

Children in the Family Independence Program

DEFINITION

Children enrolled in the Family Independence Program is the percentage of children under age 18 who were living in families receiving cash assistance through the Family Independence Program (FIP) on December 1, 2007. These data measure the number of children and families enrolled in FIP at one point in time. Children and families who participated in the program at other points in the year but were not enrolled on December 1, 2007 are not included.

SIGNIFICANCE

Rhode Island's Family Independence Program (FIP) helps families make successful transitions to work by providing the cash assistance and work supports, including food stamp benefits, health insurance and subsidized child care, that families need to maintain employment and provide for the healthy development of their children. Families qualify for cash assistance based on their income, resources they may have and the number of people in their families.¹

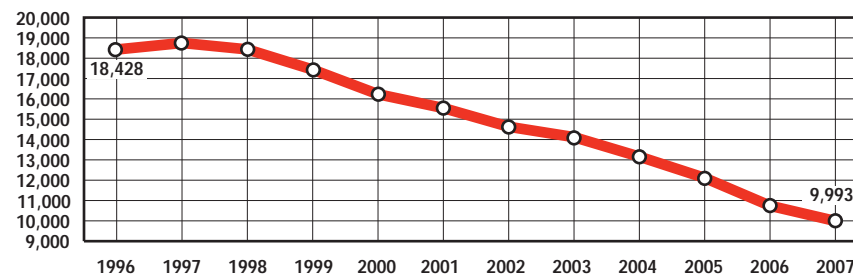
FIP promotes entry into sustainable jobs by providing work-preparation services, job skills training and placement, literacy and GED programs, vocational education, English-language programs and post-secondary education.²

FIP provides cash assistance to working families earning less than the poverty level. By disregarding some earnings in calculating the FIP payment, families' incomes and the state's ability to meet federal work participation requirements increase.³ FIP also helps families achieve economic security by connecting families to the Office of Child Support Services (OCSS). OCSS assists families in establishing paternity, establishing court orders for child support and collecting money from non-custodial parents. In Rhode Island, the first \$50 of child support paid on time each month on behalf of a child enrolled in FIP goes to the custodial parent.⁴

FIP provides a safety net for children whose parents are unable to work due to temporary or permanent disability. FIP also functions as an unemployment system for low-skilled parents who may not have had sufficient earnings to qualify for regular unemployment benefits when a job fails.

If a family has no earned income, the maximum FIP benefit for Rhode Island families of three is \$554 per month. The FIP monthly payment has not increased in 17 years. In December 2007, the average hourly wage of a parent enrolled in FIP and working was \$9.18 per hour.⁵

Caseload of the Family Independence Program*, 1996 - 2007

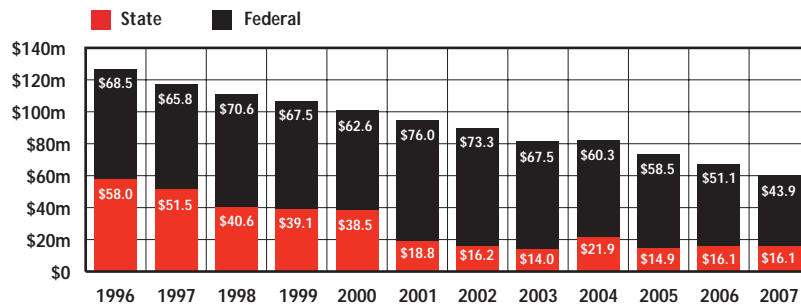


Source: Rhode Island Department of Human Services, InRhodes Database, December 1, 1996 – 2007. There can be multiple people in a case. *Prior to May 1, 1997 the Family Independence Program was called Aid to Families with Dependent Children (AFDC).

