Public Funding Strategies and Resources for Programs in Workforce Development

This report provides an initial set of public funding strategies, resources, and prospects to help workforce development projects in Boston develop a successful sustainability strategy.

Information is presented in three sections:

- Section [A] A Strategic Approach to Resource Development (p. 1 - 2);
- Section [B] Information Resources – existing sources of information on public funding opportunities (p. 2 – 4);
- Section [C] Funding Prospects – a listing and brief explanation of over 20 potential public funding prospects, including local (p. 4 – 8) state (p. 8 – 11) and federal (p. 11 – 13) sources.

[A] A Strategic Approach to Resource Development

1) Developing Your Organizational Strategy

Organizations that are most successful at fundraising work to position their projects to take advantage of funding opportunities long before a Request for Proposals exists. Key steps to take to position your project for future success include:

a) Getting Clear
   - Determine what is most successful about your project, and what aspects you want to sustain and grow. Research your options and priorities for how to finance what you want to keep.
   - Discuss with your employer partners what they most value in your partnership, and what aspects they want to ensure continue and grow.
   - Work with your collaborating partners to determine what efforts you want to work to sustain together.

b) Develop a Formal Process
   - Research possible funding sources, your competition for those sources and identify funding priorities within your own organization and the partnership
   - Involve the right people in your partnership in this effort
   - Produce a product/template/plan and discuss it with your potential funders
   - Identify all the possible funders of a project like yours and begin to introduce yourselves to them. The key is establishing a dialogue, credibility, rapport, and a working connection. Even if you feel your project has a high-level of visibility, don’t assume that
public funders already know about it. Funders are very open to meeting with program providers.

c) New Steps in Employer Strategies

- Contact key CEOs at employers and establish a dialogue about the business value of your work and your sustainability strategy
- Arm your allies at employers with documentation of what value and cost savings you have brought to employers, so they can advocate with their superiors.

(2) Developing Collaborations and Partnerships

Frequently, fundraising is the work of an individual organization. Yet today, when sizeable, multi-year public funds are the goal, collaborative strategies have many advantages and opportunities. There is considerable effort required to undertake collaborative strategies, but in the current fiscal environment individual programs are more likely to be successful if they decide not to completely “go it alone.”

When beginning your fundraising work as a collaborative effort there is the need to (1) sort out individual and collective interests, (2) identify where programs are different and where aligned (e.g., logical fit based on industry, geography, mission), (3) decide what to give up and what to retain as core purposes and competencies of a collaborative, and (4) specify operating rules and rules for fundraising for such a collaboration.

The point is to think strategically about what it takes for multiple projects and organizations to position themselves to gain access to new funding prospects, and more specifically to new multi-year, public funding streams. The possible value is enough to at least strongly consider a joint approach.

[B] Information Resources

Research and Documentation

To develop a successful fundraising strategy it’s critical that you document the impact of your services. Your program currently collects data to document your work and measure its success. You can also supplement your own data by drawing on studies and research of best practices from projects that are similar to yours. There are several think tanks, university centers, and other local resources that you can use to help document the impact of your services. Jobs for the Future, a SkillWorks partner, is one such resource.

Information on Current Federal Funding Opportunities

There are several resources that will keep your organization up to date about federal funding opportunities. These include:
[A] Federal Register reviews/newsletters – organizations can subscribe to the daily Federal Register, or, more efficiently, subscribe to one of the national newsletters providing an overview of national funding opportunities. One of these newsletters is the Employment & Training Reporter, which is expensive ($800 to $1,000 per year), claims to be the “journal of record in the field of publicly funded assessment, training, re-employment, and placement programs for the economically disadvantaged and displaced workers,” offers free samples, and is regularly subscribed to by many WIBs. Go to www.miipublications.com/etr.htm.

