

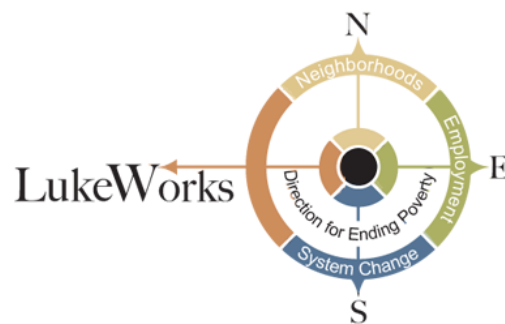
eliminating racism
empowering women

ywca

St. Paul

POLICY IMPACT PROJECT
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INTRODUCTION

Charge and Scope of Work

The YWCA of Saint Paul engaged LukeWorks, LLC to research policies related to the federal Temporary Assistance for Needy Families (TANF) and Workforce Investment Act (WIA) programs to identify policy barriers to using these funding streams to support job training, placement, and retention services, particularly for lower-income, lower-skilled individuals moving into (or advancing in) the labor market. The YWCA also asked LukeWorks to help identify approaches to addressing policy barriers at federal, state, and local levels; and, to identify other potential sources of funding to support the YWCA's employment training efforts.

Findings

In meetings with YWCA of Saint Paul staff, stakeholders and advocates from public agencies at multiple levels, and with other service providers running programs under similar constraints, the several issues were identified. The key components to be addressed can be summarized as follows:

- In TANF, the steps that lead to job placement and retention are broken into multiple 'countable' and 'non-countable' activities. Crafting individual pathways that ensure a sufficient number of 'countable' activities while not exceeding the limits on 'non-countable' becomes a complex puzzle that detracts from effectively getting the services individual clients require for success.
- Program staff find that the client documentation required within the programs is so severe that it limits their ability to focus sufficient time and attention on actually delivering services to clients.
- Performance pressures are keenly felt all along the pathway from federal grants to states down to counties and contractors. There may be inconsistency between public agency levels in how rules are applied; and, the overwhelming need to meet state performance measures creates disincentives to successfully serve those most in need of service.
- Funding levels are insufficient to deliver case management, placement, and retention services AND mitigate barriers to work including literacy, skills training, childcare, and transportation.

Following is analysis of each of the federal programs' impact on YWCA of Saint Paul services, opportunities to mitigate existing policy barriers, and suggestions on other approaches to successfully funding and delivering services to the target populations. Each potential policy change ("fix") is lettered sequentially throughout the document, with some specific next steps to address most of the policy changes outlined at the end of the document.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

Federal Policy

Temporary Assistance for Needy Families (TANF), the 1996 federal law that restructured the provision of cash assistance and support services to poor American families, was intended to curtail welfare “dependency” by promoting work. Paradoxically, however, the law contains a number of disincentives to fostering employment opportunities for clients, especially those that can support a family’s financial independence over time. It has been well documented that TANF’s emphasis on rapid attachment to work – regardless of pay, benefits, or opportunities for advancement – and restrictions on what are considered “legitimate” employment preparation activities seriously limit participants’ access to education and training opportunities that can lead to higher wages and better jobs. Further, the “work first” orientation of the program leaves little room to provide participants with employment attachment and advancement services.

These limitations are reinforced through TANF’s Work Participation Rate (WPR), which tracks the number of clients engaged in federally approved activities that count as work. The WPR requires states to have 50 percent of all single parents receiving TANF engaged in one of the twelve work activities listed on the right, for a minimum average of thirty hours a week; 90 percent of all two-parent families must have one adult engaged in such activities. The first twenty hours must be in one of nine “core” activities, while the remaining hours may include “non-core” activities.¹

States (and, by extension, the providers that run TANF programs locally) face funding reductions if they do not meet their WPR. Note that clients

who leave welfare because they secure employment are *not* counted in the WPR. In other words, states are not held accountable for linking clients to employment that enables financial independence. As a result, there are few incentives for states and local providers to invest in

