



Financing Employment Programs for Homeless People

*A U.S. Department of Housing and Urban Development
(HUD) training package prepared by ICF International and
Advocates for Human Potential, Inc.*



The Bottom Line

“Helping individuals succeed in the workforce is critical to personal and family financial stability as well as to the nation’s economic health and well-being.”

—The Finance Project

Purpose of Presentation

- To help you:
 - Understand the need for collaboration with the mainstream workforce system
 - Gain knowledge of Federal, State, local, and private resources available to fund employment services for homeless people
 - Learn how to use these resources to provide services to homeless jobseekers
- ▶ See the handout titled “HUD Employment Products” for additional items in this series

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This presentation is part of a series on developing employment services for homeless people, prepared for the U.S. Department of Housing and Urban Development (HUD) by ICF International and Advocates for Human Potential, Inc. Previous pieces in the series—which include audio lectures, guidebooks, and a teleconference—have covered such topics as community planning processes, accessing mainstream resources, and documenting employment results, among others. Additional pieces in the series are identified on the handout titled “HUD Employment Products.”

This training package focuses on where to get the money to fund employment services for people with multiple barriers to work. It is designed primarily for homeless assistance providers who want to work closely with their partners in the workforce development system. As a homeless assistance provider, this material is designed to help you learn the following:

- The importance of collaboration with the mainstream workforce system
- The types of Federal, State, local, and private resources that can be used to fund employment services for homeless people
- Successful strategies for using these resources to provide a full range of services for homeless jobseekers

Who Will Benefit?

- Providers in the Continuum of Care (CoC) and workforce development systems
- Committees developing long-term plans to end homelessness
- Program administrators and fundraisers

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Several groups can benefit from the material offered in this presentation. They include the following:

- Providers in the Continuum of Care and workforce development systems, who will become more familiar with where to find the money to support joint activities on behalf of homeless jobseekers
- Committees developing long-term plans to end homelessness, who likely will include employment activities in their planning process
- Program administrators and fundraisers, who have the responsibility to secure funding for new and ongoing employment services offered to homeless clients

Overview of Material

- Section 1: Things to know before you start
- Section 2: Research funding sources
 - Federal funding sources
 - State and local funding sources
 - The role of philanthropy
- Section 3: Putting the pieces together
- Section 4: Resources for more information

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This presentation is divided into four main sections:

- **Section 1: Things to know before you start** discusses the changing political and fiscal landscape that makes collaboration between the homeless assistance and workforce development systems imperative and highlights the importance of determining the type of program you want to offer before you research specific funding sources.
- **Section 2: Research funding sources** presents detailed information about types of Federal, State, local, and private funding for employment and training services and offers suggestions for making your search successful.
- **Section 3: Putting the pieces together** features examples of innovative ways to fund employment services for homeless and disadvantaged jobseekers and includes program examples.
- **Section 4: Resources for more information** features a compilation of selected Web sites, other online links, and publications cited throughout this presentation and in the accompanying handouts, organized to help you find additional material on specific topics or programs.

Value-Added Materials

- This symbol (▶) identifies handouts with additional information
- Access them from the HUD Homelessness Resource Exchange (HRE) Web site at www.hudhre.info
- Watch for Web links for more information on specific topics
 - Visit The Finance Project at www.financeproject.org to learn more


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To help you better understand the material in this presentation, which is provided in summary form, this training package features a set of handouts that offer additional information. These handouts are indicated on the slides with a small arrow (▶) and each can be found on HUD's Homelessness Resource Exchange Web site at www.hudhre.info. Look for these handouts:

- ▶ HUD Employment Products
- ▶ Key Stakeholders for a Workforce Development Initiative
- ▶ Federal Programs That Can Fund Employment for Homeless People
- ▶ Sources of Information on Federal Government Funding & Contracting
- ▶ The Food Stamp Employment and Training Program
- ▶ New Ticket to Work Regulations

In addition, this presentation features Web sites and other online links to help you find more detailed information about a specific topic. Our goal is to give you the basics about funding employment services for homeless people and refer you to the organizations and publications that cover this topic in more depth.

One of those organizations is The Finance Project (www.financeproject.org). The group's series of funding guides—in particular, *Finding Funding: A Guide to Federal Sources for Workforce Development Initiatives*—is an excellent resource for anyone that wants to seek funding for an employment or other community initiative. This presentation builds on the information compiled by The Finance Project by highlighting specific examples of funding strategies for employment programs that serve people with multiple barriers to work.



Section 1: Things to Know Before You Start

- Understand the changing political and fiscal landscape
- Learn about the workforce system
- Recognize the benefits of collaboration
- Select a broad stakeholder group
- Choose your population and services

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Funding employment programs for people who are homeless is a complex endeavor that necessarily involves multiple strategies, collaborators, and key decision points. It is not an oversimplification to say that you need to begin at the beginning. As The Finance Project notes, “Every good financing plan begins by answering the fundamental question: ‘Financing for what?’ and then aligns specific funding sources and financing strategies with the program components that are to be financed and the projected fiscal requirements.”

This section will help you understand the following:

- The changes in political philosophy and financing mechanisms that require creative thinking about funding employment services
- The funding and organization of the workforce development system
- The benefits of collaboration between the homeless assistance and workforce development systems
- The importance of choosing a broad stakeholder group and which individuals and organizations to include
- The need to focus your program on the individuals you want to serve and the services you are prepared to provide

The changing landscape

- Continuum of Care priorities have changed
- Mainstream resources fund employment
- Only one Federal program is dedicated to homeless jobseekers

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Many homeless assistance providers fund employment services for their clients using supportive services money available under HUD's McKinney-Vento Homeless Assistance Act programs. In recent years, HUD has prioritized permanent housing under the Continuum of Care, which is both a plan and an application for HUD McKinney-Vento funds. As a result, HUD is awarding more funds for housing and fewer funds for services, which means that providers must find new ways to address and pay for client services, including employment. Though they may not receive as large a share of Federal funds to provide employment services, Continuum of Care grantees must still meet Government Performance and Results Act (GPRA) measures for employment outcomes.

At the same time, the focus in homeless services is shifting toward the use of mainstream resources, which fund public programs that provide services, housing, employment, and income supports to people who are poor or disadvantaged, whether they are homeless or not. Mainstream resources may be stretched thin by increasing demand and diminishing resources in difficult economic times, making competition for assistance more intense.