[B] All federal agencies have websites that post notices of funding opportunities and some have listservs which periodically email updates on funding opportunities to subscribers. These include:

1. www.grants.gov/ - a general resource for federal funding opportunities;

2. the Federal Department of Labor Employment and Training Administration produces “What’s New at the ETA” which is a detailed electronic group email service. You can select topics you wish to be emailed about (e.g., funding opportunities). Go to www.doleta.gov/ and www.doleta.gov/grants/;

3. The Federal Department of Education, at www.ed.gov, provides a webpage entitled Forecast of Funding Opportunities. This includes a chart of current funding opportunities in adult education;

4. The Federal Housing and Urban Development has a relevant webpage at www.eda.gov/, which provides information on funding opportunities that include workforce development components (e.g., see ROSS in Section [C]1. below).

Information from the City of Boston

The City of Boston listserv provides monthly updates on different current public and private funding opportunities. The listing sometimes catches opportunities missed by other resources. To join and receive the monthly emails, send a blank email to: join-funding_update@listserv.cityofboston.gov.


Information on Federal and State Workforce Development Funds

There are three publications which will assist staff – especially those new to the workforce development field – understand relevant public funding streams. While the last two of these are a bit out of date, they all provide necessary, foundation information.
The Workforce Alliance published in 2006 “Training Policy in Brief: An Overview of Federal Workforce Development Policies.” This 100 page book focuses on “program structure, legislative status, funded activities, eligibility, performance accountability” and other aspects of 13 federal workforce development programs administered by six different federal agencies. The publication is available for purchase or free download at www.workforcealliance.org.

The Massachusetts Workforce Alliance published in 2002 a useful eight page overview of federal and state funding streams in Massachusetts which is titled “Workforce Development: An Agenda for Massachusetts’ Next Governor.” The publication is available at www.peer.mwapolicy.org.

Commonwealth Corporation provides an annual “Regional Workforce Investment Profiles” which outline a broader set of public funding sources available in Boston and in 15 other geographic areas across the state. FY 04 funding is the most current data available. The profiles are available at http://64.70.134.109/CRE/workforce.html.

[C] Funding Prospects

Public funding prospects for workforce development programs are grouped below by local, state and federal funding sources.

1. LOCAL FUNDING SOURCES

These sources include state and federal funds, but are included here as they are accessed through the City of Boston which is charged with local management and distribution of funds.

Neighborhood Jobs Trust

Neighborhood Jobs Trust (NJT) is managed by three Trustees: a member of the City Council appointed by the Mayor; the Director of EDIC/JCS; and the Treasurer of the City of Boston. EDIC/JCS administers the funds which come from job linkage fees.

Commercial construction projects in Boston in excess of 100,000 square feet are obligated to pay a linkage fee to NJT. At least 20% of linkage fees must be reserved for the neighborhood where the project is located. Developers may request that linkage fees be used to create a training program for workers who will then be employed at businesses at the development site.

When the Trustees deem sufficient funds are on hand, a competitive RFP for education, training, and supportive services is issued. While NJT funds are primarily competitive seed money, the Trustees may elect to refund a program previously supported by NJT.

EDIC staff anticipate that an NJT RFP will be released within the next year.

Contact: Ken Barnes, at ken.barnes.jcs@cityofboston.gov
Individual Training Accounts

Individual Training Accounts (ITAs), also known as training vouchers, have been used by public funders for years. ITAs have become more prominent in workforce development since implementation of the federal Workforce Investment Act (WIA), establishment of One Stop Career Centers, and Boston’s election to implement ITAs as, largely, the way WIA adult funds are distributed. Now there is a wide range of possible ITA opportunities for local programs – including WIA and other public funding sources.

An ITA provides a training vendor with the funds to train an individual trainee. Most often there is no guarantee of how many trainees with ITAs will be referred to any training vendor. Covering costs and filling classes sufficiently through ITAs alone can be a major challenge; ITA funds on top of group contracts can be a fiscally sound method of operating.

The current ITA system can be confusing and involves both local and state governmental units with different requirements. Programs should investigate new opportunities carefully before proceeding – qualifying for ITAs can require considerable work.

There are several potential sources for ITAs. Full description of each of these is beyond the scope of this summary, but introductory and contact information is provided below.

