



U.S. Department of Health and Human Services

ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Family Assistance

Maximizing Multiple Funding Streams to Improve Employment Outcomes

Wednesday, November 28, 2012 ❖ 1:00 – 2:30 p.m. Eastern Time

Welcome! The session will begin momentarily.

Please Dial **1-877-668-4493** and enter the Access Code: **666 578 036** to join the Audio portion of the Webinar.

Presenters:

- ◆ **Dan Bloom**, MDRC◆
- ◆ **James Butler**, Office of Family Assistance◆
- ◆ **Alice Frechette Johns**, Connecticut Department of Labor◆
- ◆ **Maria Mojica**, Hartford Foundation for Public Giving◆
- ◆ **Meredith Threatt**, Dayton, Ohio Human Relations Council◆
- ◆ **Damon Waters**, ICF International◆



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Overview and Introduction:

James Butler

*Federal Project Officer
Office of Family Assistance*



U.S. Department of Health and Human Services

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Damon Waters

Technical Specialist

ICF International

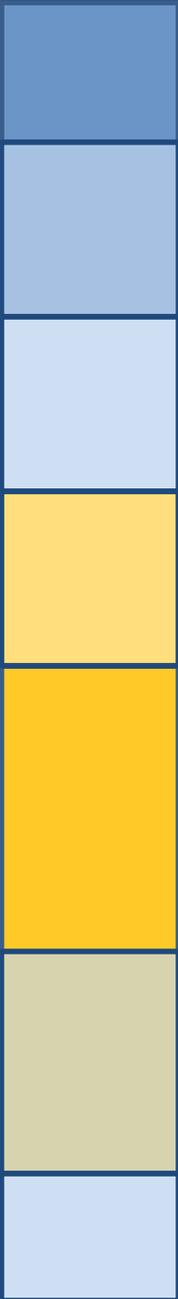


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Dan Bloom

*Director, Health and Barriers
to Employment Policy Area
MDRC*



Subsidized employment and transitional jobs: What we know from research

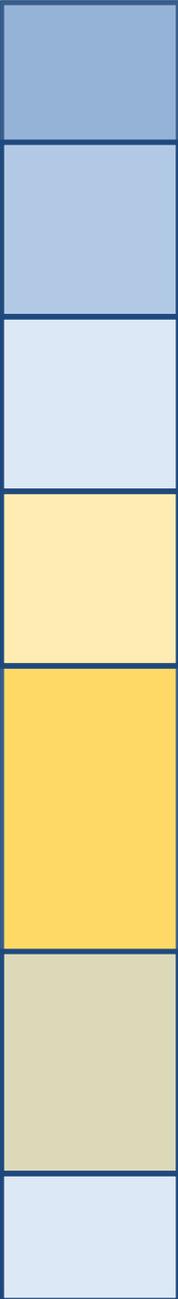
Maximizing Multiple Funding Streams to Improve
Employment Outcomes

November 28, 2012

Presentation by: Dan Bloom

Presentation outline

- Background on subsidized employment
- The ARRA experience
- Evaluation evidence
- Current research
- Lessons



