

TRAINING AND EMPLOYMENT NOTICE	<b>NO.</b> 32-07
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TO: ALL STATE WORKFORCE LIAISONS  
ALL STATE WORKFORCE AGENCIES

FROM: THOMAS M. DOWD /s/  
Administrator  
Office of Policy Development and Research

SUBJECT: Release and Availability of *Employment and Training Administration (ETA) Occasional Paper 2007-16: Collaborating with Faith- and Community-Based Organizations: Lessons Learned from Twelve Workforce Investment Boards, Final Report*

1. Purpose. To announce the release and availability of *ETA Occasional Paper 2007-16: Collaborating with Faith- and Community-Based Organizations: Lessons Learned from Twelve Workforce Investment Boards, Final Report*.
2. Background. In July 2004, ETA awarded demonstration grants to 12 Workforce Investment Boards (WIBs) to promote sustainable collaborations between faith- and community-based organizations (FCBOs) and the workforce investment system. The grants were intended to: 1) increase access to the workforce investment system among underserved populations; 2) provide new or enhanced services to job seekers; and 3) build FCBO's capacity and enable their ongoing participation in the workforce investment system.

The report describes three different models implemented by the WIBs for integrating FCBOs into the workforce investment system, each of which represents a different combination of possible FCBO roles. The three approaches are: a) *Recruit and Refer*, where FCBOs conduct outreach, provide supportive services, and then refer clients to the One-Stop Career Center for placement, b) *Provide Specialized Job Readiness Training*, where FCBOs provide training tailored to target populations followed by job placement or referral to the One-Stop Career Center, and c) *Offer Comprehensive Services*, where FCBOs provide a range of employment and social services in an accessible location within the community. The report describes the resources leveraged from the community by the FCBOs to meet the needs of their clients and also presents a limited amount of information on the employment outcomes of project participants.

Two previous reports were produced under this evaluation and serve to buttress the information provided in the final report. The first report was issued as *ETA Occasional Paper 2006-02: Building Relationships Between the Workforce Investment System and Faith-based and Community Organizations, Background*

*Paper.* The report is a background paper that describes what was known before the demonstration program about the potential benefits of, barriers to, and strategies for promoting collaborations. It provides an overview of the policy and legal context for the grants and the potential benefits to the One-Stop system of partnering with FCBOs.

The second report was issued as ETA Occasional Paper 2006-03: Evaluating Grants to Build Collaborations Between the Workforce Investment System and Faith- and Community-Based Organizations, Early Findings. The report describes the demonstration, the grantees' goals, the procedures for developing and building relationships, the collaborative approaches developed, and early findings from the evaluation. Both reports are available on ETA's Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.

3. Publication Description. This report, *ETA Occasional Paper 2007-16: Collaborating with Faith- and Community-Based Organizations: Lessons Learned from Twelve Workforce Investment Boards, Final Report* describes the lessons learned in response to three main research questions:
  - 1) Why should the workforce investment system collaborate with FCBOs?;
  - 2) What are the main barriers to collaboration?; and
  - 3) What steps can be taken to build productive partnerships between the workforce investment system and FCBOs?

To learn more about this publication's findings, please see the attached "Summary and Implications" document.

4. Inquiries. To view an abstract of this publication as well as to download the full report as a PDF, visit the ETA Occasional Paper Series Web site at: <http://wdr.doleta.gov/research/keyword.cfm>.

To request a hard copy of this publication, please write: the Dissemination Team, Division of Policy, Legislation and Dissemination, Office of Policy Development and Research, Employment and Training Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N5641, Washington, DC 20210; or call the publication order line at: (202)693-3666.

5. Attachments.
  - *ETA Occasional Paper 2007-16: Collaborating with Faith- and Community-Based Organizations: Lessons Learned from Twelve Workforce Investment Boards, Final Report, Summary and Implications.*
  - *Summary and Implications Paper on ETA Occasional Paper 2007-16*

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**MATHEMATICA**  
Policy Research, Inc.