1. The Workforce Investment Act ITA system in Boston and 15 other geographic areas statewide distribute ITAs through One Stop Career Centers. There are two priority populations for these ITAs: a) low income individuals – up to 150% of the federal lower living wage standard and b) dislocated workers. Both groups are funded under different sections of the federal Workforce Investment Act, and in recent years they have supported ITAs for about 450 individuals per year. In addition, dislocated workers, when laid off in sufficient numbers, can be supported by a WIA National Emergency Grant. These sometimes can result in group contracts (e.g., Power One, Federal Mogul, Fleet Bank, and probably Filene’s). Interested organizations should obtain a copy of the WIA ITA Management: Boston’s Best Practices Guide. Contact David Bassett at EDIC/JCS – 617-918-5256.

In summary, the steps for approval to receive WIA ITAs in Boston are:

• Fill out an application to be an approved training vendor on the Training Pro website (detma.org). This information is reviewed by the state and then forwarded to EDIC/JCS;
• EDIC/JCS reviews applicants’ past performance to determine that they have produced (a) jobs for 60% of enrollees and (b) an average $8.00 placement wage, or higher;
• New programs and applicants have one year to meet these same placement rates and wages;
• EDIC then places a vendor on the Boston ITA list.

It is then up to vendors to establish working relationships with Boston’s One Stop Career Centers and staff of the OSCCs – in order to justify and encourage referrals of
individuals with ITAs. Career Centers determine eligibility for and issue ITAs, which are approved by EDIC/JCS.

2. **Training Pro** will list your organization and services for WTF applicants/grantees and other state funded programs (go to detma.org for the on-line application). This is the same state level resource used for WIA ITAs. Contact Mark Shore at Massachusetts Division of Career Services – 617-626-5335;

3. **Section 30** allows a recipient of unemployment insurance to extend unemployment an additional 18 weeks if they are enrolled in an approved training. There is a separate approval process required and different program requirements (70% entered employment and minimum of 20 hours/week of training). In addition the Mass. Department of Education certifies programs, which requires extensive work and an approval process by DOE. Approval can be challenging for new vendors and new programs. Contact Bill McClory at Massachusetts Division of Unemployment Assistance at 617-626-5327;

4. **Trade Adjustment Act** (TAA) provides federal funds for companies and employees suffering layoffs due to foreign competition. Each state has pool of federal funds available. Once a company is certified, employees qualify for 102 weeks of unemployment and are entitled to training through separate Trade funds from DOL. They can go to a Career Center and access training through a group contract or ITA – depending on the size of their employer’s layoffs. TAA uses a separate list of approved training vendors. Contact Beth Goguen at Massachusetts Division of Career Services at 617-626-6053.

5. **Community Based Employment Services Request for Response** is a consolidated ITA program shared by the Massachusetts Rehabilitation Commission, the Department of Mental Retardation, and the Department of Mental Health. This is a rolling procurement “seeking qualified service contractors to achieve and maintain community based employment for individuals with disabilities.” Funds can cover some job placement costs, and also pay for assessment, career planning, and long term support for a disabled person who is working. The funding rates are set in the range of $4-5,000 per person and have not been increased in several years. Current vendors suggest that funds do not cover the real costs of services. Contact [www.comm-pass.com](http://www.comm-pass.com).

6. **Massachusetts Office of Refugees and Immigrants** provides ITAs (up to $2,000) for skill training for about 50 individuals per year, statewide. Funds for have been cut dramatically in recent years. This is thus an unlikely new funding source for local workforce development programs, yet current national political debate about immigration could affect this source in future years.

---

**Community Development Block Grant**
EDIC/JCS administers the Human Services portion of the federal Community Development Block Grant in Boston. These funds have been cut by nearly 25% in the past five years; further cuts at the federal level are being considered.

The goal of CDBG funds is to “enable low income residents of Boston to be able to continue living in the city by helping them begin to move out of poverty.” In the area of workforce development, CDBG has often been targeted to provide support services. The FY 07 RFP targeted “outreach, referral, advocacy, and counseling” with a priority on “collaborative or coordinated designs emphasizing a case management approach to service delivery.” Skill training, adult literacy, and ESOL services was not be funded through this RFP.

