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State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

FROM: Ed Emmons, Acting Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: 18-17  
DATE: 09/14/2018

W-2 ☒ EA ☐ CF ☐ JAL ☐

RAP ☐ TMJ ☐ TJ ☐ Other EP ☐

**SUBJECT: W-2 Transition Participant Engagement Incentive Requirements**

**CROSS REFERENCE:** [W-2 Manual, 5.5.1.2 How to Use a Formal Assessment](#)  
[W-2 Manual, 6.4.1 CARES Screen WPCS](#)  
[W-2 Manual, 7.4.2.1 General W-2 T Participant Description Characteristics](#)  
[W-2 Manual, 6.3.2 W-2 Work Participation Documentation, Verification and Supervision](#)  
[W-2 Manual Appendix - Activity Codes](#)  
[Operations Memo 17-23: Wisconsin Works \(W-2\) Contractor Payment Structure for 2018 W-2 and Related Programs Contracts](#)  
[Operations Memo 18-08: Changes to the Wisconsin Works \(W-2\) Transition \(W-2 T\) Participant Engagement Incentive](#)  
[Operations Memo 07-55: W-2 Work Participation Documentation, Verification and Supervision Policy and Procedures](#)

**EFFECTIVE DATE:** Immediately

**PURPOSE**

The purpose of this memo is to direct W-2 agencies to review the requirements related to the W-2 Transition (W-2 T) Participant Engagement Incentive and to emphasize policy related to W-2 T placement requirements, formal assessment, assignment of activities and hours, and verification of participation.

This memo alerts W-2 agencies that failure to document the assignment of appropriate participant placements, activities, activity hours, and participation may result in the take back of payments for the W-2 Transition Participant Engagement Incentive.

## BACKGROUND

Effective January 1, 2018, the Department of Children and Families (DCF) introduced a new incentive payment, the W-2 T Participant Engagement Incentive. As released with [Operations Memo 17-23](#) detailing the new incentive payments, the [2018 W-2 Contractor Payment Structure \(Requirements for 2018\)](#), Section 7 states, “DCF will pay a monthly payment to a W-2 Contractor on a per participant basis for engaging W-2 Transition participants in a specific minimum number of allowable weekly activity hours during a consecutive three-month period.”

During the second quarter of 2018, Milwaukee Operations Section (MOS) Regional Administrators completed statewide monitoring reviews of W-2 T Participant Engagement Incentive cases assigned 10 or more hours of activities to validate placement, activity assignment, hours, and participation. The intent of the monitoring was to review placement justification, appropriateness of activity assignment, appropriateness of the hours assigned, and documentation of attendance.

MOS Regional Administrators monitoring reviews found that:

- 1) W-2 agencies did not have a valid formal assessment for the incentive period or the formal assessment assignment component was not completed timely prior to assigning the W-2 T placement.
- 2) W-2 agencies did not record barriers and accommodations on CARES mainframe screen WPBD for the incentive period.
- 3) Hours assigned to an assessment activity did not match the actual hours necessary to complete the activity. (Example: Assessment component open for 30 hours per week for three months.)
- 4) Assignment of activity hours did not align with the number of hours recommended on the formal assessment.
- 5) Non-participation was not entered accurately or timely on CARES screen WPNP.
- 6) Attendance logs in the Electronic Case File (ECF) did not support activity assignment.
- 7) Activities did not meet activity code definitions as defined in [W-2 Manual Appendix - Activity Codes](#). (Example: Life Skills was incorrectly assigned for journaling.)
- 8) Activity components were open in the actual phase (A) on CARES screen WPCH prior to the begin date of the activity.
- 9) Formal assessment recommendations did not align with activity assignments. (Example: Assessment recommended structured work site, but the participant was assigned to warehouse.)
- 10) W-2 agencies did not document or use the Services and Accommodations to Help You Do Your W-2 Activities form ([2564](#)).
- 11) CARES case comments did not document the rationale for the placement and/or activity assignment.
- 12) Open components did not match the employability plan. (Example: Work experience assigned, but the Employability Plan (EP) shows training activity assigned.)
- 13) Information on CARES screens WPBD, WPJR, WPRU, and case comments did not align. (Example: WPJR’s response to “Are there barriers to employment” is ‘No,’ WPRU includes a response to “Is participant ready for unsubsidized employment” of ‘Yes;’ however, WPBD indicates a mental health barrier with a long duration, and case comments indicate that the participant has AODA and mental health issues that are preventing the participant from working.)

## **POLICY REVIEW**

In addition to the requirements defined in Section 7 of the [2018 W-2 Contractor Payment Structure \(Requirements for 2018\)](#) for W-2 T Participant Engagement Incentive payments, agencies must follow existing W-2 policy. The following policies apply specifically to activity assignment, hours of activity, participation, and the case file documentation needed to validate W-2 T Participant Engagement Incentive claims. Pursuant to [W-2 Manual Section 7.4.2.1](#), participants placed in a W-2 T must have a formal assessment scheduled and documented in CARES within 30 calendar days of the W-2 T placement. Financial and Employment Planners (FEPs) must document all formal assessment information, including a summary of findings and rationale of determinations and recommendations on CARES screen WPBD. Within 30 days of receiving the results of the formal assessment, FEPs must make necessary adjustments to a participant's placement, incorporating the services and accommodations recommended in the formal assessment. Any recommendations not included in the EP must be documented on CARES screen WPBD with the reason(s) they were not included. (See [W-2 Manual Section 5.5.1.2](#))

In conjunction with developing and documenting detailed activities for W-2 participants on the EP, FEPs must also enter correlating CARES activity codes on screen WPCS. The activity information entered on WPCS/WPCH must be accurate (i.e., begin date, weekly scheduled hours, daily scheduled hours, and actual end date) and align with the participant's EP on CARES screen WPAS. This includes recording hours of non-participation on CARES screen WPNP. (See [W-2 Manual Section 6.4.1](#) and [Operations Memo 07-55](#)) [W-2 Manual Appendix - Activity Codes](#) provides a complete listing of the W-2 activity codes.