- ◆ **Between 1996 and 2007 there was a 46% decline in the FIP caseload, from 18,428 cases to 9,993 cases.**^{6,7}
- ◆ **Research from a longitudinal study of the FIP program shows that cash assistance recipients who remained enrolled in the program faced numerous barriers to employment, including: physical and mental health problems, housing, seasonal, temporary or part-time jobs, jobs that paid too little, inability to find a job and transportation.**⁸
- ◆ **In Rhode Island in December 2007, there were 6,242 adults and 17,808 children under the age of 18 who were enrolled in FIP. Three-quarters (74%) of all FIP beneficiaries were children under the age of 18.⁹ More than 2 in 5 (44%) children enrolled in FIP were under the age of six.¹⁰ In Rhode Island, 77% of the families enrolled in FIP have one or two children.¹¹**
- ◆ **In December 2007, there were 602 teen heads of household enrolled in FIP, representing 6% of the total caseload.¹² Teen parents receive parenting skills training and are supported in completing their high school education while enrolled in FIP.¹³**

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Rhode Island Family Independence Program,
State Fiscal Years 1996-2007*



Source: Rhode Island Department of Human Services, Family Independence Program 2007 Annual Report (FY 1996-2001); House Fiscal Advisory Staff. (2004-2006). *Budget as enacted: Fiscal Years 2005-2007*. Providence, RI: Rhode Island House of Representatives, (FY 2002-2007). *FY 96 - FY 06 are spent dollars, FY 07 are final dollars.

- ◆ Between state Fiscal Year 1996 and state Fiscal Year 2007, state general revenue spending for FIP decreased 72% from \$58 million to \$16.1 million.^{14,15}
- ◆ The \$16.1 million in state spending in Fiscal Year 2007 represents one-half of 1% of all state spending. On average, the state spends \$6.00 per day per child enrolled in FIP cash assistance.¹⁶

People with Disabilities in the Family Independence Program

- ◆ People with disabilities often face multiple barriers to work and may require unique services in order to succeed. These can include education and training, and/or treatment for behavioral health issues. Once in the workforce, people with disabilities may require accommodations in scheduling or workplace conditions. If parents are caring for a disabled child, barriers to employment may also include finding appropriate child care settings or needing a flexible workplace in order to meet the child's medical and education needs or to respond when a crisis arises.¹⁷
- ◆ In 2007 in Rhode Island, 16% (1,596) of families enrolled in FIP were headed by a parent who was permanently disabled and receiving SSI. These parents are not included in the FIP benefit and are exempt from the work requirement under FIP. An additional 11% (1,124) of families were exempt from the work requirement because of a temporary or permanent disability or because the parent was caring for a disabled family member.¹⁸

FIP by Case Type, 2007

Total FIP Caseload	9,993
Child-only cases	4,051
Cases with adults required to engage in a work activity	2,868
Cases with adults exempt from a work activity*	3,074

Source: Rhode Island Department of Human Services, InRhodes Database, 2007.

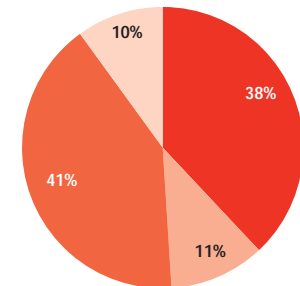
*Exemptions from work activities include: Disability or advanced age (995), caring for a disabled spouse or child (149), in third trimester of pregnancy (509), and youngest child under age one (1,421).

Families Required to Engage in a FIP Work Activity, 2007

By Type of Activity

38% (1,088)	Employed
11% (318)	Education/Training
41% (1,187)	Assessment/Transition
10% (275)	Sanctioned

n=2,868



Source: Rhode Island Department of Human Services, InRhodes Database, December 2007.

