and notifying individuals of their work status.

A minor parent who is not the head-of-household and not spouse of the head-of-household is identified through



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self-declaration, information provided on the TANF application, and documentation submitted with the TANF application.

An alien who is ineligible to receive assistance due to his or her immigration status is identified through self-declaration, information provided on the TANF application, and documentation submitted with the TANF application.

A recipient of Supplemental Security Income (SSI) benefits is identified through self-declaration, information provided on the TANF application, documentation submitted with the TANF application, or through system interface scans with the Social Security Administration (SSA) with the State Data Exchange (SDX)

The FAA enters the work eligibility status of each individual on the state's eligibility system, ISD2, on the PFPS screen.

The Incapacity Review Unit may temporarily exempt an individual from participation in work program activities as long as the individual works with the work program contractor to develop and subsequently implement a modified work participation agreement. The duration of the temporary exemption is determined by the Incapacity Review Unit.

ALL FAMILIES AND WORK ELIGIBLE CODING

In addition, the electronic eligibility system "PFPS" screen has a data field where the FAA identifies if a person is a work eligible individual. The valid values entered by the worker if the individual is "Work Eligible" is a "Y", yes, or "N", if not "Work Eligible".

Two-parent work eligible individuals are identified and coded by the FAA. The "FACL" screen of the eligibility system, ISD2, has a worker entered code identifying whether there are two parents in the home. Then based on the relationship, disability, work registration and work eligible coding, a system-generated code will identify the case as a mandatory two-parent work eligible case.

REFERRALS AND SERVICE PROVIDERS

All work eligible individuals are referred to New Mexico Works Service Providers for work program services. There are four NMW Service Providers within the five service delivery areas of New Mexico. See Attachment E for map of New Mexico Service Delivery Areas.

The Northwest Service Delivery Area (San Juan, McKinley, and Cibola Counties), Work Program services are provided in-house by the Human Services Department staff in each local office.

The Northeast Service Delivery Area (Rio Arriba, Taos, Colfax, Mora, Santa Fe Los Alamos, and San Miguel Counties), Work Program services are provided by Highlands University and HSD staff in each local office.

The Central Service Delivery Area (Sandoval, Bernalillo, Valencia and Torrance Counties), Work Program services are provided by New Mexico State University. NMSU also is the Service Provider in the Southwest SDA (Catron, Socorro, Grant, Sierra, Hidalgo Luna and Dona Ana Counties).

In the Southeast Service Delivery Area (Union, Harding, Quay, Curry, Guadalupe, De Baca, Roosevelt, Lea, Eddy, Lincoln, Chaves and Otero Counties), HSD has contracted with the Governor's Office of Workforce Development (OWTD) and the Eastern Area Workforce Delivery Board (EAWDB) for Work Program services.



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Service Providers refer any recipients requiring childcare assistance to the Children, Youth and Families Department (CYFD).

Work eligible individuals are referred to Service Providers through one of two processes. A report listing work eligible individuals is batched daily and available to Service Providers. Individuals may also be referred to the Service Provider with the form DWP-001, Assessment Referral and Verification. (Attachment F)

The FAA enters the family's case information on to the state's eligibility system, ISD2, as well as maintaining a hard copy case record.

HSD office procedures require that FAA Supervisors and County Directors review randomly selected case records for accuracy, documentation, and eligibility issues. These procedures are completed at the county office level.

TRACKING

All individuals engaged in a Work Program activity must provide verification of their attendance in the activity. The main reporting document is the form DWP-290, Attendance and Transportation Reimbursement (Attachment G).

The participant reports the date and times of attendance in the activity, and certifies the information by signing the form. Dependant on the supervision required for an activity, a work activity site supervisor initials the DWP 290. Employed individuals may present check stubs from their place of employment. Additionally, the employed individual may present a letter, on the employer's letterhead, listing the dates of employment and wages. The letter must be signed by the employer, supervisor, or other authorized personnel, and list a contact telephone number for any questions.

The individual may take or mail the attendance documentation to the department or the New Mexico Works Service Provider, dependent on which service delivery area the individual lives. Incomplete documentation will not be accepted by the department or the Service Provider, and will be returned to the individual. The entity receiving the documents ensures the other entity receives copies of the documents.