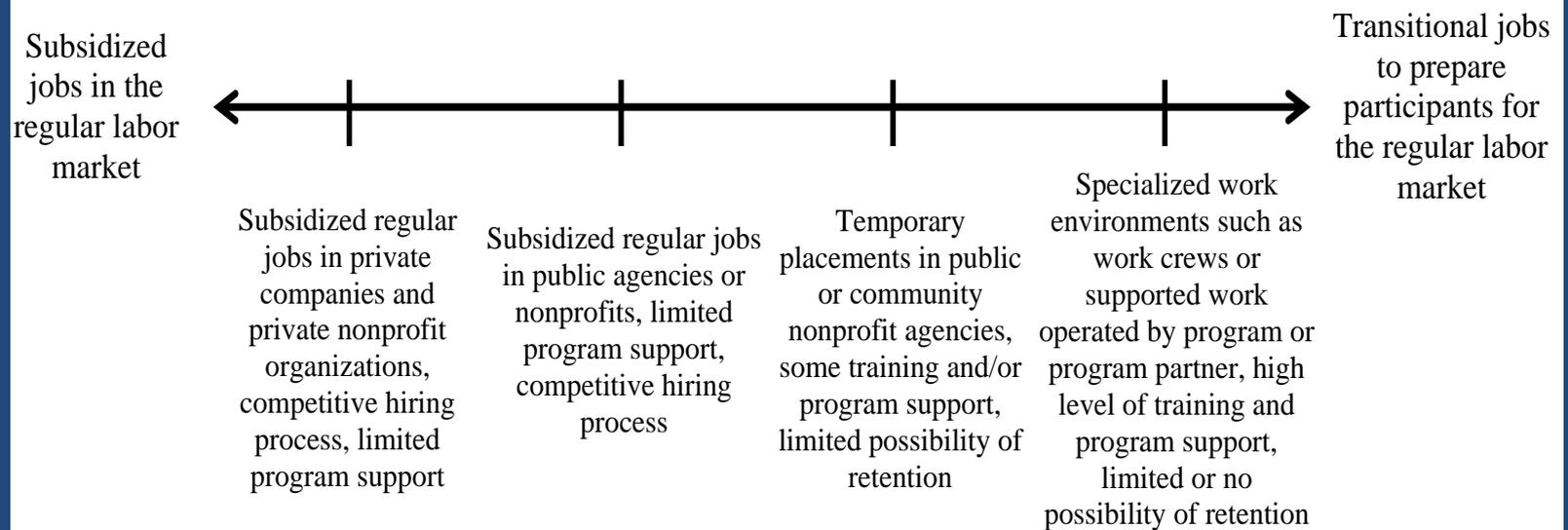
Subsidized employment

- Programs that use public funds to create or support jobs for people who can't otherwise find work
- Many approaches, including:
 - Community service employment
 - Public service employment
 - Paid work experience
 - Supported work
 - Transitional jobs
 - On-the-job training

Subsidized employment: Many areas of variation

- Goals
 - Provide work-based income support (counter-cyclical)
 - Improve long-term labor market outcomes
 - Improve communities
- Targeting
 - Broad focus on unemployed workers
 - Narrow focus on the “hard to employ”
- Program structure
 - Location of subsidized jobs
 - Structure of subsidies
 - Employer of record
 - Possibility of “rollover”
- Ancillary supports
 - Ranges from intensive to non-existent

Spectrum of types of subsidized employment programs



Program and subsidy structure

- Subsidized private sector employment
 - Most often reimburse employer for wages (flat payment, proportion of wage, or declining reimbursement)
 - Some provide on-the-job training
- Scattered site transitional job
 - Job placement with nonprofit organizations or government agencies
 - Participants remain on payroll of agency that runs the TJ program
- In-house transitional job
 - Jobs directly for program such as a social enterprise (e.g. Goodwill Industries)
 - Work crew model

Two contrasting examples

- Center for Employment Opportunities
 - NYC-based TJ program for ex-offenders
 - Gov't agencies contract for CEO work crews; supervisors work for CEO
 - Extensive supports, case management, job development/placement, fatherhood, etc.
- Pennsylvania Way to Work (TANF EF)
 - Statewide; targeted parents below 235% FPL
 - Reimbursed employers 100% up to \$13/hour
 - More than 25,000 placements

The ARRA experience

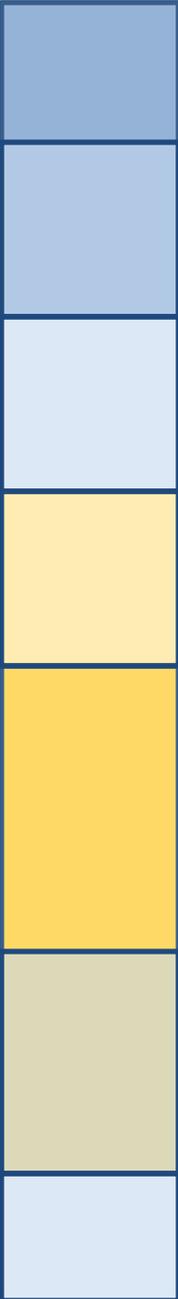
- Almost all states ran subsidized employment programs using TANF Emergency Contingency Fund
 - \$1.3 billion drawn down for this purpose
- Programs ramped up very quickly and most ended or scaled back quickly when Fund expired in 2010
- About 250,000 placements nationwide
 - Half were youth in summer jobs
- Over half of placements were in CA, PA, IL, TX
 - 14 states had at least 5,000 placements

The ARRA experience (cont.)