TANF Core Activities

- ▽ Unsubsidized employment
- ▽ Subsidized private sector employment
- ▽ Subsidized public sector employment
- ▽ Work experience
- ▽ On-the-job training
- ▽ Job search or job readiness assistance (up to 6 or 12 weeks depending on a state’s economy)
- ▽ Community service programs
- ▽ The provision of child care services to an individual participating in a community service program
- ▽ Vocational educational training (up to 12 months)

TANF Non-Core Activities

- ▽ Job skills training directly related to employment
- ▽ Education directly related to employment
- ▽ Satisfactory attendance in HS or a GED program

¹ A July 24, 2012 memo from the Minnesota Department of Human Services to a number of state legislators stated: “Nor can any research demonstrate that the list of 12 officially recognized activities correlate with strong employment outcomes.”

education, training, or employment attachment services for clients. It should also be noted that providing clients in crises or with serious impediments to work with support services is not counted in the WPR, further diminishing the incentive to serve individuals who need the most help to become “work ready.”

Finally, federal reporting requirements under TANF mean that local service providers spend far more time documenting client activities and ensuring they are “countable” under the WPR, than assisting their efforts to find and keep jobs. States may also have their TANF funding reduced if they do not submit required reports. When TANF was reauthorized in 2005 under the Federal Deficit Reduction Act (DRA), reporting rules related to the WPR were tightened; states are now required to develop a “work verification plan” and more closely monitor participants’ work activities in order to verify hours of participation. As a result, the WPR has been criticized as a “process” rather than “outcome” measure – one that tracks whether states are able to get TANF recipients to participate in work activities but that provides no information on whether these activities affect participants’ employment or financial outcomes.² Further, the federal emphasis on monitoring and documenting participation in work activities eats up TANF employment counselors’ time; indeed, a 2008 study found that tracking, verifying, and documenting participant activities accounted for 53 percent of a employment counselor’s TANF duties here in Minnesota.³ Which means, of course, that less than half a counselor’s time is spent directly assisting a client’s efforts to prepare for, find, and keep a job.

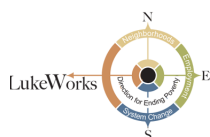
Under TANF, federal dollars are distributed as block grants to states. This was a change from previous law, one intended to loosen federal control over how states utilize federal welfare dollars. While true in some regards, **states are still beholden to the federally determined WPR and its attendant restrictions on education, training, job placement and retention. Indeed, the WPR drives how TANF dollars are spent, the kinds of services that local programs provide, and the amount of time frontline staff spend on paperwork.**

State Policy

The Minnesota Family Investment Program (MFIP) is no exception, although the state has created some avenues to provide more meaningful education and employment opportunities for its TANF-eligible population using its own funds. Most notably, in 2007, the state legislature approved Family Stabilization Services (FSS) to serve “high-barrier” individuals not ready for employment. FSS participants are not included in the TANF WPR, giving counties and local providers more flexibility to deliver services tailored to clients’ specific needs, be it mental or physical health issues, limited English, family violence, learning disabilities, etc. Unlike MFIP clients, FSS participants are, for example, supported while pursuing their GED or engaging in English Language Learning (ELL) full time.

² See, for example, Elizabeth Lower-Basch’s “Goals for Reauthorization,” TANF Policy Brief, Center on Law and Social Policy, January 24, 2011, <http://www.clasp.org/admin/site/publications/files/TANF-Reauthorization-Goals.pdf>

³ Dani Indovino et al, “The Flexibility Myth: How Organizations Providing MFIP Services are Faring Under New Federal Regulations,” Hubert H. Humphrey Institute of Public Affairs, University of Minnesota, May 2008.