Individuals are required by state regulation to submitted activity attendance no later than the 5th of the month following the report month. The individual's attendance is entered on the Work Programs Attendance screen (#4 ATTD) of the state's eligibility system, ISD2.

In the Northwest and Northeast Service Delivery Areas, information is entered on the system by HSD staff. In the Central, Southwest and Southeast Service Delivery areas, information on Work Program activities is entered on to the system by Service Provider staff. The data entry is completed at the local Income Support Office, and supervised by ISD staff. NMW Service Providers cannot update the Eligibility screens of ISD2, and have read-only access to the Eligibility screens.

NMW Service Providers have been provided intensive instruction, and provided extensive resource material on New Mexico Work's regulations and policies, mainframe system, reports, and key entry. NMW Service Provider staff must be trained in these areas prior to being authorized access to "live screens".

ACF-199

Information for the ACF-199 is comprised of data entered on to ISD2 by the Family Assistance Analyst and



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New Mexico Works Service Providers. New Mexico submits a sample for the ACF-199 rather than the TANF universe.

Responsibility for completion of the ACF-199 resides at the state office level, currently with the Benefit Delivery and Data Reporting Bureau, Federal Reports Section. The Federal Reports Section has had primary responsibility for the ACF-199 for the past ten years. Three FTE research and review the ACF-199, one Staff Manager, and two Advanced Management Analysts.

The data extraction program for the ACF-199 is run on the 15th of the month for the previous benefit month. The ACF-199 is submitted quarterly through File Transfer Protocol (FTP) to the National Institute of Health (NIH) remote access system. Data is also entered on the ACF TANF Data Reporting web-based system. Access to either system is requested and approved by ACF, and are user and password protected.

Cases for the ACF-199 are selected from the state's mainframe system, ISD2, via a random number generation process. The state's mainframe contractor, Northrup-Grumman, generates the report. CYFD provides an interface report on any childcare that may have been issued for those cases selected. All active TANF cash recipients, category 002 in the ISD2, and state program cash assistance cases, are eligible for inclusion in the sample universe.

Sampled cases are stratified to meet the TANF reporting requirements. The selection is processed independently for each stratum within the sample. The strata are:

Stratum 00:	New Approvals
Stratum 01:	All Families
Stratum 02:	Two-Parent Families
Stratum 03:	Closed Cases

An unduplicated paper report, and electronic file are provided to the Federal Reports Section by Northrop Grumman. The electronic files are obtained from the mainframe through a secure system portal. Data from the files is imported to the local TANF Data Reporting System. Each case listed on the ACF-199 has the corresponding information for the data elements specified in TANF regulations.

Three thousand three hundred cases are sampled annually. Of these, 600 are "New Approvals", and 2,700 are ongoing cases. Of the 2,700 ongoing cases, 1,800 are all families, and approximately 900 are two-parent mandatory households. The number of two-parent families varies as the two-parent rate is based on those cases in stratum 02 plus any other two-parent case selected in stratum 00 and stratum 01. To ensure that the minimal yearly sample requirements are met, the state employs a ten percent over-sampling methodology.

The monthly selection for the ACF-199 is two hundred seventy-five cases per reporting month. The sample sizes for each stratum is:

Stratum 00:	50 cases
Stratum 01:	150 cases
Stratum 02:	75 cases
Total:	275 cases

DATA ACCURACY



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The information for the ACF-199 is based on data fields from the state's eligibility system. Prior to submitting the ACF-199, the three state office staff members review each case on the report. There is a preliminary review by an Advanced Management Analyst, followed by a second review by another Advanced Management Analyst. The third and final review is completed by the Staff Manager prior to transmission.

Data elements on the report are compared to information on the ISD2 screens for coding accuracy. Examples of some coding errors that have been found are incorrect gender, or the needs of a pregnant woman showing a "Yes", on the report, but the child is been born. State office staff makes the appropriate changes on the paper report and the local TANF Data Reporting System, and notifies regional and county staff of any data inconsistencies or incorrect coding.