The Workforce Investment Act (WIA), funded by the U.S. Department of Labor (DOL), is one of the largest sources of mainstream employment funds intended to serve all Americans—those with homes and those without. A number of other programs support employment services, but the only Federal program geared *specifically* to the needs of homeless jobseekers is the DOL-funded Homeless Veterans' Reintegration Program (HVRP).

The workforce system

- The Workforce Investment Act (WIA) helps employers and jobseekers
- State and Local Workforce Investment Boards oversee their systems
- One-Stop Career Centers offer core, intensive, and training services

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The Workforce Investment Act (WIA) of 1998, which replaced the Job Training Partnership Act, provides the framework for a public workforce system designed to (1) help employers find workers, (2) help jobseekers find employment, and (3) train individuals for jobs in demand. Title I of WIA provides for services to adults, youth, and dislocated workers through three formula-based funding streams administered by DOL.

WIA money is overseen by State and local Workforce Investment Boards (WIBs) that have broad discretion to design and operate their systems. Each local WIB charters at least one comprehensive One-Stop Career Center in its service area.

As their name implies, One-Stop Career Centers are facilities where jobseekers can access a broad range of employment-related and training services in a single, central location.

One-Stop Career Centers offer three types of services—core, intensive, and training services. Core services are self-directed job search activities that are available to anyone, regardless of income or other eligibility criteria. Intensive services provide access to special programs and training to those who need additional assistance to prepare for a job. Finally, individuals who are unable to find work through core and intensive services, or who are in need of advanced training, may be eligible for training through an Individual Training Account.

The benefits of collaboration

- Changing priorities demand collaboration
- Building partnerships opens new avenues of funding
- Putting homeless people to work is a “win-win” for all involved

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Homeless assistance and workforce development systems are designed to address a unique set of priorities that rarely overlap. However, the changing financial and political landscape demand increased collaboration. In fact, many discretionary grants now *require* collaboration. For example, the DOL/HUD-funded project, Ending Chronic Homelessness Through Employment and Housing, combined a customized employment initiative with permanent housing services in five U.S. cities (see www.dol.gov/odep/programs/homeless.htm).

Ideally, you will want to develop solid, working partnerships before you try to design a new program or write a grant proposal to fund employment services. Building these partnerships takes time and effort, but this hard work can pay off by opening new avenues of funding that might otherwise not have been available to individual organizations. Collaboration also minimizes duplication, allows you to share the time and burden of applying for funding, and creates community support for your initiative.

Successful collaborations are built on the recognition that the homeless assistance and workforce development systems have much to offer each other. For example, a homeless services provider may offer the wraparound supports such as treatment for mental and substance use disorders that allow an individual to be successful at work, while a workforce provider, such as a One-Stop Career Center, is connected to employers who need qualified workers. Putting homeless people to work can be framed as a “win-win” for all involved.

Select a broad stakeholder group

- Many groups benefit from workforce services
- Community planning extends your reach
- Learn how to plan together
 - See the *Creating Community Employment Pathways* guidebook at www.hudhre.info
- ▶ See the handout titled, “Key Stakeholders for a Workforce Development Initiative”

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The homeless assistance and workforce development systems will be the key players in planning employment and training services for homeless people, but many local groups and organizations also benefit from workforce development programs. They include government leaders, employers, educators, community organizations, economic development agencies, local law enforcement, parents, and individuals who are disabled or disadvantaged.

Community-wide planning helps you extend your reach. The individuals and organizations you invite to the table will bring valuable connections, resources, and the ability to leverage additional funds. You can use the handout “Key Stakeholders for a Workforce Development Initiative” identified on this slide to plan your first meeting.

If this is the first time you have planned together on behalf of homeless jobseekers, you may want to consult the companion HUD guidebook called *Community Employment Pathways* at www.hudhre.info. This guidebook helps communities link the various service systems required for improved employment outcomes for homeless people by providing step-by-step advice on program planning and design, offering guidance on managing systems change, and highlighting successful examples of programs working together.

Choose your population and services

- Decide who you want to serve and what services you plan to offer
- Examine your current clients and services
- Make sure your clients have essential housing and treatment in place

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No single program can serve all jobseekers who are homeless, nor can they provide all the services these individuals require. You need to determine, first and foremost, the individuals you want to serve and the services you are prepared to provide. Because many funding sources are targeted to specific populations and/or particular services, this is a necessary step to help you determine the types of funding you will seek.

To help you make this decision, you can begin by examining your current clients and services. If, for example, you serve a large number of ex-offenders who need assistance to reenter the workforce or you help homeless women develop resumes, you can use this expertise as a springboard to develop a new employment initiative.

Keep in mind as you plan that your homeless clients will best be able to benefit from employment and training services when they are well connected to stable housing and needed services, including health care, treatment for mental and substance use disorders, childcare, transportation, and social support. Providing these services is your strength and the reason why the workforce system will want to have you as a key partner. When their health and social service needs are met, individuals can better focus on finding and maintaining employment.

Once you've determined the general shape and scope of your project, you'll want to research potential funding sources. The information in the next section is a good place to start.

Section 2: Research Funding Sources

- Research the following sources:
 - Federal government
 - State and local government
 - Foundations
- Choose your funding carefully
- Build and maintain relationships with funders

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The Federal government invests significant resources in workforce development. In 2003, the General Accounting Office (GAO), now called the Government Accountability Office, identified 44 programs administered by 9 Federal agencies that provided a range of employment and training programs. State, local, and private resources fund employment and training, as well.

This section will help you understand the following:

- The types of funds the Federal government administers that can support workforce development, the populations they serve, and the services they support (with detailed information on specific Federal funding sources)
- The role of State and local funding and foundation support
- The importance of carefully matching your funding to your proposed program and of building and maintaining relationships with potential funders

Types of Federal funding

- Block or formula grants
- Discretionary grants
- Contracts

Source: *Finding Funding: A Guide to Federal Sources for Workforce Development Initiatives*

www.financeproject.org

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Federal funding falls into three distinct categories:

1. **Block or formula grants** provide a fixed allocation of funds to States based on an established formula. For example, for workforce development funding, this formula may be tied to a State's unemployment rate. WIA funds and the Temporary Assistance for Needy Families (TANF) program are examples of block grants that fund employment services. Block grant funds typically flow through State agencies, but they may be further allocated to localities or other eligible recipients. Block grants can be an important source of stable, long-term funding.
2. **Discretionary grants** are awarded directly to successful applicants through a competitive bidding process. They are sometimes called project grants because of their targeted focus. Discretionary grants can fill shorter-term funding gaps or fund specific program components. The Job Opportunities for Low-Income Individuals program is an example of a discretionary grant that funds employment services.
3. **Contracts**, typically between the Federal or State government and private or public agencies, require the provision of specified services and often require contractors to meet specific performance standards. The Job Corps program is an example of a contract for employment services.