CDBG is one example of a sizeable number of potential funding source for collaborative strategies – but FY 08 will be a refunding year and unlikely to result in funding of new projects. But workforce development organizations and their collaborating partners should be aware of this source of funds for future years as potential funding for services that support their workforce development participants.

Contact: Ken Barnes at ken.barnes.jcs@cityofboston.gov.

**English for New Bostonians**

English for New Bostonians (ENB) released two RFPs in March “to offer quality ESOL delivery” one for for programs which have provided ESOL services for at least one year; and the other for “organizations with limited or no ESOL experience.”

This year’s RFPs and funding process are managed by Boston Adult Literacy Fund, supported by the Massachusetts Immigrant and Refugee Advocacy Coalition.

Plans for future year funding are not final, but the City is committed to reducing waiting lists for ESOL programs. This multi-year source is unusual since it is relevant to both established and new ESOL programs.

Contact: Kerline Tofuri at BALF – 617-482-3336 and check BALF’s website for future funding opportunities: www.balf.net

**Math and Science Advancement Pathways to College and Employment**

The purpose of this new EDIC/JCS program is to “prepare adult residents of Boston for high demand jobs and/or post-secondary programs requiring college-level competencies in math and science.” While the grantees for this year have been chosen, this source is worth pursuing in the future since it is a high priority for the City of Boston, and addresses a major challenge in the U.S. labor market.
The target group is low income residents who have a high school diploma or GED, 8th grade math skills, and 10th grade reading skills. High demand occupations cited in the RFP issued earlier this year include health care, life sciences, biotech, and automobile and marine trades.

Contact: Denise Dabney, Chief Planner at 617-918-5239.

**Boston Private Industry Council**

The Boston Private Industry Council – as Boston’s Workforce Investment Board – sets local policy for the implementation of many adult and youth workforce development programs. The PIC also has access to some DOL funding prospects limited to WIBs. The Boston PIC is also an important local partner to consider when applying for federal and state level funds.

Contact Rebekah Lashman at 617-423-3755.

2. **STATE FUNDING SOURCES**

**Competitiveness Trust Fund**

The recently passed Economic Stimulus Bill included the establishment of the Competitiveness Trust Fund, designed to support workforce development initiatives in critical industry sectors. The Commonwealth Corporation will be issuing an RFP in mid-late December for these funds.

- Three-year grants of $500,000 (maximum) will be made to partnerships in 7 regions of the state, with separate competitions in each region.
- A total of $10 million will be made available.
- Grants are to support workforce development activities for incumbent workers and pre-employment activities in key industry sectors in each region.
- There will be a special “set-aside” of funds for partnerships working in health care, travel and tourism. Other industry sectors will be eligible as well.
- Any organization can serve as the lead agency, including non-profits, Workforce Investment Boards and employers.
- Planning grants will be available.
- The RFP will be made available on the Commonwealth Corporation website: [www.commcorp.org](http://www.commcorp.org).

Contact: Eileen Haggerty at Commonwealth Corporation, 617-727-8158

**Workplace Education**
The State Department of Education is now offering annual rounds of workplace education grants. A planning grant RFP is currently available, due in January 2007. It can be found at http://financi1.doe.mass.edu/grants/grants07/RFP/538_494.html.

These grants start with a small ($3,000 to $6,000) planning grant. Bidders need to have established a working relationship with at least one employer, and planning grant products include a workplace needs assessment and a signed MOA among all partner organizations.

Successful Planning Grants result in operational grants of $40,000 to $60,000 per year for 3 to 5 years.

According to DOE, workplace education has been disproportionately funded in the City of Boston, so any new workplace education grants are unlikely without increased funding. Interested applicants should contact the Department of Education.

Contact: Julia Zoino-Jeannetti at Mass DOE (781-338-3825) for questions about the current RFP and to ensure your organization is on DOE’s mailing list for Workplace Education RFPs.