Staff utilizes the global and warning edit function in the TANF Data Reporting System to identify coding inconsistencies within the federal reporting system.

The information relating to work participation is also reviewed in depth, and allows staff to identify inappropriate activities, activities past the federal time frames, or incorrect attendance hours based on the start date of the activity. State office staff notifies regional and county staff of these findings.

New Mexico will submit each sample Social Security Number (SSN) from Stratum 00, Stratum 01 and Stratum 02 along with each spousal SSN from Stratum 02 for matching data from the National Directory of New Hires and from the Social Security Administration BENDEX master file to enhance monitoring of data accuracy. Central office staff will identify matches and forward information from the two data matching activities to field staff for appropriate action.

Based on the information that is entered on ISD2, state office staff is able to identify individuals with incorrect work eligible status. State office staff notifies regional and county staff of these findings.

Months of TANF participation are captured as discrete units on New Mexico's FAMIS certified eligibility system. The data remains online and updateable for a minimum of eight months (six months historical, current month and ongoing month). On a case by case basis additional months of data may be requested and made available for a maximum of thirteen months online. All case months are stored on tape back up for all historical months greater than thirteen and are made available upon request.

IV. INTERNAL CONTROLS

The State is required to describe internal controls that ensure a consistent measurement of the work participation rates. The Work Verification Plan should contain a clause confirming that the State will maintain all pertinent findings produced through its internal control processes and that these finding will be available for use by ACF and other auditors in their review of the State's work participation verification system.

If the State is phasing in procedures or internal controls, describe the phase-in. All procedures must be in place by September 30, 2007.

Documentation:

1. Describe the internal controls designed to ensure established work verification procedures are properly being employed. Such controls may include supervisory guidance, policy directives, and staff training



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plans, as well as quality assurance processes, such as monitoring procedures to ensure adherence to procedures by staff, providers and contractors. For example, to ensure the State is identifying all work-eligible individuals, a State may periodically check the disability status of a family member who is temporarily disabled, as the parent caring for the disabled family member would become a work-eligible individual once the family member is no longer disabled.

State office is developing training packages that detail the changes under the Deficit Reduction Act. These packages specifically address individual work eligible determination, and the changes to allowable work activities. This training will be provided to state office, regional, county, and Service Provider staff.

New Mexico will utilize the sampling methodology as described on pages 24 and 25 of this document. Each element in the disaggregate report will be reviewed and compared to data entry into ISD2 and DOL and SSA interfaces including SDX to ensure accurate entry of information. For all cases reported as meeting the work requirement central office staff will obtain copies of verifying documentation and keep monthly binders of the verification documents. Central state office staff can review each case for data accuracy prior to submitting the report to HHS.

Data will be reviewed through the information listed on the ACF-199. The error edit flags sent to New Mexico, as a result of the ACF-199 electronic transmission of all work participation rate data elements, will be reviewed and the cause of the edit flags will be identified. All identified edits will be corrected and the data will be resubmitted. Additionally, regional and county office management will be required to do random case reviews to assure consistency and accuracy of the data reported. Central office staff will also conduct case reviews with Service Providers. All of these reviews should determine what follow-up training is necessary.

2. Describe the internal controls to control for data errors, including transcription and coding errors, data omissions, computational errors, and compilation errors. For example, a State might automatically review the case record of each work-eligible individual whose reported average weekly hours of participation are unusually high (e.g., 70 or more hours per week) by examining the documentation used to support those hours.

New Mexico will utilize the sampling methodology as described on pages 23 and 24 of this document. Each element in the disaggregate report will be reviewed and compared to data entry into ISD2 and DOL and SSA interfaces including SDX to ensure accurate entry of information. For all cases reported as meeting the work requirement central office staff will obtain copies of verifying documentation and keep monthly binders of the verification documents. Central state office staff can review each case for data accuracy prior to submitting the report to HHS. In addition field office supervisors are required to review anomalous discrepancies picked up through interfaces with SSA such as BENDEX discrepancies on date of birth, SSN on name discrepancies, as well as State New Hires directory or Incarceration information that is presented on each field office worker's activity screen on a daily basis.