- Most states did not explicitly target the “hard to employ” or TANF recipients; targeted low-income, unemployed parents
- Most placements were in private sector
 - Contrast to earlier counter-cyclical programs
- Emphasis on transition to unsubsidized employment varied
 - Generally not a major focus
 - Some states used step-down subsidies

Subsidized employment: Research evidence

- Need to understand a program's goals before evaluating it
 - A program that does not focus on building long-term employability should not be judged on that outcome
- A number of random assignment studies of subsidized employment programs since 1970s
- Tested programs that aimed to improve long-term employment outcomes



Subsidized employment: Research evidence (cont.)

- Supported work (1970s-80s)
 - Large early employment gains driven by subsidized jobs
 - Sustained gains for welfare recipients, but not for ex-offenders, youth, or ex-addicts
- On-the-job-training (1980s)
 - Sustained earnings gains in several studies
 - Programs were mostly small, selective

Transitional jobs: Research evidence(cont.)

- Very large short-term increases in employment for hard-to-employ groups.
 - Programs served many people who would not otherwise have been working
- Not much evidence of post-program increases in employment or earnings.
- Some positive impacts on other key outcomes (e.g., recidivism, TANF receipt)
- Recurring issues: targeting, transitions.
- Some evidence that programs work better for more disadvantaged, higher risk, and in bad economy.

Why no long-term employment gains?

- No way to know for sure, but some hypotheses:
 - Programs targeted the wrong people
 - TJ experience did not make participants substantially more employable
 - Programs did not focus enough on the transition to unsubsidized employment
 - Resistance to hiring certain groups is so strong that TJ didn't change perceptions

Current research

- Two projects testing the next generation of subsidized employment programs
 - DOL Enhanced Transitional Jobs Demonstration
 - Testing 7 programs for ex-offenders and noncustodial parents
 - HHS Subsidized and Transitional Employment Demonstration
 - Testing up to 7 programs for a range of populations (TANF recipients, youth, etc.)

Lessons

- Need to be clear about program goals
 - Is goal to create jobs for the unemployed, promote long-term employment, or both?
 - Goals will shape targeting and program design
 - Don't simply assume that work experience will make people more employable
- Scarce subsidized employment resources should be targeted where they can make the most difference
 - Target individuals who can't find jobs on their own
 - Target employers who will use subsidies to increase net number of jobs
- Pay attention to “systems” issues



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Alice Frechette Johns

*Program Manager, Jobs First Employment
Services, Connecticut Department of Labor*

Connecticut Department of Labor



Jobs First Employment Services Supporting Subsidized Employment

November 28, 2012



Jobs First



Connecticut Department of Social Services (DSS) is the state's designated TANF agency

- Responsible for administration of the Jobs First program which includes:
 - TANF cash assistance
 - Child care assistance
 - Employment services

Jobs First Employment Services



Connecticut Department of Labor (DOL) is also responsible for Jobs First Employment Services (JFES), the provision of employment-related services to non-exempt recipients of TANF cash assistance (approx 8,000 monthly caseload). Program includes:

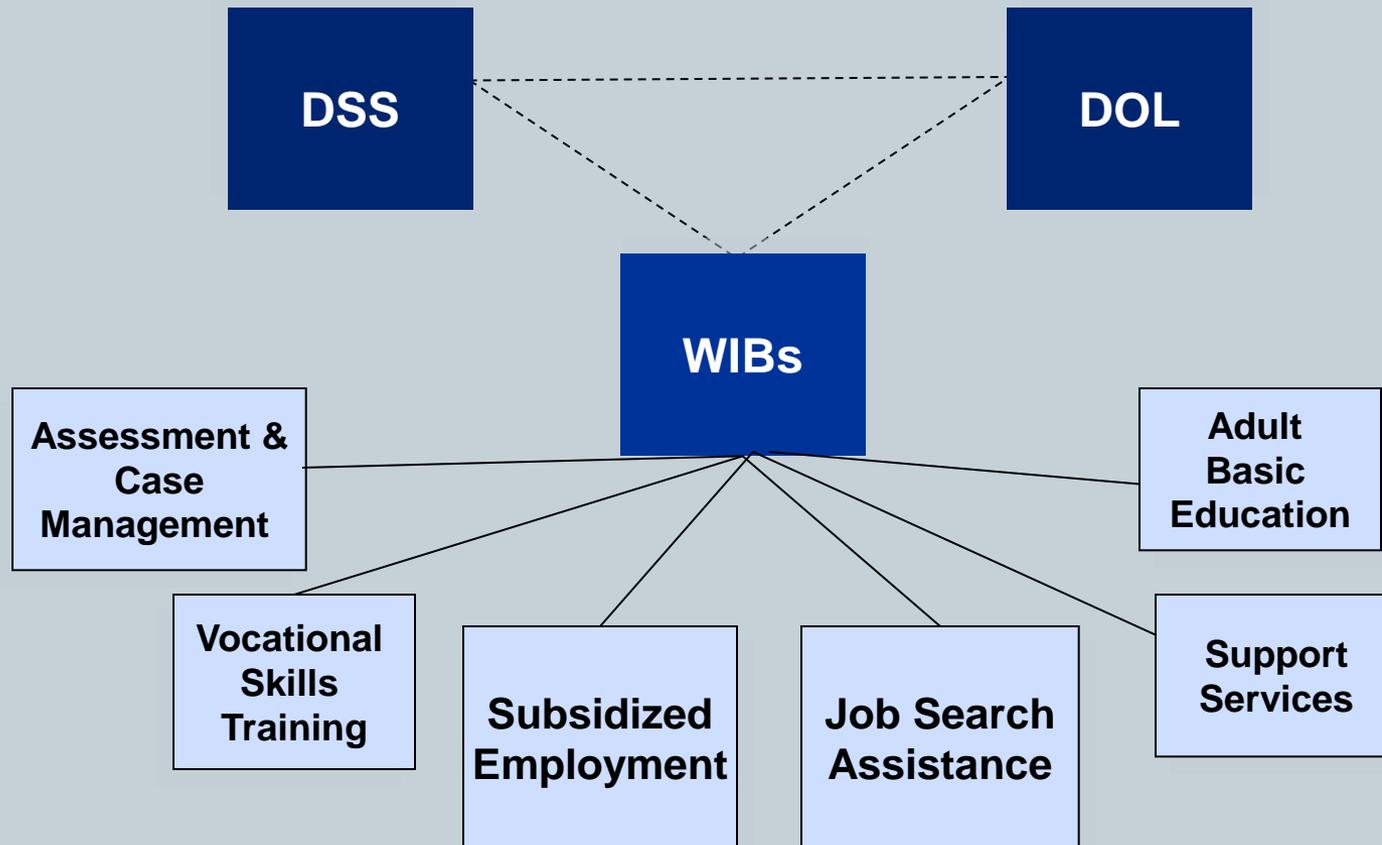
- Employment assessments
- Employment plan development
- Case management
- Job search assistance
- Occupational skills training
- Basic education
- Subsidized employment
- Employment support services
- Interagency case management/database system

Jobs First Employment Services



- DOL provides these employment services in partnership with the DSS and regional Workforce Investment Boards (WIBs)
- By contracting with the WIBs, DOL and its partners leverage Workforce Investment system resources for JFES customers
 - Workforce Investment Act (WIA)
 - WIB state funded programs
 - Grant funded services

Interagency Collaboration



Program Integration



- JFES are provided through the *CTWorks* One-Stop Centers
- *CTWorks* One-Stop Centers' business system is an interagency case management/database system for the purpose of administering JFES
- *CTWorks* One-Stop Centers' business system integrates the JFES program with other One-Stop programs (WIA and Wagner Peyser funded)

Jobs First Subsidized Employment



Funding Opportunities

State JFES Appropriation to DOL

- DOL contracts with regional WIBs
- WIBs assess the needs of the JFES population in their region and the needs of local labor market to determine level of service within appropriations
- For Program Year 2012-13, WIBs planned for 316 subsidized employment opportunities with JFES state appropriations

Subsidized Employment



Funding Opportunities

State Bond Funds for Economic Development

STEP UP Program

- Approved by Connecticut's General Assembly and signed into law by Governor Malloy in October 2011 as a part of the state's Jobs Bill
- Purpose - to promote job creation and worker opportunity for Connecticut's small businesses and unemployed workers during this time of high unemployment (CT's unemp rate as of Oct 2012 = 9%)

Subsidized Employment



STEP UP Programs

STEP UP Programs offers employer incentives to hire new employees and create jobs three ways:

1. *Wage Subsidy Program* – 5 million dollars per year for two years
2. *Small Manufacturer Training Grant Program* – 5 million dollars per year for two years
3. *Unemployed Armed Forces Member Subsidized Training and Employment Program* for eligible employers of any size who hire an unemployed veteran (added in June 2012).