In addition, Minnesota’s Diversionary Work Program (DWP), was established in 2004 to help families address crisis situations so that they may move rapidly into work rather than go on MFIP. Participants in DWP are not counted in a state’s WPR, but at four months in length, the program is not a vehicle for pursuing education and training options of much length. Job placement and retention activities, however, could be elements of a client’s DWP plan.

Further, the Minnesota Department of Human Services (DHS) established its own measurement tool for MFIP, the Self-Support Index (S-SI), which it has been using (in addition to the federal WPR “process” measure) since 2002 to track participants’ employment outcomes. The S-SI tracks MFIP participants from the past quarter and counts how many have left welfare for employment and, for those still receiving assistance, how many are working at least 30 hours per week. Note that data S-SI reveal a large and persistent gap between African Americans and American Indians and all other racial or ethnic groups with respect to MFIP success. In an effort to address this gap, in 2009 Minnesota DHS provided Innovation Funds for local disparities reduction projects – three-year grants to counties and tribes to develop and implement strategies for improving employment opportunities for American Indian and African American MFIP participants.

Possible TANF “Fixes”

So, then, what options do state and local TANF programs have for directing more time and resources to linking clients to jobs and helping them succeed and advance in the labor market? Clearly, the most prescriptive element of the program is the federal work participation rate; meaningful changes to the way TANF programs can be run on the ground won’t happen without addressing the WPR. State MFIP administrators, along with a number of policymakers and advocates, recognize this. Indeed, FSS, DWP, and the S-SI are state-created ways to support and track TANF-eligible individuals outside of the WPR constraints.

- A. Support a State Waiver from the WPR:** Currently, the state of Minnesota is exploring the idea of seeking a waiver from the federal WPR altogether, using the S-SI to measure program outcomes instead. A waiver from the WPR could effectively “fix” many of the roadblocks to providing MFIP clients with the types of services that can lead to better and more permanent employment outcomes. Under the waiver, employment counselors would be at liberty to tailor a mix of education, training, and social services best suited to meet individual client’s needs, relieving them – and their clients – of the burdens of meeting and tracking rigid work activity requirements. While the Obama Administration has indicated support for a waiver like the one Minnesota may propose, there are members of Congress who would attempt to block the U.S. Department of Health and Human Services from granting any exemptions from the WPR.

The YWCA St. Paul could coordinate with other local TANF program providers to actively support the state’s waiver request. The Minnesota Legislature will have to approve a request before it’s sent to Washington D.C.; it will be vital for state legislators to hear how the WPR constricts providers’ ability to serve the training and employment needs of their constituents effectively. Moreover, policymakers will need reassurance that local providers

can and do track employment outcomes with the S-SI. And, in fact, under the WPR, less than 40 percent of MFIP clients are counted, whereas the S-SI counts 100 percent of participants. Should the Minnesota Legislature approve the waiver request, it will go HHS where, again, support from the YWCA St. Paul and other local programs will be helpful in ensuring its approval at the federal level.

- B. Advocate to Remove Education and Training Caps:** In lieu of a waiver from the WPR, localities and states need to push Congress to lift the restrictions on education under TANF. Specifically, the 12 month limit on post-secondary participation and the 30 percent cap on the number of participants engaged education must be removed in order to ensure TANF clients are prepared for a fuller range of employment possibilities. In addition, participation in Adult Basic Education – the pursuit of a GED or English Language Literacy – must be considered a “core” activity under the WPR.
- C. Demonstrate the Effectiveness of Local-Level Interventions:** MFIP program providers find their own ways to deliver effective employment attachment and advancement services. The YWCA St. Paul’s YW Jobs program is, of course, an example of this. As the Y looks for resources to sustain the program over time, it will be essential to maintain robust data that demonstrates the positive employment outcomes associated with placement and retention interventions, and if possible, to compare them to the employment outcomes of clients not receiving those services.
- D. Seek Support to Address Racial Disparities:** Performance under the WPR is not as good for clients of color as it is for their white counterparts. For example, in 2010, the WPR for all MFIP participants statewide was 41%. For white participants the rate was 44%, while the rates for African American and American Indian participants were 38 % and 31%, respectively. These gaps reflect broader racial disparities in employment; in fact, recent research by the Economic Policy Institute found that among nineteen large metropolitan regions with sizable black populations, the Twin Cities has the largest gap in unemployment between white and black workers. In 2011, nearly 18% of African-Americans in the Twin Cities were unemployed – more than three times the number of whites out of work.⁴