Workforce Training Fund

The Workforce Training Fund (WTF) started in 1998, is financed by Massachusetts employers through unemployment insurance contributions, is administered by the Massachusetts Division of Career Services, and makes $18,000,000 in funds available annually.

There are four funding programs of potential interest.

1. WTF Technical Assistance Grants range from $5,000 to $25,000, must be completed within six months, and are awarded to employer(s), industry associations, labor organizations, community colleges, WIBs/WIAs, and other TA providers – to determine a set of training needs through, for example, a training needs assessment and a training plan. TA Grants can lead to WTF Training Grants.

2. WTF Training Grants range from $2,000 to over $250,000, must be completed within two years, and are awarded to employers, employer organizations, labor organizations, and training providers – to train incumbent workers who work in Massachusetts.

For TA and Training Grants

- Funding priorities are small to medium-sized companies, as well as balance across geographic areas, industry sectors, and occupations;
- Dollar for dollar matching funds (cash and/or in-kind) are required;
- Funds may be used to train either full or part time regular employees, but may not be used to train contract employees;
- There are few restrictions on training content or what trainers may be used;
- Dates for funding rounds – three per year – are posted and updated on the web. The next one is scheduled for March 2007.
3. **WTF Express Program Grants** range up to $15,000, must be completed within one year, and are awarded to employers with 50 or fewer employees in Massachusetts and to labor organizations (with no membership limit).

For Express Program grants:
- Applicants must pay unemployment insurance contributions – thereby supporting WTF;
- Grants will reimburse 1/2 of the cost of training courses upon successful completion of training, and the other 1/2 is a required cash match from the grantee;
- Training is limited to courses listed on the Express Program website;
- Applications are accepted on a rolling basis.

4. **WTF Hiring Incentive Training Grant Program** provides up to $2,000 per employee and up to $30,000 a year per company, pays for training costs of newly hired Massachusetts residents who have been unemployed for over a year, and is open to all employers who pay into the unemployment insurance fund.

For the Incentive Training Grants:
- Companies that have not previously received WTF funds will receive preference in funding decisions;
- Application must be submitted within 30 days of the new hire’s start date;
- Employee must be a permanent hire (not seasonal), employed in Massachusetts, and must be non-government workers;
- Training must be job-related and start within six months of grant award, and last no longer than 12 months;
- Employers can use any training provider of their choice.

Contact: Information on recent grantees, details on each WTF application process, and extensive Q & A can be found at [www.detma.org](http://www.detma.org).

### Five Year Adult Basic Education Grants


The five year grants are highly competitive and are currently in their 1st of 5 years. The next RFP is expected out in the summer of 2009, and will likely involve a year long procurement process.

Many organizations operating as part of local workforce development collaboratives currently receive this funding. If workforce development continues to be a priority for DOE, workforce development programs may prove to be a strategic partner for adult education programs applying for these funds. If your organization does not receive these funds already, 2008 is not too early to explore partnering/joining one of the current grantees.
Contact: www.doe.mass.edu/acls/.

**Department of Transitional Assistance**

The Department of Transitional Assistance has always shown independence and flexibility in its workforce development programming. Recent examples include (1) funding of two additional projects to supplement the Community Based Initiative funded by the state recently through the Emerging Technology Bill in 2004 and (2) new components initiated this past year to strengthen literacy skills, provide vocational services to TANF recipients/families with disabilities, and provide post placement support.

These funds are managed through EDIC/JCS, but projects may also want to consider approaching DTA about special initiatives. DTA is now seeking to expand services to meet federal TANF re-authorization requirements. Projects could initiate discussions with DTA now to discuss common interests in FY 08.

Contact Claire Ghiloni and Constance Harris at 617-348-5830.

### 3. FEDERAL SOURCES

**Public Housing Resident Opportunity and Self-Sufficiency**

HUD’s Resident Opportunity and Self-Sufficiency (ROSS) Program is a possible source of support for workforce development programs working in cooperation with organizations serving public housing residents.

The purpose of ROSS is to “create programs which will help residents achieve economic self-sufficiency; and to link residents with services such as job training and educational opportunities that facilitate economic and housing self-sufficiency.” Grants are made every 3 years.