Subsidized Employment



STEP UP Programs

Eligibility

- **Worker:**
 - Unemployed prior to hire
 - Resident of municipality with unemployment rate equal or higher than state rate as of 9/1/11 (8.6%) or resident in a town of 80,000 or more
 - Adjusted family income equal or less than 250% of federal poverty level
- **Employer:**
 - Business or manufacturer with no more than 100 full-time workers (no size limit for Unemployed Armed Forces Members Subsidized Training and Employment Program)

Subsidized Employment



STEP UP Programs

Status to Date

- 844 unemployed job seekers have been provided with jobs
- 330 small business owners have received incentives to help expand

Subsidized Employment



Leveraging State Bond-Funded STEP UP Programs

- STEP UP administered by DOL and the state's five Workforce Investment Boards (WIBs)
- WIBs also administer local JFES
- WIB's contractors ensure that JFES program customers are screened for STEP UP eligibility
- State Program Year 2012-13, WIBs estimate that 35 JFES customers will participate in the STEP UP Program

Subsidized Employment



Funding Opportunities

Leveraging Other One-Stop Resources

Connecticut's Youth Employment Program (CYEP)

- State funds appropriated to DOL
- Local WIBs combine funding from municipalities
- Provides subsidized employment opportunities for low income and disabled youth ages 14 through 21
- DOL contracts with the regional WIBs to administer locally
- WIBs ensure JFES customers who meet the age criteria are considered for placement in CT Youth Employment Program

Jobs First Employment Services



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Maria Mojica

*Vice President for Programs
Hartford Foundation for Public Giving*



Public Private Partnerships

**Building Relationships
Leveraging Resources**

Maria Mojica

Vice President for Programs

November 28, 2012

Mission of the Hartford Foundation

As Greater Hartford's community-wide charitable endowment, the Hartford Foundation for Public Giving is permanently committed to improving the quality of life for residents throughout the region.

To achieve this goal, we:

- [Provide financial and other support](#) that enables people and institutions to serve the community effectively
- [Promote informed charitable giving](#) in order to expand the region's philanthropic resources
- Participate actively in efforts to [identify important community needs](#) and opportunities, as well as the means to address them.

Guiding Principles for Grantmaking

- Broad-based grantmaking
- Substantial long-term community benefit
- Strengthening families and neighborhoods
- Strengthening the capacity of the nonprofit sector
- Increased diversity and outreach
- Cooperative efforts between private and public sectors
- Sustained and interrelated grantmaking
- Strategic grantmaking: *Accelerate Success*

Hartford Foundation Grantmaking 2011

- Number of grants 1,634
- Total grant dollars \$28,783,788
- Types of grants:
 - Regular and Capital
 - Initiatives and Special Projects
 - Transitional Operating Support
 - Nonprofit Support Program
 - Summer Program
 - Grants from Restricted Funds

Public Private Partnerships

- Workforce Investment Board – funding retention specialist; facilitate private donor support
- Regional Adult Literacy Partnership
- Workforce Solution Board of Metro Hartford
- TANF/ARRA 2010

Seizing an Opportunity to Help Families

Quick action and collaboration brought \$30 million in aid and 6,650 jobs to needy CT families during the recession

- Through Federal Temporary Assistance to Needy Families Emergency Contingency Fund (TANF-ECF) - part of federal stimulus package of 2010 (ARRA)
- Supported 95 programs at 67 nonprofit organizations
- Funding used for non-recurrent short-term benefits, subsidized employment and basic assistance
- Total philanthropic funding raised in Connecticut - \$614,713
- Hartford Foundation awarded \$371,625

“CT government, philanthropy and nonprofit advocates went to work in a public/private partnership that produced an initiative that was unique among all the states.”

Nancy Roberts
President, CT Council for Philanthropy

Why Did it Work?