State and local policymakers are looking for ways to bridge the racial gaps – both in MFIP performance (demonstrated, in part, through the provision of Innovation Funds for disparity reduction projects) and in employment outcomes more generally, and may be particularly amendable to funding requests to support intensive job placement and retention for local providers like the YWCA St. Paul that serve predominantly African-American and/or American Indian populations. One possible avenue is to request Diversionary Work Program funds to support a pilot aimed at job attachment and advancement for MFIP-eligible clientele. Further, the Y could advocate on behalf of Representative Mullery’s legislation to establish a grant program to address racial disparities in employment (and, should the legislation pass, pursue funding under the grant).

⁴ Algernon Austin, Economic Policy Institute, “Black metropolitan unemployment in 2011,” July 2, 2012.

WORKFORCE INVESTMENT ACT (WIA)

Federal Policy

Like TANF, the federal Workforce Investment Act (WIA) of 1998 promoted a “work first” approach to service delivery, de-emphasizing pre-employment education and skills training in favor of offering job search services to “universal customers.” The implementation of WIA differed from the previous federal workforce development approach of focusing primarily people who have lower job prospects, and therefore, the most to gain from education and training.

Title I of WIA addresses the needs of job-seekers who are Adults, Dislocated Workers, and Youth. Other sections of the law cover programs for Adult Education and Family Literacy (Title II), the Wagner-Peyser Act (Title III, which funds the federal Employment Service that administers Unemployment Insurance and other services job seeker and employer services), and Title IV, Vocational Rehabilitation Services.

As is the case with TANF, WIA contains performance requirements that states must meet (to avoid sanctions) that dictate the type and length of services local providers may offer. The federal government negotiates the performance targets with the states, which include entered employment, employment retention, and average earnings for adults and dislocated workers; and placement in employment or education, attainment of a degree or certificate, and literacy and numeracy gains for youth. Should states exceed negotiated performance levels, they are eligible to apply for annual WIA incentive award grants. Minnesota is one of few states to consistently outperform its set goals, so has received incentive funding over the years. Most recently, the state received just under \$1.1 million for its performance in Program Year 2010.

Like TANF, there is concern that the WIA performance measures can act as incentives to serve job seekers with the best prospects of locating employment, a practice known as “creaming.” For example, tracking *average* earnings across participants, as opposed to earnings change, may encourage providers to focus services on higher-skilled individuals with higher earnings potential. Similarly, because of the emphasis on entered employment and employment retention, workforce agencies may be reluctant to refer clients to longer term training options that enable the development of the skills necessary to get and keep higher-paying jobs.

And as is also the case with TANF, there are restrictions on the kinds of education and training that states and localities can provide under WIA’s different funding streams. In particular, WIA Title II (adult basic education) funds cannot be used for occupational training, which makes integrating GED and ELL services with vocational training (which can be supported under WIA Title 1) – an education and training model that can be especially successful in serving low-skilled adults – difficult.

State Policy

Under WIA, states allocate WIA funds by formula to local Workforce Investment Boards (WIBs), which administer one-stop centers within particular regions (Workforce Service Areas, or WSAs). States are required to develop five-year performance plans laying out broad strategies for delivering workforce services and reflecting the expected outcomes of identified by WIBS in each of their “local plans.” Thus, service providers in each WSA are expected to do their part to meet performance targets associated with their local plans, which in turn are counted in the overall state performance targets negotiated with the federal government.