3. Describe the checks used to isolate electronic systems and programming errors and the steps to ensure that all work participation report items are internally consistent. For example, a State might obtain the raw data (prior to input into an automated data processing system) for a sample of work-eligible individuals and determine manually the average weekly hours of participation for each work activity for a month and compare that result to what the State actually reported to HHS.

All processes and program changes in the ISD2 system are rigorously tested by our Division of Information Technology team as well as program subject matter experts prior to implementation to prevent inconsistency. If



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inconsistent or incorrect programming errors are identified, Incident Reports (IR's) are submitted to the ISD2 Help Desk and they are immediately addressed and resolved.

4. Describe any sampling and estimation techniques employed in data validation. The Work Verification Plan should document the soundness of all statistical procedures utilized in the verification process. All estimation techniques must be reasonable and fully described in the plan. For estimates based on sampling or other statistical techniques, the plan must contain, as appropriate, the step-by-step computations of precision, affirming that the produced estimates are within statistically acceptable levels of reliability and validity.

The ACF-199 electronic file remains on the local TANF Reporting System and is not deleted. The corresponding paper report is maintained in a binder and is not destroyed. The various internal reports that the state utilizes for tracking participation rates are stored in a binder, and are not destroyed.

New Mexico will maintain all pertinent findings produced through its internal control processes, and these findings will be available for use by ACF and other auditors in their review of the State's work participation verification system.

New Mexico has charged all Work Program Service providers with the following charge in the Contracted Scope of Work:

The contractor must continuously monitor the services performed whether performed by the service provider or any sub-contractor. At a minimum, monitoring must include:

- Case file accuracy
- Data entry accuracy
- Appropriateness of support service linkages and case management processes
- Accuracy of support services reimbursements
- Fiscal Accounting
- Participant satisfaction
- Effectiveness of Partner Services
- Employer Satisfaction

The ISD Quality Assessment Bureau currently reviews a random selection of 20 active TANF cases per month for data accuracy and validation, once fully staffed will increase the sample to 50 per month.

ISD field office supervisors (about 95 are currently in ISD field offices) will review about 5 cases attached to Food Stamp cases per month for work program data accuracy.

The Data Reporting bureau will validate all elements in the ACF-199 prior to transmittal to ACF.

V. VERIFICATION OF OTHER DATA USED IN CALCULATING THE Work PARTICIPATION RATES

Under the "complete and accurate" standard for data reporting, States should validate all data submitted in its TANF Data Report and, if applicable, the SSP-MOE Data Report. In addition to the work activities, the following data elements are used in calculating the work participation rates:

- Reporting Month



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- Stratum
- Case Number
- Disposition
- Type of Family for Work Participation
- Amount of Food Stamps Assistance
- Receives Subsidized Child Care
- Amounts of TANF (and SSP-MOE) Assistance
- Family Affiliation Code
- Non-custodial Parent Indicator
- Date of Birth (Adult)
- Relationship to Head-of-Household
- Parent with Minor Child
- Work-Eligible Individual Indicator
- Date of Birth (Child)

The Work Verification Plan should contain the procedures needed to establish that the State has the capacity to breakout TANF families with a work-eligible individual by the case characteristics that relate to the special rules and conditions of participation, such as receipt of child care, age of child, age of adult or teen parent, number of months under a sanction, adult or teen parent with satisfactory school attendance, and families with a disabled family member (adult or child).

Data Flow from work site through the data system(s) including edit/consistency protocols:

ISD eligibility workers refer any work-eligible recipient to a Works Program contractor. The contractor receives a hard copy of the referral and reports of daily new approvals from the ISD2 data reporting Dispatch system. The works program contractor enters demographic and case specific details into a separate data base. Once this is done the contractor sends an appointment letter to the work-eligible recipient.

Upon attendance, the recipient is assessed and placed in an appropriate work activity and referred to appropriate support service providers. The activity and referral information is entered into the contractor's case management tracking system, and hard copy documentation of assessment; placement and referrals are sent to the local ISD field office. ISD field office personnel enter this data into the ISD2 work screens.