- ◆ As of December 2007, nearly 2 in 5 (38%) families who were required to engage in activities were employed. An additional 11% of families were engaged in approved education or training and 41% were in assessment or transition, meaning families were preparing an employment plan or had completed one activity and were transitioning into another.¹⁹
- ◆ One in 10 families required to engage in a work activity were sanctioned, meaning they lost benefits due to non-compliance. Families who were sanctioned as a result of a failure to comply with a work plan represent 3% of the total FIP caseload.²⁰

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The Family Independence Program Supports Working Families

- ◆ More than 2 in 5 of all cases closed in Rhode Island in 2007 were closed due to employment.²¹ In Fiscal Year 2006, 3,503 families left FIP for work and since 1998 a total of 33,853 families closed to FIP because of employment. This may include families who cycled on or off the program because of disruptions in employment.²²
- ◆ For those families whose cases are unable to close to FIP because their wages remain below the poverty threshold, the FIP cash payment provides an important resource to the household budget. A parent of two children working a minimum wage job for an entire calendar year at the 30 hour per week requirement would still qualify for a FIP cash supplement of \$1,900 per year. With EITC and Food Stamp benefits the families, income would be 125% of the federal poverty guideline.²³
- ◆ FIP supports working families and is also a safety net for those families in which a parent is temporarily or permanently unable to work. If a family has no earned income, the maximum monthly FIP benefit for a family of three is \$554 per month (\$6,648 per year).²⁴ With an additional \$4,716 per year in Food Stamps, this amount is 65% of the federal poverty guideline and well below the amount of income families need to pay basic living expenses.^{25,26}



FIP as a Support for Working Families (One parent, two children)

	Family Working 30 Hrs	Non-Working Family
Gross annual earnings	\$11,535	NA
FIP supplement	\$1,900	\$6,648
Food Stamps	\$ 4,056	\$4,716
State and Federal EITC	\$ 4,706	NA
Child Tax Credit	\$37	NA
Total Family Income	\$22,036	\$11,364

Source: Rhode Island Department of Human Services. (2007). *Family Independence Program: Ten years in review, 2007 Annual Report*. Cranston, RI: Rhode Island Department of Human Services.

- ◆ According to the *2006 Rhode Island Standard of Need*, a single-parent family with two children would need to earn at least \$14.76 per hour and receive child care and health insurance subsidies to make ends meet, compared to nearly \$27.50 per hour without these programs.²⁷



Adult Education and Work

- ◆ Preliminary 2007 annual unemployment data indicate that Rhode Island had the highest unemployment rate (4.8%) in New England and had a higher unemployment rate than the U.S. (4.6%).²⁸ Those without a high school diploma are more likely to have even higher unemployment rates than their peers with higher education levels.²⁹
- ◆ A growing number of jobs in today's labor market require a higher level of skill and/or credentials. The skill levels of average high school dropouts will qualify them for 10% of all new jobs between 2000 and 2010, while people possessing the skills of typical high school graduates will qualify for 22% of all new jobs.³⁰
- ◆ Of Rhode Island adults ages 16 to age 64 who were not enrolled in school, more than 83,000 had not completed their high school education, 9,000 had limited English proficiency, and almost 19,000 had both not completed high school and had limited English proficiency. In total, 20% of the adult working age population does not have the education and/or language skills necessary to succeed in today's labor market.³¹
- ◆ In Rhode Island, more than 2 in 5 parents (44%) enrolled in FIP reported not finishing high school and 36% of a recently tested cohort of FIP parents tested at or below a 6th grade reading ability. Sixty-six percent of native Spanish-speaking parents enrolled in FIP tested below a 6th grade reading ability on a Spanish-language test.^{32,33}
- ◆ Fostering greater integration of adult basic education and English language education with industry specific job training programs would strengthen the state's workforce.³⁴ Efforts to achieve this integration and move adults with limited educational and linguistic skills along career pathways that help families to be economically secure should include those adults in the Family Independence Program. Parents enrolled in FIP make up a critical segment of the workforce that needs access to adult education and training.