**Collaborating with Faith-  
and Community-Based  
Organizations: Lessons  
Learned from 12 Workforce  
Investment Boards**

***Final Report***

***May 15, 2007***

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# CONTENTS

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<b>Chapter</b>	<b>Page</b>
<b>EXECUTIVE SUMMARY</b> .....	xiii
<b>I INTRODUCTION</b> .....	1
A. POLICY CONTEXT .....	2
1. Efforts to Level the Playing Field for Faith- and Community- Based Organizations.....	2
2. Reform of the Workforce Investment System: The Workforce Investment Act.....	3
3. Implementation of the Faith-Based and Community Initiatives Within DOL .....	4
B. GRANT PROGRAMS INCLUDED IN THE EVALUATION .....	6
C. THE EVALUATION .....	7
D. REPORT STRUCTURE.....	10
<b>II THE GRANTEES AND THEIR APPROACHES TO DESIGNING THE COLLABORATIONS</b> .....	11
A. THE GRANTEES.....	11
1. Grantee Locations and Service Areas .....	12
2. Administrative Structure and Grant Staffing.....	13
3. Grantees' Experience Collaborating with FBCOs.....	15
4. Socioeconomic Environment .....	16
5. Legal and Political Environment .....	17

<b>Chapter</b>	<b>Page</b>
<b>II (continued)</b>	
B. GOALS ESTABLISHED BY THE GRANTEES .....	19
1. Increasing Access to the Workforce Investment System .....	20
2. Providing New or Enhanced Services .....	21
3. Promoting FBCO Capacity and Participation in the Workforce Investment System.....	22
C. NUMBER AND AMOUNTS OF SUBAWARDS TO FBCOs.....	23
D. USE OF INTERMEDIARIES.....	24
1. Subaward Amounts .....	26
2. Experience with FBCOs and the One-Stop System.....	26
E. INVOLVEMENT OF ONE-STOP CENTERS.....	28
1. Number of One-Stop Centers .....	29
2. One-Stop Center Operators.....	30
3. Experience with FBCOs.....	30
4. Subawards for One-Stop Operators .....	30
F. OTHER GRANT PARTNERS .....	31
<b>III STRATEGIES FOR INCORPORATING FBCOs INTO LOCAL WORKFORCE INVESTMENT SYSTEMS .....</b>	
<b>33</b>	
A. INCREASING ACCESS TO THE WORKFORCE INVESTMENT SYSTEM.....	33
1. Reaching Out to Underserved Populations .....	34
2. Referring Hard-to-Serve Job Seekers to One-Stop Centers.....	36
3. Provide Employment Services in Locations Accessible to Underserved Populations .....	39
B. ADD NEW OR ENHANCED SERVICES TO THE ONE-STOP SYSTEM.....	41
1. Specialized Job Readiness and Basic Skills Training.....	41
2. Individualized Service Approach.....	42
3. Tailored Employment Services.....	44

<b>Chapter</b>	<b>Page</b>
<b>III (continued)</b>	
C. MODELS FOR INTEGRATING FBCOs INTO THE WORKFORCE INVESTMENT SYSTEM .....	44
1. Recruit and Refer to One-Stop Center .....	45
2. Provide Specialized Job Readiness Training .....	45
3. Offer Comprehensive Services .....	45
<b>IV FBCO SUBAWARDEES AND SERVICE PROVISION .....</b>	<b>51</b>
A. CHARACTERISTICS OF FBCO SUBAWARDEES .....	51
1. Types of Organizations .....	52
2. Experience and Size of FBCOs .....	55
B. FBCO STAFFING FOR THE DOL GRANT .....	57
1. Staffing Levels .....	57
2. Staff Positions .....	58
3. Qualifications of FBCO Staff .....	60
4. Staffing Challenges .....	61
C. SERVICE PROVISION .....	62
1. Barriers to Employment Faced by Grant Participants .....	62
2. Setting for FBCO Services .....	64
3. Types of Services .....	65
4. FBOs and Service Provision .....	70
D. JOB DEVELOPMENT AND EMPLOYER RELATIONSHIPS .....	72
<b>V STRATEGIES FOR PROMOTING COLLABORATION .....</b>	<b>79</b>
A. IDENTIFYING FBCOs .....	79
B. RECRUITING AND CONTRACTING WITH FBCOs .....	80
1. Informing FBCOs of Subaward Opportunities .....	81
2. Application Process .....	81
3. Bidders' Conferences .....	82
4. Selecting FBCOs for Subawards .....	82
5. Structure of the Subawards .....	84