- Foundations and United Ways couldn't pass up an opportunity to leverage funding 4:1 to help needy families
- Didn't let tight deadline deter us
- Deep commitment of three partners: private funders, public sector, nonprofit sector (23 foundations and United Ways, ___ state agencies, multiple business, 95 nonprofits and municipalities)
- Coordinating role of CT Council for Philanthropy

TIPS: Partnership and Leverage

Achieving Shared Goals

- Bring partnership and leverage opportunities to foundation if consistent with their priorities and areas of interest – don't wait for RFP
- Do your home work - know all you can about a foundation
- Some foundations do not fund public agencies directly – others do through a collaborative/partnership relationship
- Foundations can be early investor, but needs to see thoughtful planning for sustainability
- Foundations will join partnerships where there is depth and breadth to the shared problem and solutions

Contact Information

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Meredith Threatt

Section 3 Coordinator

Dayton, Ohio Human Relations Council



Employment Opportunities & Section 3

November 28, 2012
Meredith L. Threatt
City of Dayton, Ohio

What is Section 3?

Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 to **ensure** that **employment and other economic opportunities** generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, **be directed to low- and very low income persons**, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

When Does Section 3 Apply?

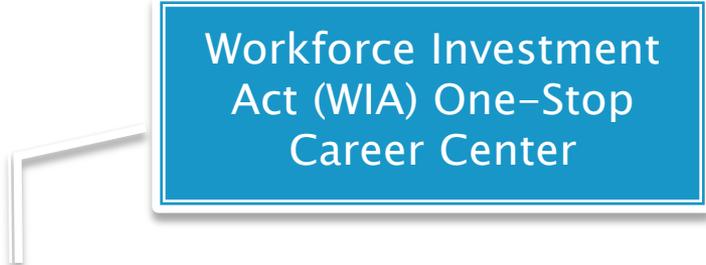
1. Construction projects funded using even \$0.01 of HUD funds when the project expenditure is greater than \$100,000
2. Section 3 also applies to grant recipients of \$200,000+ from housing & community development programs
3. Public Housing Authorities (PHAs) regardless of size or # of units are required to comply with Section 3 (Exception: PHAs that only receive or administer tenant-based Housing Choice [Section 8] Vouchers & do not utilize other financial assistance. Although exempt, compliance with Section 3 is encouraged.)

Housing & Community Development Grant Programs

- Community Development Block Grant (CDBG)
- HOME Investment Partnership
- Neighborhood Stabilization Program Grants (NSP 1, 2 & 3)
- Economic Development Initiative (EDI)/Brownfield Economic Development Initiative Grants
- Housing Opportunities for Persons with AIDS (HOPWA)
- Homeless Assistance Grants (ESG)
- University Partnership Grants
- Economic Stimulus Funds (including CDBG-R and CFP Supplemental)
- 202/811 Grants
- Lead Hazard Control Grants

City of Dayton & Section 3

- Publicly Bid Process
 - Certify Section 3 Businesses
 - Certify Section 3 Residents
 - Monitor Contract Compliance
 - Partnership w/ Montgomery County Job Center & Greater Dayton Premier Management to link employers w/ eligible Section 3 employees
- Subrecipient Agreements
 - Grants to Non-Profit Agencies
 - Co-Manage Some Projects
 - Monitor Agreement Compliance



Workforce Investment
Act (WIA) One-Stop
Career Center

Subrecipient Agreements

- St. Mary Development Corp — Construction / Demolition / Remodel
- East End Community Services — Construction / Demolition / Remodel
- St. Vincent Hotel — Operations
- Samaritan Homeless Clinic — Dental Equipment
- YWCA of Dayton — Plumbing
- Citywide Development Corp — Construction / Demolition / Remodel
- Homestart, Inc — Operations
- Habitat for Humanity — Construction / Demolition / Remodel
- Tawawa Comm Develop Corp — Construction / Demolition / Remodel

Success Stories

- Deconstructed 183 abandoned houses
- Built 29 residential houses that were made available for lease/ownership to low & very-low income residents of the region
- Renovated 8 homes
- Purchased/renovated 1 historic home
- Rehabbed 25 low-income apartment units
- Managed 527 low-income senior apartments
- Began construction of green roof on senior apartment complex which will save residents \$250/year in utility costs
- Assisted 1,683 homeowners with foreclosure prevention services
- Provided 77 families w/ emergency & permanent supportive housing
- Trained 150 workers to get 300+ professional construction trade certifications
- Provided 11,693 medical and dental visits to 2,540 uninsured, homeless patients at no cost

Finding Local Partners

To find local recipient agencies, contact your local HUD office.

The office nearest you can be found at:

www.hud.gov/localoffices



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Questions?



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