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Current Rhode Island FIP Policies, 2007

Work Requirements

◆ FIP applicants must complete, sign and participate in an employment plan, as a condition of eligibility for FIP. Single-parent families are required to be engaged in a work activity for a minimum of 20 hours per week if their youngest child is under the age of six, and a minimum of 30 hours per week if the youngest child is six years of age or older. Participants are allowed to combine 10 hours of education and training with 20 hours of work to reach the 30 hour work requirement.³⁵

Time Limits

◆ The lifetime limit a parent can receive FIP is 60 months. Family cash assistance issued in any other state will count toward the 60 month time limit in Rhode Island. Children in families that are income-eligible are entitled to cash assistance without time limit, except for children in sanctioned families.³⁶

Child-Only Cases

◆ Child-only cases are those that receive assistance only for the children in the family because the child is living with a non-parent relative (382), the parent has reached their five-year time limit (1,462), the parent is disabled and receiving Supplemental Security Income (1,596) or the parent is a refugee or is not an eligible immigrant (611).³⁷

Sanctions

◆ When a parent fails to comply with their employment plan for a cumulative 6 months, the entire family loses the FIP benefit. Prior to reaching the 6 month full family sanction, graduated sanctions are applied to the parent's share of the benefit.³⁸

Source of Data for Table/Methodology

Rhode Island Department of Human Services, InRhodes Database, December 2007. The denominator is the total number of children under age 18 from U.S. Bureau of the Census, Census 2000. Summary File 1, P12.

Core Cities are Central Falls, Newport, Pawtucket, Providence, West Warwick & Woonsocket.

References

^{1,2,3,4,13,35,36,38} Rhode Island Department of Human Services. (n.d.). *Department of Human Services Code of Rules: Family Independence Program*. Retrieved February 27, 2008 from www.ridhscode.org/0800.htm

^{5,7,9,10,12,18,19,20,21,24,32,37} Rhode Island Department of Human Services, InRhodes Database, December 2007.

⁶ Rhode Island Department of Human Services, InRhodes Database, December 1996.

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Table 10. Children Enrolled in the Family Independence Program (FIP), Rhode Island, December 1, 2007

CITY/TOWN	ALL CHILDREN UNDER 18	NUMBER RECEIVING FIP CASH ASSISTANCE		CHILDREN IN FIP AS % OF ALL CHILDREN UNDER AGE 18
		FAMILIES	CHILDREN	
Barrington	4,745	19	24	1%
Bristol	4,399	43	62	1%
Burrillville	4,043	52	81	2%
Central Falls	5,531	586	1,104	20%
Charlestown	1,712	23	47	3%
Coventry	8,389	137	211	3%
Cranston	17,098	486	795	5%
Cumberland	7,690	99	172	2%
East Greenwich	3,564	27	45	1%
East Providence	10,546	294	456	4%
Exeter	1,589	20	36	2%
Foster	1,105	14	22	2%
Glocester	2,664	22	27	1%
Hopkinton	2,011	22	44	2%
Jamestown	1,238	2	3	0%
Johnston	5,906	155	257	4%
Lincoln	5,157	80	140	3%
Little Compton	780	3	3	<1%
Middletown	4,328	58	92	2%
Narragansett	2,833	27	40	1%
New Shoreham	185	0	0	0%
Newport	5,199	228	453	9%
North Kingstown	6,848	124	203	3%
North Providence	5,936	148	205	3%
North Smithfield	2,379	20	27	1%
Pawtucket	18,151	1,161	1,984	11%
Portsmouth	4,329	19	27	1%
Providence	45,277	4,303	8,091	18%
Richmond	2,014	14	28	1%
Scituate	2,635	19	26	1%
Smithfield	4,019	23	40	1%
South Kingstown	6,284	57	120	2%
Tiverton	3,367	36	43	1%
Warren	2,454	56	74	3%
Warwick	18,780	328	485	3%
West Greenwich	1,444	8	11	1%
West Warwick	6,632	245	417	6%
Westerly	5,406	96	152	3%
Woonsocket	11,155	939	1,761	16%
Core Cities	91,945	7,462	13,810	15%
Remainder of State	155,877	2,531	3,998	3%
Rhode Island	247,822	9,993	17,808	7%