<b>Chapter</b>	<b>Page</b>
<i>V (continued)</i>	
C. BUILDING AND NURTURING COLLABORATIVE RELATIONSHIPS.....	84
1. Holding Regular Meetings with FBCOs.....	86
2. Designating One-Stop Liaisons .....	86
3. Creating Incentives to Encourage Partnerships .....	86
4. Co-locating Staff .....	87
5. Creating a Referral Process.....	87
D. MONITORING FBCOs.....	87
1. Purpose of Monitoring.....	88
2. Monitoring Activities.....	88
3. Responsibility for Monitoring FBCOs .....	90
4. Reporting Requirements .....	90
5. Monitoring Compliance with Restrictions on Religious Activities.....	92
E. BUILDING FBCO CAPACITY .....	92
1. Capacities of FBCOs Prior to Subawards.....	92
2. FBCOs' Primary Capacity-Building Needs.....	94
3. Capacity-Building Activities .....	95
4. Providers of Capacity-Building Services.....	102
5. Perceived Usefulness of Capacity-Building Activities.....	103
<b>VI GRANT OUTCOMES.....</b>	<b>107</b>
A. CHANGES IN ACCESS TO WORKFORCE INVESTMENT SERVICES.....	108
1. Expanding the Reach of the Workforce Investment System.....	108
2. Helping Participants Establish Links with Existing Workforce Investment Agencies .....	111
B. CHANGES IN TYPES OF SERVICES OFFERED THROUGH THE WORKFORCE INVESTMENT SYSTEM.....	111
C. EMPLOYMENT OUTCOMES OF GRANT PARTICIPANTS .....	114
D. GRANT EXPENDITURES PER PLACEMENT IN EMPLOYMENT, POSTSECONDARY EDUCATION, OR ADVANCED TRAINING .....	117
E. RESOURCES LEVERAGED BY FBCOs TO SUPPORT GRANT ACTIVITIES .....	118

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<b>Chapter</b>	<b>Page</b>
<b>VI</b> <i>(continued)</i>	
F. CHANGES IN FBCO CAPACITY.....	118
G. SUSTAINABILITY OF GRANT ACTIVITIES .....	121
1. Grantees' Efforts to Sustain Grant Activities.....	121
2. FBCO Efforts to Obtain Continued Funding for Grant Services .....	122
3. Efforts to Sustain Collaborative Relationships .....	122
<b>VII LESSONS LEARNED</b> .....	<b>127</b>
A. WHY COLLABORATE WITH FBCOs? .....	127
B. WHAT ARE THE BARRIERS TO COLLABORATION?.....	129
C. WHAT STEPS CAN BE TAKEN TO BUILD PRODUCTIVE COLLABORATIONS?.....	131
<b>REFERENCES</b> .....	<b>137</b>