Populations addressed by Federal employment and training programs

- Federal programs serve more than 30 million jobseekers
- Most target a single population
- Some target individuals who are economically disadvantaged
- Only HVRP targets homeless people
- See the full GAO report at www.gao.gov/new.items/d03589.pdf

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In 2003, the 44 Federal employment and training programs identified by the GAO served more than 30 million individuals.

- About three-fourths of the programs focused their services primarily on one target population.
- Native Americans, veterans, and youth ranked among the most frequently cited target populations.
- In fiscal year 2002, 13 programs required participants to be economically disadvantaged.
- The only program the GAO cited that was specifically targeted to homeless people was HVRP, though many programs serve groups of individuals—including migrant and seasonal farm workers, people with mental and physical disabilities, veterans, and youth—who may be homeless or at risk of homelessness.

The full report is available at the link listed on the slide.

Services covered by Federal programs

- Employment, retention, and advancement
- Education and training
- Youth workforce development
- Supportive services
- Infrastructure development

Source: *Finding Funding: A Guide to Federal Sources for Workforce Development Initiatives*

www.financeproject.org

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Services funded by the 44 Federal programs identified by the GAO report fall into several categories. In its publication, *Finding Funding*, the Finance Project delineates these categories as follows:

- 1. Employment, retention, and advancement** activities that promote work readiness and support the recruitment, hiring, retention, and advancement of individuals in the labor market. These are among the services most commonly provided by programs that receive Federal funds.
- 2. Education and training** activities that build knowledge and skills to enhance employability and promote advancement in the workforce.
- 3. Youth workforce development** initiatives that help disadvantaged and at-risk youth prepare for employment or postsecondary education.
- 4. Supportive services**—such as transportation, childcare assistance, and health care—that help workers meet basic and work-related needs. Transportation assistance is the supportive service most often funded; people need a reliable way to get to work and training programs.
- 5. Infrastructure activities** that provide support for staff training, planning and coordination, and technology and equipment.

Federal programs that fund employment and training

- Three agencies account for the majority of funds:
 - U.S. Department of Labor
 - U.S. Department of Health and Human Services
 - U.S. Department of Education
- ▶ See the handout titled “Federal Programs That Can Fund Employment for Homeless People”

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Of the 44 Federal programs identified by the GAO, six programs in three agencies accounted for 73 percent of the \$12 billion spent on employment and training activities in 2002. They were as follows:

1. The WIA adult, dislocated, and youth programs and Job Corps, funded by DOL
2. TANF, funded by the U.S. Department of Health and Human Services
3. State Vocational Rehabilitation grants, funded by the U.S. Department of Education

As noted previously, there is only one Federal program that specifically funds employment for homeless people—the DOL-funded HVRP. However, by virtue of the populations they include or the services they fund, many other Federal programs can be used to fund employment programs for homeless people. A number of these are highlighted in the handout titled “Federal Programs That Can Fund Employment for Homeless People.”

State and local funding for employment and training

- State and local grants
- State incumbent worker programs
- Postsecondary education
- Get to know who's who in your State government
 - Visit www.usa.gov to find your State government Web site

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Many State and local agencies administer grants that can be used for workforce development. Money used to support these programs primarily is obtained through State and local tax revenues and funds received from the Federal government through block and formula grants. For example, Federal WIA funds are administered by State and local Workforce Investment Boards.

Most States have something called an incumbent worker program financed through general fund appropriations, funds tied to the unemployment insurance program, or other funding mechanisms. These programs support economic development by providing customized training that helps workers upgrade their skills and businesses remain competitive. Many States issue Requests for Proposals to employers that want to participate.

States also provide significant support for postsecondary education, including aid to schools and colleges and to individual students. Some workforce development programs have combined forces with community colleges to provide needed training in specific skills, such as computer technology, as well as basic literacy and English as a second language.

Building partnerships with State and local agencies can create opportunities to tap into these sources of funds that support workforce development activities. To learn about the agencies in your State and the programs and services they fund, you can link to your State government's Web site from www.usa.gov. Click on "State Government" in the right hand box titled "Government Agencies."

Foundation funding

- Foundations funding:
 - Is stable
 - Supports strategic investments
 - Promotes collaboration
 - Is creative and flexible
- Foundations are private or public
- Some foundations are working to end homelessness
 - Visit www.endlongtermhomelessness.org to learn more

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Foundations have an invaluable role to play in helping programs develop sustained funding for workforce development. Though foundation funding represents only 15 percent of the revenue of the nonprofit sector, compared with other giving sources, the importance of foundation support has increased for many nonprofits for several reasons:

- Foundation funding is usually stable during financial downturns.
- Philanthropies can make strategic investments that help leverage additional dollars.
- Foundations help build critical collaborations.
- Foundations can be flexible, creative, and innovative.

Foundations are classified as either private or public. Private foundations include corporate foundations and family foundations, such as the Bill and Melinda Gates Foundation. Public foundations include community foundations, such as the Seattle Foundation.

Some foundations have joined a partnership to end homelessness, and you can find out more by visiting www.endlongtermhomelessness.org.

Foundation funding (continued)

- Responsive grantmaking vs. strategic investments
- Three types of support
- Visit the Foundation Center at www.foundationcenter.org to learn more

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Foundations may be involved in responsive grantmaking, which means you submit an inquiry to them and then submit a proposal for funding, or they may make proactive, strategic investments. The funds a foundation invests may be based on nonbinding recommendations from donors (donor-advised), made without restrictions (discretionary), or a combination of the two. Foundations may provide direct operating support for programs, as well as supporting systems change and reform efforts.