As with all federal grant opportunities, competition will be stiff. A close reading of the NOFA is important in making a decision on applying, as is developing a close working relationship with organizations service public housing residents.

Contact: ROSS is described in the Federal Register on page 11954; and a PDF copy is available on HUD website (www.hud.gov).

**National Office for Faith-Based & Community Initiatives**

The current federal administration has placed a high priority on funding faith based and community based organizations in workforce development and other areas.
According to the U.S. Department of Labor, the following are the web sites and email list registration for the Centers for Faith-Based and Community Initiatives in various federal agencies:

White Office of Faith-Based and Community Initiatives
- [www.whitehouse.gov/government/fbci/](http://www.whitehouse.gov/government/fbci/)

U.S. Department of Labor
- [www.dol.gov/cfbc](http://www.dol.gov/cfbc)
- [www.dol.gov/cfbc/combined_form.htm](http://www.dol.gov/cfbc/combined_form.htm)

U.S. Department of Health and Human Services
- [www.hhs.gov/fbci](http://www.hhs.gov/fbci)
- [http://list.nih.gov/cgi-bin/wa?SUBED1=faith_based_initiative&A=1](http://list.nih.gov/cgi-bin/wa?SUBED1=faith_based_initiative&A=1)

U.S. Department of Housing and Urban Development
- [www.hud.gov/offices/fbci/index.cfm](http://www.hud.gov/offices/fbci/index.cfm)
- [www.hud.gov/subscribe/index.htm](http://www.hud.gov/subscribe/index.htm)

U.S. Department of Education
- [www.ed.gov/faithandcommunity](http://www.ed.gov/faithandcommunity)

U.S. Department of Justice
- [www.ojp.usdoj.gov/fbci/](http://www.ojp.usdoj.gov/fbci/)
- [www.ojp.usdoj.gov/fbci/listserv.htm](http://www.ojp.usdoj.gov/fbci/listserv.htm)

U.S. Department of Justice

**U.S. Department of Labor**

Most of the Department of Labor funding that is accessible to smaller workforce development projects is managed locally by EDIC/JCS. However, U.S. DOL periodically issues requests for proposals that can be submitted by local programs. Programs interested in pursuing DOL funding must think strategically about creating partnerships that will expand their impact to be competitive for funding. Often proposals must be submitted in collaboration with a local workforce development board. Whether or not that is a specific requirement of a particular RFP, programs in Boston considering DOL funding would be wise to consider a collaborative partnership that includes the Boston Private Industry Council.

The Department of Labor’s Employment and Training Administration currently prioritizes sectoral initiatives, (e.g., a “high growth training initiative”). There is a priority on industry driven training, RFPs often focus in one industry or sector, but there are no active rounds of funding open at this time.
Additionally, ESOL with a workplace focus is a potential growth area, given national politics around immigration. Cultivating relationships with staff at DOL/ETA is one strategy that can result in (a) release of an RFP in line with discussions you have had with DOL/ETA staff and (b) grants released for favored programs without an RFP.

Contact: www.doleta.gov

**Tax Credits**

The Work Opportunity Tax Credit (WOTC) is another public funding option to consider. WOTC is a federal tax credit which reduces employers’ federal income tax liability by as much as $2,400 per worker. WOTC started in 1996, is in effect until the end of 2006, and is now being considered for a 3 year extension.

WOTC provides federal tax credits for hiring TANF recipients; young adults from families on Food Stamps and from Empowerment Zones and Enterprise Communities; EZ/EC residents hired as a Summer Youth Employee; veterans who are members of families on Food Stamps; disabled persons completing rehabilitative services; ex-felons who are members of low income families; and recipients of SSI benefits.

While this is a tax credit for employers, one approach that has worked with large companies in other parts of the country has been for training providers to complete the required paperwork and agree with the employer that some percentage of the employer’s reduced tax payments will be used to support the costs of training for their employees.

Contact: www.uses.doleta.gov/wotecdata.asp#content and the Massachusetts State WOTC Coordinator is Jack Sprince (617-626-5730).