Minnesota is one of the few states in the nation that offers a state-funded Dislocated Worker program in addition to the federal DW program. The program served 13,639 individuals in Program Year 2011, and is funded by surtax on employers’ Unemployment Insurance payments.

Possible WIA “Fixes”

E. Seek Support to Address Racial Disparities: The YWCA of St. Paul could request that state incentive funds (\$360,000 is currently unspent) be used to provide intensive job placement and retention services for its WIA clientele. Minnesota’s 5-year plan for WIA contain strategies for improving service delivery, which include an explicit call to reduce disparities; the plan indicates the state will work to “close the educational achievement and employment gap in Minnesota by working to end disparities, including but not limited to those based on race, ethnicity, class, disability, and place.”⁵ The Y could argue that supporting a program like YW Jobs aims to do just that. In addition, federal incentive awards are intended to provide an opportunity to support “innovative workforce development and education activities” that are authorized under WIA Titles I and II, including employment, retention in employment, and improvements in literacy levels.

Other possible avenues of funding for this include reallocated WIA formula funds or the state DW program; the state does have leeway in how it distributes these funds, and the case could be made that areas of high unemployment among people of color necessitate priority funding. WIA policy already reflects the consensus that Veterans deserve priority treatment due to their sacrifice and the devastating effects of war; could the same rationale be used for communities suffering the devastating effects of poverty?

F. Advocate for Improved Performance Measures: There is support among state and national advocates and researchers to return to a weighted regression model earnings measure to account for lower-skilled individuals, and for adopting interim outcome measures that signal progress toward long-term employment or educational outcomes (such as attainment of a GED, completion of basic literacy or English language programs, or the completion of vocational courses that lead to a certificate or credential). As Congress takes up WIA reauthorization, it will be important for local providers like the Y to weigh in with support for these types of changes.

⁵ Minnesota Unified Plan for the Workforce Investment Act, July 2012-June 2017, available online at http://www.positivelyminnesota.com/Programs_Services/Workforce_Investment_Act/Minnesota's_Unified_Plan/Minnesota's_Unified_Plan_for_2012.pdf

G. Encourage Flexibility in Funding: Similarly, workforce service providers should insist that WIA reauthorization contains provisions to grant states and local areas with the flexibility to merge Title I and Title II funds to support integrated education and training programs (like FastTRAC) and other innovative education and training strategies.

Possible Cross-Program (TANF & WIA) “Fixes”

H. Workforce Funders’ Collaborative: While still in its fledging stage, the funders’ collaborative (predominantly philanthropic dollars, but the public workforce development system is at the table) could be a potential source of on-going funding for job placement and retention services. The collaborative is attune to racial disparities in employment, and would likely be compelled to support programs the explicitly and effectively work to improve African-Americans’ success in the local labor market, as the YWCA St. Paul does.

I. Braided Public Funding: The YWCA could also investigate using a mix of public funding streams to support job training, placement, and retention activities. Potential sources of funding include:

- The Supplemental Nutrition Assistance Program (SNAP) has employment and training dollars available through counties who may receive reimbursement from the federal government for spending which results in an employment outcome for SNAP recipients. Since it is likely that most YWCA Jobs participants are receiving and/or eligible for SNAP funds, a reimbursement mechanism could be established where Ramsey County provides additional funds up-front to the YWCA for employment outcomes, and then is reimbursed by the federal government for that spending upon successful outcomes.
- The City of Saint Paul receives federal Community Development Block Grant (CDBG) funds that could be (re)directed to support job placement specifically for unemployed residents of lower-income neighborhoods. This is an eligible use of CDBG funds; however, it is likely that the City has already allocated those funds which would require a reallocation to this purpose.

J. Partnerships with Peer Organizations: Another option worth exploring is to partner with other local providers as a way to maximize shared resources. In particular, forging a relationship with a provider that already has a robust job development and placement function would provide an established pipeline to employment opportunities for clients and could be considerably more cost-effective than dedicating full time staff position/s to this work.