Traditional funding categories include the following:

- **Program-specific support** for a targeted project or purpose
- **Capital support** for buildings, construction, and equipment
- **General/operating support**, also called unrestricted or basic support, which furthers the work of the organization and includes providing funds for the regular personnel, administrative, and miscellaneous expenses of an existing program or project

The nonprofit Foundation Center at www.foundationcenter.org is a good place to start learning about foundations and how to work with them. You can find a section called “Learn about Foundations and Fundraising” by clicking on the “Learn About” menu and then choose “Get Started.”

Choose funding carefully

- Match funding to your target population
- Consider the costs and benefits
- Be prepared to track and report outcomes
 - View *Documenting Results* at www.hudhre.info/documents/DocumentingResultsTeleconference_04-24-08.pdf

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As you research potential funding sources, one of your key challenges will be to match the funding source with the population you hope to serve and the services you are prepared to provide. Some funding sources can support a wide range of activities for diverse groups of jobseekers. Other funding sources support a particular workforce activity, such as job training, or target a specific population, such as youth ages 12 to 18. You can be creative in framing your program to interest potential funders, but you likely will want to do so only within the overall vision and mission of your agency.

You will also need to weigh the money you stand to gain by winning a particular grant against your time and costs for submitting a proposal. Often there are organizational costs—including reporting and/or eligibility verification requirements—associated with administering the grant that you need to consider, as well.

Finally, you need to consider whether you are prepared to track and report outcomes required by your funder. For example, WIA-funded programs are required to report on their clients' entry into and retention in employment, as well as earnings received through employment. Be certain you understand fully the types of data you will be required to collect. You will need to have systems in place and staff who are trained to monitor your clients' performance and produce required reports.

Build & maintain relationships

- Get to know the decision makers
- Become familiar with requirements & deadlines
- Seek help preparing proposals
 - Visit www.foundationcenter.org or www.pitt.edu/~offres/proposal/propwriting/websites.html to learn more
- ▶ See the handout titled “Sources of Information on Federal Government Funding & Contracting”

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An important part of researching funding sources is learning how the money flows into your community and who the key decision makers are. For example, WIA funds are overseen by State and local WIBs that have broad discretion to design and operate their systems. Business leaders must represent a majority of the members of both State and local boards. To take advantage of any potential funding opportunities from your State or local WIB, you will want to become acquainted with its members. To locate your State or local WIB, visit the National Association of Workforce Boards Web site at www.nawb.org. Click on the “Resource Center” menu and choose “Links.”

Also as part of your research, be certain you become familiar with all necessary program requirements and deadlines for grants that interest you. The handout identified on the slide lists resources that will help you do so. In addition, Federal agency Web sites maintain information about funding outlooks and eligibility.

Finally, you may find that you need help to prepare a written proposal to a Federal or State agency or foundation. The Foundation Center has a set of resources for proposal development, including free online training courses in several languages; visit www.foundationcenter.org. The University of Pittsburgh Office of Research maintains a list of proposal writing resources at www.pitt.edu/~offres/proposal/propwriting/websites.html.

Once you know where and how to seek funding, you’ll need to know how to make these resources work together. Information in the next section can help.

Section 3: Putting the Pieces Together

- Seek multiple funding sources
- Braid or blend funds
- Think outside the employment world
- Operate a One-Stop Career Center
- Seek Employment Network status
- Consider ways to generate revenue
- Tap existing funds and in-kind support

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Funding employment programs for homeless people requires creative thinking. There is no single source of funds that will cover all the services you want to provide or that will last indefinitely. This section will help you learn about some creative ways that programs around the country are funding employment and training services for homeless and disadvantaged jobseekers. These funding strategies include the following:

- Seek multiple funding sources from among the available choices.
- Blend or braid funds to provide more comprehensive services.
- Look for money outside the WIA-funded employment system.
- Operate a One-Stop Career Center with a special focus on homeless jobseekers.
- Seek Employment Network status to serve individuals who receive disability benefits.
- Generate revenue by operating a social purpose enterprise.
- Use existing funds and in-kind support to demonstrate effective use of current dollars and stretch scarce resources.

Seek multiple funding sources

- Your clients have multiple needs
- Many grants provide start-up support
- Other sources support long-term financing
- Resources are scarce overall

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Ultimately, the most successful and sustainable programs incorporate multiple funding sources that cut across traditionally separate services and programs. There are several reasons for this fact:

1. First, you are not likely to find a single funding source that can accommodate your clients' multiple needs, including employment, housing, treatment, and support services.
2. Second, some funding sources are geared toward providing start-up support; many Federal grants fall into this category. They provide the seed money to get you started, but you will have to plan for sustainability.
3. Third, other funding sources are more appropriate for long-term financing. For example, TANF may be a good source for financing ongoing operating expenses such as childcare assistance for program participants.
4. Finally, there is not enough money available in many grant-funded programs to support the full range of services you may want to offer; this will require you to piece together funds from multiple sources.

Central City Concern in Portland, OR, uses multiple funding streams

- Central City Concern offers a full range of services
- Employment program funding includes multiple Federal and State sources
- Local agencies provide funds, as well
- Visit www.centralcityconcern.org to learn more

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Let's see how this strategy is used at Central City Concern, which is a comprehensive homeless services organization operating in Portland, OR, since 1980. The agency provides a full continuum of housing and services, including multiple employment programs using a broad array of funds. These include:

- Three city economic opportunity grants to provide supported employment to 170 individuals
- HUD McKinney-Vento transitional housing funds to provide 152 units of clean and sober housing and case management services for individuals in supported employment
- A partnership with a local One-Stop Career Center, under a U.S. Department of Justice Prisoner Reentry Grant, to provide employment services to people exiting prisons
- Funds from the State Office of Mental Health and Addiction Services for an employment specialist who works with chronically homeless adults assigned to an intensive case management team
- The Department of Veterans Affairs' Per-Diem Program and the DOL-funded HVRP to provide housing, case management, and employment services to homeless veterans

Braid or blend funds

- Braided funding remains visible
- Blending requires pooled dollars
- Both strategies necessitate collaboration and good record keeping
- Visit www.ncwd-youth.info/assets/info_briefs/infobrief_issue18.pdf to learn more

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Most funds for employment and training are categorical (i.e., for a specific purpose and population), which can make it difficult to create the type of flexible and comprehensive services that homeless and other disadvantaged jobseekers need. Braiding or blending funding can address these limitations.