In addition, for all W-2 participants who are in a W-2 T placement, Federal TANF Regulations require that all hours of work participation are supervised, documented, and verified. (See [W-2 Manual Appendix - TANF Work Participation Requirements](#)) The [Documentation, Verification and Supervision Criteria chart](#) provides specific details regarding requirements for each activity. All documentation collected must be maintained in participants' paper files or scanned into ECF. (See [W-2 Manual Section 6.3.2](#))

## **REPORTS**

In [Operations Memo 18-08](#), DCF referenced two reports that are available to assist the W-2 agencies in monitoring participant progress towards meeting the W-2 T Participant Engagement Incentive: *Caseload Report 10: Average Weekly Hours Worked* and *SPARC Report 07: W-2 T Engagement Incentive Monthly Report*.

DCF recommends that W-2 agencies review all cases on Caseload Report 10 daily to ensure appropriate placement, activity assignments, hours, and documentation of attendance prior to appearing on SPARC Report 07 for an incentive payment. Agencies will work to update cases as appropriate to reflect non-participation, incorrect activity assignment, or other changes in order to avoid incorrect payments.

## **AGENCY ACTION**

W-2 agencies must familiarize staff with all policy requirements related to appropriate placement and assignment of activities for W-2 T participants that may result in W-2 T Participant Engagement Incentive payment. In addition, agencies must update any relevant local agency processes and Standard Operating Procedures (SOPs) related to the placement and

assignment of activities for W-2 T participants. At a minimum, the following SOPs must be reviewed and updated as necessary to reflect adherence to the policies addressed in this memo:

- Assign Individualized Activities;
- Verify and Track Attendance;
- Provide Case Management for W-2 Participants; and
- Process Initial and Ongoing Eligibility for W-2.

Agencies must submit their SOPs to their Regional Administrator or Regional Coordinator at the Bureau of Regional Operations (BRO) or Milwaukee Operations Section (MOS) within 30 days of this publication.

Agencies requiring technical assistance in order to complete these actions must contact their Regional Administrator/Coordinator.

### BEST PRACTICES

DCF recommends that W-2 Agencies complete a thorough review of all policies addressed in this memo relevant to the W-2 T Participant Engagement Incentive and documentation, verification, and supervision requirements with staff through trainings or meetings. Agencies are encouraged to include Regional Administrators/Coordinators to share specific areas of non-compliance based on the monitoring completed to date.

As a best practice, W-2 agencies should develop quality assurance processes that include reviewing placement decisions, documenting completed formal assessments, developing employability plans, assigning activities based on assessment results, and ensuring appropriate documentation and verification in ECF.

In addition, DCF recommends W-2 agencies utilize quality assurance staff to review the cases included in SPARC Report 07.

### **RESOURCES**

The following resources are available for agency staff to reinforce the policies and processes that support the W-2 T Participant Engagement Incentive.

#### REPORTS:

Caseload Report 10: Average Weekly Hours Worked  
PS0609 Report #50 – Formal Assessment Due Report  
RP740TANF – W-2 TANF Activities Detail Report (CS1, CS2, CS3, CSJ, W-2 T)  
SPARC 07(a): W-2 T Engagement Incentive Detail

#### TRAININGS OFFERED BY THE PARTNER TRAINING TEAM (PTT):

##### **Face-to-Face (Classroom) Training:**

Strategies For Successful W-2 Caseload Documentation and Management  
W-2 Case Management: Assessment, Employability Plans & Activity Assignment  
W-2 Transitions (W-2 T) Employment Focused Engagement Strategies

**Blended Learning:**

WebI: Accessing, Viewing, and Editing Reports

**Coach's Corner:**

Layering Employability Plans and Activity Codes

Work Participation Documentation, Verification, and Supervision

**Computer-Based Trainings (CBT):**

Interactive Interviewing: Techniques and Best Practices

**Desk Aids:**

Work Programs Driver Flows

Initial Assessment and Employability Plans

Updating Activity Assignments

W-2 Non-Participation and Payment Reductions

W-2 Payment Reduction process

**Webcast Recordings:**

Activity Assignment and Definitions

Assessment Screens/Purpose

Goal Setting and Employability Planning

***W-2 TRANSITION PARTICIPANT ENGAGEMENT INCENTIVE TAKE BACKS***

BRO and MOS will begin fourth quarter monitoring of the W-2 T Participant Engagement Incentive after February 6, 2019. DCF may take back payments for any case that does not have documentation to support the requirements of the W-2 T Participant Engagement Incentive.

***CONTACTS***

For W-2 Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

For Performance Outcome Payment Questions: Jason Bergh

DCF/DFES/BWF/JB