Once an activity begins the work eligible recipient must report attendance in all non-paid activities to the contractor via time sheets or directly to the ISD field office. Each time sheet received by the contractor is checked for completeness, accuracy and timeliness by the Career Development Specialist and entered into the contractor's data base. A hard copy of the time sheet is sent to ISD where the local ISD office staff reviews the documentation for completeness, accuracy and timeliness. The data from the documentation is then entered into ISD2 work screens. If the time sheet is received by the local ISD office first, the data integrity check process works the same but the flow is reversed.

If the work-eligible recipient fails to comply with any of these processes, the work contractor sends a notice of non-compliance to the local ISD office. ISD office staff will evaluate for conciliation or sanction and notify the work-eligible recipient and the contractor of the action taken. Data entry capturing these actions is recorded in each of the computer systems.

Periodic meetings between the contractors and local ISD staff are held to reconcile discrepancies in data. New



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Mexico is currently working with a private contractor to modify the case management tracking systems from multiple data bases to a single web-based application used by all work program contractors statewide. This is being done in order to enhance the ability to compare historical and current work-eligible recipient data to ensure accuracy and reconciliation of data in both the single web-based application and the ISD2 system. New Mexico believes that this system development will ensure a user friendly management tool that is designed to facilitate the entering, monitoring and reporting of relevant, accurate and timely program-specific data.

Documentation:

1. For each of the above data elements, describe the State's data validation procedures to ensure "complete and accurate" data reporting.

All of the data elements listed above go through three reviews. One Management Analyst completes the initial review all of the elements listed on the report, and compares it to what is listed on the mainframe, ISD2, and other interfaces. The second Management Analyst conducts the second review of all the elements on the report and compares it to information on ISD2 and interfaces, makes changes as necessary on the paper report, enters required changes on the local TANF Reporting System as well as comparing the information on the paper report to what is listed on the TANF Reporting System, and runs the Warning and Fatal Edits check. The Staff Manager completes the final review. Any errors that the Staff Manager finds are sent back to the Management Analyst for correction on the report and the TANF Reporting System. These procedures were recommended and employed because of an internal Human Services audit.

Reporting Month – Data for the ACF-199 is run on the 15th of the month for the prior benefit month. The reporting month will be the month for which the data is run.

Stratum – As noted in the ACF-199 section, New Mexico sample is stratified to meet the TANF reporting requirements. The case selection for each stratum within the sample is processed independently.

Case Number – The Social Security Number of the head of household is tied to a unique internal id on the state's mainframe. This assures when the information is extracted for the ACF- 199 report, data from the selected case is not be attributed to another case.

Disposition – The disposition of a case is reviewed by a state office worker. If a change is necessary, the change is made on the report and the TANF Reporting System.

Type of Family for Work Participation – The type of family for work participation is listed on the paper report is compared to the information regarding the family listed on the mainframe. The worker looks at family composition, any documented disabilities, citizenship, relationship of family members, and makes a decision on whether the type of family listed is correct. This information is also reviewed by the second and third reviewers.

Amount of Food Stamps Assistance – The amount of Food Stamp assistance listed on the report is compared to amount shown on the Benefit History Screen of ISD2.

Receives Subsidized Child Care – Subsidized childcare is reported through an interface with the Children, Youth and Families Department' FACTS system. If subsidized childcare was received by the family, the amount of childcare received is listed on the report, along with the appropriate indicator of received childcare. If childcare is not received, the report will show \$0.00 childcare, along with the appropriate indicator.



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Amounts of TANF (and SSP-MOE) Assistance - The amount of TANF assistance listed on the report is compared to amount shown on the Benefit History Screen of ISD2.

Family Affiliation Code – The coding shown on the report for family affiliation is reviewed by the state office worker and compared to other information that is listed on the report for inconsistencies, and then compared to the family's data shown on the mainframe. The county office staff is notified of any possible coding inconsistencies, and asked to review the coding. County office staff notifies state office of any corrections, or if the coding shown is correct.

If the county office reports that coding was changed, the state office worker will document the change on the report and make the appropriate changes on the local TANF Reporting System.

Non-custodial Parent Indicator – The non-custodial parent indicator is defaulted to “No”. In New Mexico, if the second parent is in the household, the parent must be included in the household's application.