“**Braiding**” involves coordinating categorical funding streams to produce greater strength, efficiency, and flexibility. With braided funding, the individual funding streams remain visible, which allows them to be tracked more closely for accounting to Federal, State, and private funders. Braided funding facilitates the provision of more comprehensive services and reduces reliance on any single funding stream, thus contributing to long-term sustainability.

“**Blending**” is used to describe mechanisms that pool dollars from multiple sources to make them in some ways indistinguishable. This may require that regulations be relaxed or changed at the Federal, State, or local level to permit flexibility at the program level, which makes this a more difficult strategy for program staff to pursue. However, blending gives local programs increased discretion in the use of combined funds. Also, blended funding may be used to support such activities as collaboration, coordination, program planning, and staff development that can't be funded adequately from just one source.

Both strategies require collaborative planning, good management information systems, and high-quality cost accounting systems. Braided funding requires a cost-accounting system that tracks expenditures by funding source.

Way Station in Frederick, MD, braids funding for employment

- Supported employment is funded with:
 - State Vocational Rehabilitation Funds
 - State General Funds
 - The Medicaid Rehab Option
- MOUs govern the use of these funds
- Way Station also uses DOL funds to serve homeless veterans
- Visit www.waystationinc.org to learn more

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Let's see how this strategy is used at Way Station, Inc., of Frederick, MD, which is a nonprofit provider of behavioral health and employment services. Founded in 1978, Way Station now serves 7,000 people with mental illnesses each year, including those who are homeless.

Way Station has been providing supported employment—an evidence-based practice that features the use of multidisciplinary treatment teams and ongoing support—for 15 years. At the time this presentation was prepared in early 2008, more than 200 Way Station clients were enrolled in supported employment, and some of these individuals had been receiving follow-along support for as long as 10 years.

Way Station uses three sources of funds to provide employment services:

1. State Vocational Rehabilitation Funds for job development and job coaching (searching for a job and mastering the job)
2. State General Funds for incentive payments of \$1,000 for getting a job
3. The Medicaid Rehabilitation Services Option for follow-along support

Way Station maintains Memoranda of Understanding (MOUs) with each of the agencies and has a clear system of determining who pays for what and at what point in time. This is an example of braided funding.

Way Station also uses the DOL-funded HVRP and Veterans Workforce Investment Program to provide employment services to veterans.

Think beyond the employment world

- Use non-WIA funds, such as the Food Stamp Employment and Training Program (FSET)
- Provide employment services in conjunction with other services
- Seek funding to support individual jobseekers
- ▶ See the handout titled, “The Food Stamp Employment and Training Program”

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Many successful employment programs for people who are homeless access non-WIA funds. The homeless assistance system can use funds for special needs populations that are not subject to the same restrictions as WIA monies. These include the Food Stamp Employment and Training Program (FSET), Community Services Block Grant, Job Opportunities for Low-Income Individuals, Community Development Block Grant, and private funds, among others. A number of these options are highlighted in the handout on Federal sources of financing for workforce development, referenced previously. Specifics of FSET are covered in the handout referenced on this slide and on the next slide.

Employment services can also be offered and funded as part of ongoing mental health treatment or supportive housing. At Chrysalis Center in Hartford, CT, employment staff are an integral part of clinical treatment teams at the local mental health center, and employment specialists serve individuals in two agency-run supportive housing developments. To learn more, visit www.chrysaliscenterct.org and click on “Client Services.”

Finally, you can also seek funding that is not specific to employment and training but may be used to support individual jobseekers. Consider, for example, funding for rehabilitation of housing, road construction, or environmental clean-up; some of the money might be used to cover training and wages for individuals interested in these positions. The increasing emphasis on “green” construction may also open up valuable opportunities for disadvantaged jobseekers.

King County, WA, implemented the first FSET third-party match

- The FSET third-party match in King County (Seattle) was the first of its kind in the nation
- Five agencies offered a range of services
- Agencies reported client, staffing, and administrative challenges
- The FSET 50/50 match can provide nonprofits with additional resources for employment services

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Let's see how Washington State uses the FSET program. In 2005, Washington State launched a pilot program in King County (Seattle) to increase the amount of FSET dollars available to support employment and training activities for low-income residents. The FSET program includes the provision of a 50/50 Federal match to serve eligible food stamp recipients (see the handout on FSET in this presentation). King County's pilot was the first in the nation in which nonprofit organizations—rather than agencies directly administering food stamps or tied to a State's workforce system—received FSET dollars as a match for their own non-Federal expenditures on employment and training activities for food stamp recipients. This often is referred to as a “third-party match.”

Five participating agencies—including three community-based organizations, a workforce intermediary, and a community college—offered services ranging from case management to job search assistance, pre-employment services, and vocational training. There were several program challenges:

- Many individuals are reluctant to enroll in food stamps because of perceived stigma or complex enrollment procedures.
- Documenting and tracking FSET participants is very labor intensive.
- Providers must have sufficient cash flow to cover FSET program expenses until they are reimbursed.

Overall, the pilot demonstrated that the FSET 50/50 match provides nonprofit agencies with additional resources to invest in expanding their employment and training services for vulnerable individuals.

Operate a One-Stop Career Center

- Services are individual to jobseekers' needs
- Homeless adults are not a priority population
- You must meet WIA performance criteria
- The local WIB contracts for services
- Locate your State or local WIB at www.nawb.org/WorkforceBoardWebSites/tabid/167/Default.aspx

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One-Stop Career Centers are facilities where jobseekers can access a broad range of employment-related and training services in a single, central location. One-Stops offer core, intensive, and training services based on an individual jobseeker's needs. It is important to understand that although the WIA system can serve homeless clients, *it is not designed to pay special attention to, or deliver specially tailored services for, homeless people*. The only exception is homeless youth, who are a target population for WIA youth services.

Some homeless people have trouble negotiating a One-Stop Career Center without the type of wraparound services (e.g., housing, mental health treatment) that a homeless assistance provider can offer. A homeless services organization can help make mainstream workforce services more accessible to its clients by serving as a One-Stop that specializes in working with homeless jobseekers. Though services at a specialized One-Stop can be more targeted to the needs of people who are homeless, One-Stop staff still need to meet WIA performance measures.