K. Integrated Service Delivery: Some states and localities have experimented with ways to deliver more effective job placement and retention services to low-income adults by integrating TANF and WIA service delivery. A multi-year, multi-state study (funded by U.S. HHS and evaluated by MDRC) on the effectiveness of different strategies for promoting employment stability and wage growth among current or former welfare recipients and

other low-income individuals found that program success often resulted from partnerships among several agencies. Typically, these partnerships included including welfare agencies, WIA contractors, nonprofit employment service providers, community-based organizations, community colleges, and others. Some programs were co-located at WIA One-Stop Centers and/or utilized teams of welfare and workforce staff to provide services.⁶

In Wisconsin, for example, the Workforce Attachment and Advancement (WAA) program, operated jointly by the state’s TANF and WIA administrators and run through the statewide Job Center (one-stop) system, was intended to help TANF-eligible individuals with job placement and advancement, job retention, and increased earnings, and to provide employers with a pool of skilled and supported workers (note the heavy engagement with workers and the workplace). WAA services included:

- ∇ Skills training (classroom, customized, or on-the-job)
- ∇ Job retention services included activities to assist persons in retaining employment, increase working hours and find more steady work. Mentoring, job coaching, crisis intervention, and counseling were provided
- ∇ Job readiness/placement services to move people into new jobs or more advanced employment
- ∇ Basic skills training for individuals who had difficulty retaining or advancing in employment
- ∇ Support services
- ∇ Employer services, including:
 - Job development and placement
 - Recruitment
 - Work site mentoring and job coaching services
 - Workplace assessments of employee training needs
 - Arranging training for incumbent workers
 - Developing work site training programs
 - Employee retention activities, such as employee assistance programs and crisis resolution
 - Arranging support services such as child care, health care and transportation
 - Developing upward mobility programs for their workers

The WAA program was funded for two years, with \$19.7 million in surplus TANF funds available to the state because of sharp caseload declines in the early years of program TANF operation (due to program restrictions and sanctions).

⁶ Office of Planning, Research and Evaluation (OPRE), Administration for Children and Families, U.S. Department of Health and Human Services, “Increasing Employment Stability and Earnings for Low-Wage Workers Lessons from the Employment Retention and Advancement (ERA) Project,” OPRE Report 2012-19, April 2012.

L. Common Performance Measures: Urge Congress to permit agencies to report a single set of outcomes for individuals co-enrolled in WIA Title I training, Title II adult basic education, and/or TANF, and require states and local areas to establish and meet annual co-enrollment goals to ensure eligible participants have access to needed services across the WIA, TANF, and ABE systems.

M. Address Earning Cliffs: Another point of advocacy is around allowing safety net recipients engaged in occupationally focused education and training to continue to receive supports until their income allows them to cover their basic needs. Recipients of public assistance may be reluctant to earn higher wages—and therefore, to engage in the education and training needed to obtain better paying jobs—out of fear that they will lose eligibility for federal assistance. An “earned income disregard” could help eliminate the barriers to ongoing education and training caused by earning cliffs.⁷ Note that “Disincentives to Earn,” a 2007 report published by the Minnesota Taxpayers Association, calls for ending earnings cliffs as critical to creating “a more economically rational safety net.”⁸

NEXT STEPS

Many of the issues addressed here require changes in federal law and/or significant shifts in how we implement federal programs in Minnesota. That said, there are concrete actions the YWCA of St. Paul can take to move the recommended TANF, WIA, and cross-system “fixes” forward. Following are next steps, organized by the level of contact, which the YWCA of St. Paul can take together with others to pursue the solutions outlined here.

Advancing a Federal Policy Agenda

Several of the recommendations above require federal action: policy change by the US Department of Health & Human Services for TANF or policy change by the US Department of Labor for WIA. Also, several recommendations could be achieved through the reauthorization of WIA, an action to be taken by Congress.