Date of Birth (Adult) – The adult's date of birth is entered on the mainframe by the FAA from documents provided at the time of application. The state office worker can catch obvious data entry errors, such as the age of the adult, based on the date of birth listed, making the adult younger than a child in the case. County offices are immediately notified of these errors.

Relationship to Head-of-Household – The relationship to head of the household is shown on the report from data entered on the FACL screen in corresponding “Relationship” field.

The relationship codes listed on the FACL screen are:

- A – Self/Specified Relative
- B – Spouse/Step-Parent
- D – Daughter
- E – Brother
- F – Sister
- G – Granddaughter
- H – Grandson
- I – Grandmother
- J – Grandfather
- L – Niece
- M – Nephew
- N – Other related child
- O – Non-Related Adult
- P – Other Adult
- S – Son
- U – Unrelated child
- W – Other Single Adult

The codes listed on the ACF-199 are reviewed for accuracy and potential miscoding. County office staff is notified of any coding errors.

Parent with Minor Child – The coding shown on the report for a parent with a minor child is reviewed by the state office worker and compared to other information listed on the report for inconsistencies, and the information is compared to data listed on the mainframe. The county office staff is notified of any possible



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coding inconsistencies, and asked to review the coding. County office staff notifies state office of any corrections, or if the coding shown is correct.

If the county office reports that coding was changed, the state office worker documents the change on the report, and makes the appropriate changes on the TANF Reporting System.

Work-Eligible Individual Indicator – The work eligible indicator will be a “Yes” or a “No” valid value. This is determined by the FAA at the county office level. The state office worker reviews the information on the report, and compares it to the case information shown on ISD2. If the state office worker identifies a potential coding inconsistency, the county office staff is notified immediately. County office staff notifies state office of any corrections, or let state office know that the listed code is correct.

Date of Birth (Child) - The child’s date of birth is entered on the mainframe by the FAA from documents provided at the time of application. The state office worker can catch obvious data entry errors, such as the age of the child, based on the listed date of birth, making the child older than the parent in the case. County offices are immediately notified of any of these errors.

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

Reviews conducted by state office staff will catch data inconsistencies between two or more data elements. An example of data inconsistencies is the following situation. The state opts to disregard SSI recipients, and consider the case as a child only case. The report shows the head of household has SSI income, but the “Type of Family for Work Participation” data element has the case coded as “Family Included Only In Overall Work Participation Rate”; the “Family Affiliation” data element has the adult coded as “Member Of The Eligible Family Receiving Assistance”, and the “Parent with Minor Child” data element is the parental status as “No”.

The review would find that since the head of household is receiving SSI, the correct “Type of Family for Work Participation” data element should be ‘Family Excluded From Both The Overall and Two-Parent Work Participation Rate’; the “Family Affiliation” code should be “Parent of Minor Child in the Eligible Family Receiving Assistance Not in the Eligible Family, but in the Household. The correct “Parent with a Minor Child” coding would be “Yes, A Parent with a Minor Child, But Not Used in the Two-Parent Rate.

Central office will also run the “Fatal Edits” check will to pick up the major coding inconsistencies.

Work Participation Status

1. Describe the State’s procedures to ensure that a family is not disregarded from the work participation rate for more than 12 months per lifetime based on being a single custodial parent with a child less than one year of age.

Once a client has requested a waiver for caring for a child under the age of one, after being informed of the option by the case worker, the FAA will check the historical tracking feature of the ISD2 database and ensure that the client has not exhausted the twelve month lifetime limit for this waiver. Once the FAA has reviewed the client’s TANF history and determined that the client is eligible for the waiver, the FAA will enter the appropriate work eligible or waived coding into the ISD2 database. If the waiver is requested and granted, the client is informed of the number of months remaining on the waiver and of her responsibility to participate in work after the waiver expires.



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For any case pulled in the sample, the TANF reporting staff will review the waiver designation and will also review the client's TANF history on the ISD2 screen to double check the appropriateness of the waiver. If a waiver has been granted in error, the Reporting Staff will notify the FAA case custodian of the incorrect coding so that changes can be made to the ISD2 database and action is then taken to notify the client and work programs contractor of the upgraded work-status.