Your local WIB contracts with organizations to provide these services to adults, dislocated (laid-off) workers, and youth; in many cities, the Private Industry Council serves as the local WIB. To operate a One-Stop Career Center, you must be able to meet financial and contractual obligations and understand that the first priority of a One-Stop operator is to help people find employment.

Rubicon Programs in Richmond, CA, operates two One-Stops

- Rubicon Programs operates two One-Stops in Alameda County, CA
- Staff prepare clients to use One-Stop services
- 63% of homeless clients are working at 90 days
- Visit www.rubiconprograms.org to learn more

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Let's see how this strategy is used by Rubicon Programs, based in Richmond, CA, which has provided employment, job training, mental health, and other supportive services to individuals with disabilities and those who are homeless since 1973. The agency also builds and operates affordable housing.

Rubicon operates the North Cities One-Stop Career Center in Berkeley (Alameda County) under contract to the Alameda County Workforce Investment Board and was preparing to open a second One-Stop in southwestern Alameda County in the summer of 2008.

In Berkeley, Rubicon's homeless services are on the second floor of the building that houses the North Cities One-Stop. Rubicon's strategy is to prepare everyone who walks through its door to be qualified candidates for the agency's local employer partners. Services include assessment, job preparation, placement and retention, transitional employment, work experience, on-the-job training, vocational counseling, career development, and comprehensive support services. Homeless clients receive the intensive services they need before staff suggest they use the more self-directed services at the One-Stop.

In the 2006-2007 program year, Rubicon's Berkeley offices served 281 homeless individuals. Of these, 150 were placed in employment, and there was a 63 percent employment retention rate at 90 days, which surpassed the agency's goal of 50 percent.

Seek Employment Network (EN) status

- ENs provide employment services to SSA disability beneficiaries
- Ticket to Work is performance-based
- New regulations went into effect in 2008
 - www.yourtickettowork.com
- ▶ See the handout titled, “New Ticket to Work Regulations”

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Under the Ticket to Work and Work Incentives Improvement Act of 1999, the Social Security Administration (SSA) provides individuals who receive Supplemental Security Income or Social Security Disability Insurance with a “ticket” they may use to obtain services from an Employment Network (EN). Many of your clients may be receiving, or be eligible to receive, SSA benefits.

An EN is any private entity or State or local government agency that takes responsibility for the delivery or coordination of services to people with disabilities. Because Ticket to Work is a performance-based program, an EN is paid when the ticket holder achieves certain employment milestones and/or outcomes. Previously, an EN might have been reluctant to work with individuals who have multiple barriers to work for fear that these clients would not achieve their employment outcomes. New SSA regulations, which went into effect in 2008, make it more financially feasible to serve beneficiaries who require additional training to return to work. See the handout titled “New Ticket to Work Regulations,” identified on the slide, for details.

To learn more about how to become an EN, visit the Ticket to Work Web site at www.yourtickettowork.com. Click on “Ticket Program Basics” and then on the last item in the box, “How to Become an Employment Network.” For a directory of current Employment Networks, see www.yourtickettowork.com/endir.

Service First of Northern California in the EN for two counties

- Service First serves two California counties
- Shelters stabilize clients seeking employment
- Employers are receptive to hiring ticket holders
- An EN must provide money upfront

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Let's see how this strategy is used by Service First of Northern California, which is a nonprofit agency serving San Joaquin and Stanislaus counties that provides a range of services to people with disabilities. Services include representative payee services, onsite drug treatment programs, and affordable housing for disabled adults. Service First is the EN for both counties it serves.

The Service First Ticket to Work program receives referrals from a number of community agencies, including five homeless shelters in Stockton and Modesto. The shelters work closely with Service First to help stabilize individuals before referring them for employment services. To use employment services at Service First, individuals must be considered "job ready," including being drug and alcohol free for 90 days. Many are involved in work programs at their shelters.

Agency staff report that employers are receptive to hiring Service First ticket holders. Employers need qualified workers, and they may receive benefits under the Work Opportunity Tax Credit for hiring ticket holders. Typically, Service First Ticket holders get jobs in factories, warehouses, and the agriculture industry.

Because Ticket to Work is an outcome-based system, Service First had to invest in employment services for ticket holders upfront while waiting for reimbursement. See the handout titled "New Ticket to Work Milestones" to see how the new payment schedule might make the program more attractive for agencies serving people who are homeless.

Consider ways to generate revenue

- Start a social purpose business venture
 - Provide training to clients and income for the agency
 - Visit <http://nvn-toolkit.seedco.org> to learn more
- Charge fees
- Plan fundraising events

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You may want to consider adding revenue-generating elements into your program design. In the social enterprise model, programs create businesses that employ their clients and may generate revenue for the agency. If you decide to start a social enterprise business, such as a landscaping service or a bakery, you must be committed to providing transitional, or in some cases permanent, employment for individuals who are unlikely to be served by mainstream employment and training programs. Further, you must have the capacity to maintain social supports necessary to help people with multiple barriers to work find and maintain employment.

All social purpose business ventures require development of a sound business plan and strategies to recruit investors. You can find an online toolkit for developing a social purpose business plan at <http://nvn-toolkit.seedco.org>.

As an additional source of revenue, some programs charge fees to service users to help cover program costs, but even on a sliding scale, this is less likely to be effective for people who are homeless.

Finally, a number of agencies that serve homeless and disadvantaged clients engage in all manners of fundraising, from annual appeals to silent auctions. For example, Chrysalis Center in Hartford, CT, has an annual “Butterfly Ball,” underwritten by corporate sponsors.

Soldier On in Leeds, MA, operates social purpose businesses

- Soldier On links training for veterans to identified market needs
- Employment opportunities include:
 - Berkshire Veterans Construction Company
 - The Veteran Vending Business
 - A Culinary Training Program
- To learn more, visit www.usich.gov/innovations/20in20/innovation11.doc

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Let's see how this strategy is used by Soldier On, which is a private, nonprofit agency in Leeds, MA, that provides shelter, support, and job training to veterans. Employment and training resources for veterans through Soldier On are linked to identified market needs and business opportunities in the regional economy. They include the following:

- The veteran owned and operated *Berkshire Veterans Construction Company*, which partners with Berkshire Community College to prepare veterans for the construction supervisor's test. The Berkshire Veterans Construction Company performs work for local organizations such as the Pittsfield Boys and Girls Club and citizens in the Berkshire County area.
- The *Veteran Vending* business. Veterans gain the knowledge of what it takes to run a small business, including budgeting, ordering, accounting, and networking skills needed to work with vendors in the local community. The Veteran Vending business currently works with Coca-Cola Co. and a local distribution company.
- A *Culinary Training Program* that provides daily meals for the Berkshire Veterans Residence and caters local events. Trainees receive a nationally recognized certificate in safe food handling and learn how to design menus, order food, and cook and serve meals.