A federal action agenda addresses the following items from above:

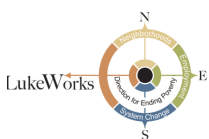
- A. Support a State Waiver from the WPR**
- B. Advocate to Remove Education and Training Caps**
- F. Advocate for Improved Performance Measures**
- G. Encourage Flexibility in Funding**
- I. Braided Public Funding**
- L. Common Performance Measures**

⁷ National Skills Coalition, “Building Pathways to Employment in America’s Cities through Integrated Workforce and Community Development,” October 17, 2012.

⁸ Center for Public Finance Research for the Minnesota Taxpayers Association, “Disincentives to Earn: An Analysis of Effective Tax Rates on Low Income Minnesota Households,” April 2007.

These six items could all be addressed by leadership in the Obama Administration and/or Congress. The YWCA could advance this federal action agenda by:

1. Support Minnesota's request for a waiver from the TANF WPR. A first step here is to contact MN DHS (Deborah Schlick) to get the most up-to-date information on the status and content of the waiver request; then, you can craft a letter of support for the request, detailing the ways it will help your clients access the types of services they need (emphasizing that your clientele is predominantly African-American, and your goal is to provide intensive job placement and retention services not possible under the Work Participation Rate).
2. Coordinate your peer MFIP providers to jointly advocate for the state's request for a waiver. Such advocacy would be in conjunction with MN DHS and the Governor's Office, and directed at the US Secretary of HHS and Minnesota's Congressional delegation.
3. Request action by Congress to remove current caps on education for TANF participants. Action here is only needed should the state's waiver request fail. In that case, the YWCA St. Paul can – through letters and phone calls – urge Senators Franken (sitting on the Health, Education, Labor and Pensions Committee) and Klobuchar (sitting on the Joint Economic Committee) and Representative McCollum (building off your current engagement with her office) to press for the removal of the current caps on education. You may be able to work with state agency staff to support these requests if a waiver request has been denied. There may also be support for such advocacy with national organizations like the National Skills Coalition, National Association of Counties, and others who lobby on TANF issues.
4. Weigh in on WIA reauthorization in Congress to advocate for improved performance measures and flexibility in funding. This involves partnering with others who are tracking federal WIA reauthorization, and pressing our MN Congressional delegation to encourage their advocacy as legislation moves through the committee processes. The MN Workforce Council Association (MWCA) together with state agencies (DEED, ABE/Education) may be the best conduit to Washington for you on this issue, and you could join existing efforts by the National Skills Coalition, National Governor's Association, and National Association of Workforce Boards who are being attentive to these details as this legislation moves forward. You may also find lobbying partners among associations of service providers with national scope including the YMCA/YWCAs, National Council of La Raza, Goodwill, Salvation Army, and others.
5. Advocate for easier 'braiding' of public funding as other federal funding sources are up for reauthorization and/or appropriations. Joining the state, MWCA, National Governor's Association, National Association of Counties, and perhaps other service providers with national scope, you could press for easing of regulation and reporting requirements in federal funding (e.g., SNAP, CDBG, McKinney-Vento, Perkins and other programs) that would allow you to 'braid' funding to better serve your clients. We are not aware of a specific lobbying effort on this topic; although there are several national experts who have written about this approach and it is, generally speaking, part of the advocacy for more flexible federal funding.



Advancing a State Policy Agenda

Of the recommendations outlined above, the following could be addressed by state agency leaders and/or by action in the MN Legislature:

C. Demonstrate the Effectiveness of Local-Level Interventions

D. Seek Support to Address Racial Disparities.

K. Integrated Service Delivery

M. Address Earning Cliffs

The YWCA could take action on most of these through the following steps:

1. Craft a memo to MN DHS' proposing that the YWCA use Diversionary Work Program funds to run a short-term demonstration designed to connect greater numbers of African-Americans to jobs. This could be an extension of, or supplement to, the YW Jobs program.
2. Be in touch with Representative Mullery's office about ways to support his legislation to reduce racial employment disparities. Offer to testify, write a letter of support, or draft an op-ed for local papers.
3. Make the case to DEED that unspent WIA Incentive Funds should be used to address the racial employment gap. Write a letter to Commissioner Katie Clark Sieben outlining your argument and enlist MN Rep. Moran (Vice Chair of Health and Human Services Committee) to weigh in with DEED. The MN Governor's Workforce Development Council's latest recommendations could be interpreted to support this approach.
4. Advocate for a redistribution of WIA formula funds based on the needs of under-served populations (African-Americans and American-Indians), arguing that their ongoing economic marginalization warrants extra funding just as veterans do. Here, you could work with Patricia Brady to bring this case to DEED and the MN Legislature. The Governor has some authority to change the distribution of WIA formula funds within the state, although there is existing federal guidance on this.
5. Advocate for broader use of federal SNAP funds (run through state-level program) to support employment outcomes for SNAP participants who are NOT on MFIP. A first step is to be in touch with Steve Erbes at DEED, who runs the SNAP program at DEED and has been receptive to CBOs using SNAP funds for this purpose in the past. (Remember, this would only be a viable option for clients not on MFIP.)
6. Consider partnering with other CBOs and/or urban jurisdictions to lobby that DEED and/or the Legislature target more funding to core urban areas for worker preparation and economic growth. A new program could be introduced through the MN Job Skills Partnership and/or the Urban Initiative Board to target state funding from the MN Workforce Development Fund (or other sources) to cover costs associated with training and placement of low-income urban residents in urban jobs.
7. Advocate for a joint demonstration project by MN Departments of Human Services, Education, DEED, Health, and MnSCU that would identify the state resources consumed by individuals who are enrolled in programs across at least one or two of these departments to assess how regulatory changes could be made that would allow for more seamless service delivery, more efficient use of state resources (including staff

time), and result in faster entry to gainful employment. This could be modeled on Project FUSE (frequent users of service) led by the Hennepin/Minneapolis Office to End Homelessness, as well as analysis done previously by DEED and Department of Education to identify citizens utilizing multiple public services.

Additional Approaches

The remaining recommendations (**H. Workforce Funders' Collaborative and K. Partnerships with Peer Organizations**) are not necessarily tied to advancing policy change at the state or federal level, and could be pursued by the YWCA directly. Some potential next steps here include:

1. Continue conversations with other CBOs who deliver large numbers of clients into jobs – preferably unsubsidized work, but possibly “transitional” employment opportunities as well. Consider how the YWCA might partner with them to ‘buy’ some job development services and/or cooperatively employ job developers who would work across several agencies.
2. Explore with local ABE providers – the Hubbs Center in particular – ways in which you can team up to deliver short term occupational training. The model may be that Hubbs provides the basic skills, one or both of you provides the occupational training, and you provide the case management/wrap around services.
3. Continue to foster your relationship with Anne Mulholland/MN Philanthropy Partners and the Workforce Funder’s Collaborative with an eye toward gaining philanthropic support for any of the approaches outlined above.

CONCLUSION

The YWCA’s programming is valuable and appears to be delivering positive results for clients who are served. The hindrances faced by YWCA staff are not unique to the organization, but rather, flow up to the federal programs and state administration of those programs. There are several steps the YWCA can take, together with others, to help advance change at the federal level for both TANF and WIA. Further, there are steps that state administrators and legislators could take that would make delivery of the YWCA’s programs easier and perhaps more effective. The recommendations and next steps outlined here provide a guide to how the YWCA might engage most effectively in that advocacy.

Ultimately, the challenge is that YWCA of Saint Paul will not act alone to advance these changes; nor will the policy changes outlined here guard against further economic downturns that, inevitably, affect performance. That said, we see opportunity for the YWCA to use its experience and stature to lead change efforts that will serve many Minnesotans over time.