State office can readily see if an individual has been coded as having a waiver for caring for a child under age one for more than twelve months. If a case such as this is found, the information is corrected on the ACF-199, and regional and county staff is notified of the miscoding.

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

Each month that a client receives a sanction for failure to engage in a participation activity, the FAA will code the client in the ISD2 database as sanctioned. The ISD2 database will track each individual month that a sanction was imposed on a client in the historical tracking feature of the data base.

For any case pulled in the sample, TANF reporting staff will review the client's TANF history on a monthly basis. The reporting staff will make the determination if the client has been sanctioned for more than three months within the last twelve months by counting each monthly sanction beginning with the current sample month and going back eleven additional months. Any client with three months or less sanctions in that time period will be evaluated for participation. If the client has three or less months in sanction in the last twelve and is not meeting the federal requirement, the case will be disregarded from the participation rate (removed from the numerator and denominator). If the client has three or less months in sanction in the last twelve months and is meeting the requirement the case will remain in the numerator and denominator for the participation rate calculation. Should the client have four or more months of sanctions in the same time period, they will be evaluated for meeting the work requirement and continue to be included in the participation rate.

The Life Time Limits screen (Option 6) will show the benefits received for each month the individual is on TANF, and the amount of the sanction reduction. State office state can determine by the information on these screens if the case is an appropriate sanction disregard.

If an appropriate decision cannot be made from the information, state office contacts the county staff for more information.

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

Birthdates of all TANF participants are verified through birth certificates or other articles of documentation and entered into the New Mexico's eligibility system. In order to qualify for the reduced requirement of 20 hours participation a single parent must have a child under the age of 6.

The state office workers reviewing the case will look at the relationship codes, ages of the children, Work Program activity, Work Program activity start date, and the attendance hours to ensure that the work participation code listed on the report is correct. If the worker finds an incorrect code, the correct work participation code is entered on the report.



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How New Mexico ensures that the requirements for a single custodial parent with a child under 6 are being met:

During the initial client interview with an FAA at a state field office, the FAA will inquire about the client's marital status and the birth dates of the client's children. Before any TANF funds are spent, the client must submit documentation to the FAA supporting the client's marital status and the children's birth dates. To confirm the child's birth date, a birth certificate is required. The FAA will review the birth certificate, document the child's birth year and then enter the documented information into the ISD2 database.

The client then meets with a works program contractor who will conduct an assessment and create a Work Participation Agreement. The works program contractor will then be responsible for gathering all the documentation needed to document the participation hours.

TANF reporting staff will review each client case pulled in the monthly TANF sample. Reviewing the ISD2 database, the reporting staff will look at the client's coded marital status as well as the absent parent information for the children in the household. Additionally, if there is another adult in the household and the client is being coded as a single parent, the reporting staff will contact the FAA to get clarification on the identity of the other adult.

Regarding the children, the reporting staff will review the birthdates for the children. Reporting staff will ensure all qualifying children under the age of 6 have been cross matched with the Social Security interface and name and date of birth are confirmed as consistent with SSN assigned. For any child not confirmed as accurate by Social Security interface, the reporting staff will contact the FAA and request that the birth certificate be faxed to the central office. Once the reporting staff is confident that the client is a single parent and that there is a child in the household under the age of 6 years as of the sample month, the client's participation hours will be examined. To ensure that the client is meeting 20 hours of core participation activity, reporting staff will contact the FAA and request that the supporting documentation be faxed to the central office reporting staff. Only work participation hours that have been documented and authenticated will be reported to HHS.



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ATTACHMENTS

Attachment A	What You Still Need	ISD 160
Attachment B	Personal Wage Record	ISD 418
Attachment C	Approval Letter for “Mini” Simplified Food Stamp Program	
Attachment D	Non-paid Work Activity Time sheet	
Attachment E	Map of New Mexico Works Program Service Delivery Areas	
Attachment F	Assessment and Referral Verification	DWP 001
Attachment G	Attendance and Transportation Reimbursement	DWP 290