In 2008, Soldier On was named an innovative program by the U.S. Interagency Council on Homelessness.

Tap existing funds/in-kind support

- Demonstrate efficient use of dollars
- Redirect existing spending
- Use volunteer staff and donated materials
- Publicize your services and successes

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An emphasis on making the most of existing resources partly reflects the fact that there is not enough funding to support all of the services that you need to provide to homeless and disadvantaged jobseekers. However, it is also true that it can be easier to justify increased appropriations when you can demonstrate that current dollars are being spent most efficiently.

In addition to seeking outside funds, therefore, you may want to consider reallocating or redirecting existing spending within your agency to support a new employment program. As the Finance Project notes, redirecting funds from lower priority, less cost-efficient programs to higher priority, more cost-efficient programs may be politically sensitive. You can address any concerns staff may have by explaining how an employment program helps further your agency's vision, mission, and values, particularly as these relate to ending homelessness for individuals and families.

Also, don't overlook the value of such non-monetized resources as volunteer staff and donated equipment, space, and technical support. These can be just as valuable as funding and can help a community extend the resources it has to invest in workforce development.

Finally, you can attract both clients and potential funders by publicizing your services and sharing success stories. By getting out into the community and demonstrating that you are doing good things with the money you receive, you can help leverage your success into future funding opportunities.

Washington publicizes its services for homeless female veterans

- The Homeless Women Veterans Reintegration Project (HWVRP) uses an electronic networking system to publicize its services
- Services are funded by HVRP
- Women veterans face multiple barriers to employment
- Visit www.dol.gov/vets/programs/hvrp/hvrp-bp.htm for other veterans' program profiles

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Let's see how this strategy is used by the Homeless Women Veterans Reintegration Project (HWVRP) in Washington State, which is a program begun in 2002 by the Veterans Services Division of the State of Washington Department of Veterans Affairs. HWVRP implemented a unique, electronic networking system that helps publicize the services it offers. By alerting legislators, relevant nonprofit community-based organizations, and public agencies, the program extends its outreach to all parts of the State. A widespread mailing of project brochures and flyers complements this effort.

Homeless women in Washington State represent a much higher percentage of the State's homeless population (16.5 percent) than the national average (6 percent). Funded by HVRP, the program currently offers supportive services to an estimated 450 homeless women veterans in the State of Washington.

Women veterans who are homeless face multiple challenges to employment. In addition to the trauma of homelessness, many have dependent children and are the only source of family income. HWVRP also notes a high incidence of sexual trauma and posttraumatic stress disorder among homeless female veterans. The HWVRP program enlists the assistance of a veterans' benefits specialist who helps these women apply for Federal veterans' benefits. HWVRP connects women with the health care and other services they need so they can be successful in securing and retaining employment.

Employment programs work! Kim's story

- Kim had substance use problems and an extensive criminal record
- She received housing, treatment, and employment services from Central City Concern of Portland, OR
- Kim now earns \$22 an hour as a painter

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Kim has a lengthy 20-plus year history of substance abuse and an extensive criminal background, including multiple counts of ID theft, possession of a controlled substance, and unauthorized use of a motor vehicle. Kim served 2 years in prison and was released on parole in October 2005 with multiple counts still pending and a court date to appear for sentencing. She was approved for Central City Concern housing and enrolled in outpatient treatment services. After graduating from treatment, Kim enrolled with the Central City Concern One-Stop Career Center. She had been unemployed for many years.

Kim began working for Central City Concern Paint in March 2006. When she appeared in court for sentencing that same month, the judge dismissed all remaining charges and imposed continuing parole. In August 2006 Kim completed a course at the Northwest College of Construction and began working as a painter and maintenance worker. The following May, with further support from Central City Concern's employment services, Kim entered the Operating Engineers Training Center as an apprentice and by June began working as a journeyman painter earning \$17.20 an hour. In March 2008 Kim completed the safety classes required by the union and began working as an unclassified journeyman earning \$22.16 an hour.

Kim turned her life around thanks to the housing, treatment, and employment services she received from Central City Concern and her own determination and perseverance. Hers truly is a success story.

Conclusion and key lessons

- Work with your partners
- Think creatively
- Offer needed support services
- Plan for sustainability
- Celebrate success!

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Ultimately, when you are seeking money to fund employment services for people with multiple barriers to work, remember these key lessons:

- **Work with your partners** in the homeless assistance and workforce development systems to achieve maximum success. No single program or service system can meet the multiple needs of homeless jobseekers.
- **Think creatively** in order to piece together funds from multiple sources—including those not specifically designated for employment and training programs—to offer a full range of services.
- **Offer needed support services**—such as childcare, transportation, and mental and substance abuse treatment—that will help your clients take full advantage of employment and training programs.
- **Plan for sustainability** by choosing a mix of short- and long-term funding and measuring and reporting outcomes to current and potential funders, legislators, and the general public.
- **Celebrate success!** Your clients' success is your success, as well. Helping people become self-sufficient through employment benefits the individual and his or her family, your program, and the community. This is what makes all the hard work worthwhile.

Additional information on topics cited throughout this presentation can be found in the resources highlighted in the final section.

Section 4: Resources for More Information

- General resources
- Federal funding for employment
- Specific funding sources/strategies
- Programs
- “To find”

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Selected resources cited throughout this presentation and in the accompanying handouts are listed on the next set of slides for your convenience. They are categorized as follows:

- **General resources** include publications and Web sites that offer information on homelessness, in general, or on providing employment services to homeless people, in particular.
- **Federal funding for employment** includes the best sources of information about specific Federal employment and training programs.
- **Specific funding sources/strategies** features links to information that will help you learn more about particular activities highlighted in this presentation.
- **Programs** include resources that contain further information on many of the organizations and services highlighted throughout the text.
- **“To find”** is a category of resources designed to help you locate a person, program, or tool to help you fund your employment program.

General resources

- HUD's Homelessness Resource Exchange, www.hudhre.info
- ▶ See the handout "HUD Employment Products"
- Use the search feature to find:
 - *Documenting Results* teleconference
 - *Creating Community Employment Pathways* guidebook
 - *Accessing Mainstream Employment and Income Support Programs* guidebook
- ▶ See the handout "Key Stakeholders for a Workforce Initiative"

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The materials on HUD's Homelessness Resource Exchange include a number of the companion pieces to this training package. They are detailed in the handout "HUD Employment Products" that is part of this presentation. Use the search feature to find the following documents cited in the handout:

- The *Documenting Results* teleconference, which will help you understand how to determine and document the success of your employment program
- The *Community Employment Pathways* guidebook, which outlines a process for collaborative partnerships between the homeless assistance and workforce development systems on behalf of homeless jobseekers
- The *Accessing Mainstream Employment and Income Support Programs* guidebook, which provides a comprehensive guide to the mainstream employment and income support programs for which your clients are eligible

The handout "Key Stakeholders for A Workforce Development Initiative" that accompanies this presentation can help you begin planning collaborative activities on behalf of people with multiple barriers to work.

Federal funding for employment

- The Finance Project Web site at www.financeproject.org
 - Look for the “Finding Funding” guides
 - ▶ See the handout “Federal Programs That Can Fund Employment for Homeless People”
- The 2003 GAO report on Federal employment programs
 - www.gao.gov/new.items/d03589.pdf
- The Grants.gov Web site
 - www.grants.gov

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The Finance Project has an extensive set of resources on financing and sustainability strategies for communities and nonprofit organizations. Click on “Funding Guides” under the “Publications” tab to access *Finding Funding: A Guide to Federal Sources for Workforce Development Initiatives* and similar products.

The handout “Federal Programs That Can Fund Employment for Homeless People” that accompanies this presentation offers an overview of some of the resources you will find in *Finding Funding*.

You can access the 2003 GAO report titled *Multiple Employment and Training Programs: Funding and Performance Measures for Major Programs* at the link highlighted on the slide.

Grants.gov is a central storehouse for information on more than 1,000 grant programs and provides access to approximately \$400 billion in annual awards. You can sign up to receive daily e-mail notifications of all new grant opportunities.

Specific funding sources/strategies

- ▶ See the handout “Sources of Information on Federal Government Funding & Contracting”
- Foundation funding/proposal writing
 - www.thefoundationcenter.org
 - www.pitt.edu/~offres/proposal/propwriting/websites.html
- Braiding and blending funds
 - www.ncwd-youth.info/assets/info_briefs/infobrief_issue18.pdf

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The handout “Sources of Information on Federal Government Funding & Contracting” that accompanies this presentation is a good resource to learn more about program requirements and deadlines for grants that interest you.

For more information about foundations and how to work with them, including online training in proposal writing, the Foundation Center Web site is an excellent place to start. In addition, The University of Pittsburgh Office of Research maintains a list of proposal writing resources at the link referenced on the slide.

You can find a good general overview of the concept of braided and blended funding in the publication titled *Blending and Braiding Funds and Resources: The Intermediary as Facilitator*, by the National Collaborative on Workforce and Disability.

Specific funding sources/strategies (continued)

- The Food Stamp Employment and Training Program
 - www.workforcealliance.org
- ▶ See the handout “The Food Stamp Employment and Training Program”
- Ticket to Work
 - www.yourtickettowork.com
 - www.socialsecurity.gov/work
- ▶ See the handout “New Ticket to Work Regulations”
- Developing a social purpose business plan
 - <http://nvn-toolkit.seedco.org>

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The Workforce Alliance Web site listed on the slide maintains a set of written resources and podcasts about FSET, including proposed legislative changes to the program. Click on “FSET” under “Federal Policies.” Additional resources are included in the handout called “The Food Stamp Employment and Training Program,” which can be accessed at www.hudhre.info.

General information on the Ticket to Work program is available at www.yourtickettowork.com, and specific information about the new payment milestones that took effect in 2008 can be accessed from the SSA Web site at www.socialsecurity.gov/work. Click on the “About Ticket to Work” icon on the left side of the page and then select “Click Here to See NEW Ticket to Work Regulations.” Summary information is available in the handout “New Ticket to Work Regulations” that accompanies this presentation.

To learn more about developing a plan for a social purpose business venture, visit the Business Planning Toolkit developed by Seedco (the Structured Employment Economic Development Corporation), which you can access from the link identified on the slide. The site includes a sample business plan.

Programs

- Central City Concern, Portland, OR
 - www.centralcityconcern.org
- Way Station, Inc., Frederick, MD
 - www.waystationinc.org
- Rubicon Programs, Richmond, CA
 - www.rubiconprograms.org
- Soldier On, Leeds, MA
 - www.usich.gov/innovations/20in20/innovation11.doc

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A number of the programs highlighted in this presentation feature additional information about their activities and services on their Web sites. Of note are Web sites for the following programs:

- Central City Concern in Portland, OR, which uses multiple sources of funds for a myriad of employment services
- Way Station, Inc., in Frederick, MD, which braids three sources of funds to offer supported employment
- Rubicon Programs in Richmond, CA, which operates two One-Stop Career Centers

In addition, more information about Soldier On, in Leeds, MA, which runs several businesses that train veterans and bolster the local economy, is available from the U.S. Interagency Council on Homelessness at the link indicated on the slide.

To find

- Your State or local WIB
 - www.nawb.org/WorkforceBoardWebSites/tabid/167/Default.aspx
- Your State government's Web site
 - www.usa.gov
- A directory of current Employment Networks
 - www.yourtickettowork.com/endir

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To find out more about how you can become a One-Stop Career Center specializing in working with homeless clients, you need to contact your State or local WIB. The National Association of Workforce Boards maintains links to State and local boards on its Web site at the address shown on the slide.

Your State government's official Web site is a good place to begin exploring what agencies in your State are responsible for specific programs and funding resources. The Federal government Web site at www.usa.gov includes links to all State Web sites and to town and county government information, as well. Click on "State Government" or "Local Government" in the right hand box titled "Government Agencies."

You may be able to partner with an existing EN to serve your homeless clients. To find a list of current ENs, visit www.yourtickettowork.com/endir.