## T A B L E S

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<b>Table</b>	<b>Page</b>
I.1 STUDY GRANTEES.....	6
II.1 AMOUNT AWARDED TO WIB GRANTEES .....	12
II.2 CHARACTERISTICS OF WIB GRANTEES .....	14
II.3 DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS OF GRANTEE WORKFORCE INVESTMENT AREAS.....	17
II.4 GRANTEES' LEGAL AND POLITICAL ENVIRONMENT .....	18
II.5 PRIMARY GOALS FOR COLLABORATION PROJECTS.....	20
II.6 AMOUNT AND NUMBER OF SUBAWARDS TO FBCOs.....	24
II.7 USE OF INTERMEDIARY ORGANIZATIONS BY WIB GRANTEES.....	25
II.8 ROLES OF INTERMEDIARY ORGANIZATIONS USED BY WIB GRANTEES .....	27
II.9 INTERMEDIARIES' EXPERIENCE WITH FBCOs AND THE ONE-STOP SYSTEM.....	28
II.10 CHARACTERISTICS OF THE GRANTEES' ONE-STOP SYSTEMS.....	29
III.1 AVERAGE FBCO SUBAWARD AMOUNTS, BY TYPES OF REFERRALS MADE TO ONE-STOP CENTERS.....	36
III.2 TARGET POPULATIONS DEFINED BY LOCATION.....	40
III.3 WIBs' PRIMARY APPROACH TO FBCO COLLABORATIONS.....	46
IV.1 NUMBER OF FBCO SUBAWARDEES BY ORGANIZATION TYPE.....	55
IV.2 NUMBER OF GRANT STAFF BY SIZE OF SUBAWARD.....	58

<b>Table</b>	<b>Page</b>
IV.3 NUMBER OF GRANT STAFF BY WIB APPROACH .....	59
IV.4 SNAPSHOT OF FBCO SERVICES .....	66
IV.5 JOB DEVELOPMENT ACTIVITIES .....	74
V.1 SOURCES OF EXISTING LISTS OF FBCOS .....	80
V.2 NUMBER OF APPLICANTS FOR SUBAWARDS AND NUMBER AND PERCENTAGE FUNDED .....	83
V.3 STRATEGIES FOR BUILDING AND NURTURING COLLABORATIVE RELATIONSHIPS .....	85
V.4 AGENCIES RESPONSIBLE FOR MONITORING FBCOs.....	91
V.5 GRANT MANAGEMENT, FUNDING, AND STAFFING CAPACITIES OF FBCOs PRIOR TO SUBAWARDS.....	93
V.6 ACTIVITIES TO BUILD FBCOs' CAPACITIES TO MANAGE SUBAWARDS .....	96
V.7 CAPACITY-BUILDING ACTIVITIES TO STRENGTHEN SERVICE DELIVERY.....	98
V.8 CAPACITY-BUILDING ACTIVITIES TO CULTIVATE PARTNERSHIPS WITH WORKFORCE INVESTMENT PARTNERS .....	100
V.9 CAPACITY-BUILDING ACTIVITIES TO SUSTAIN SUBAWARD SERVICES.....	101
VI.1 TOTAL ENROLLMENT AND PERCENTAGE OF GRANT PARTICIPANTS WITH SPECIFIC DEMOGRAPHIC CHARACTERISTICS, BY GRANTEE.....	109
VI.2 PERCENTAGE OF GRANT PARTICIPANTS WITH BARRIERS TO EMPLOYMENT, BY GRANTEE.....	110
VI.3 PERCENTAGE OF GRANT PARTICIPANTS REFERRED TO AND FROM ONE- STOP CENTERS, BY GRANTEE .....	112
VI.4 PERCENTAGE OF PARTICIPANTS WHO RECEIVED SPECIFIC SERVICES, BY GRANTEE .....	113
VI.5 EMPLOYMENT AND TRAINING OUTCOMES, BY GRANTEE.....	115
VI.6 GRANT EXPENDITURE PER PLACEMENT, BY GRANTEE.....	117
VI.7 RESOURCES LEVERAGED BY FBCOs, BY GRANTEE.....	119

## **FIGURES**

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<b>Figure</b>	<b>Page</b>
I.1 SUMMARY OF INTERIM EVALUATION REPORT FINDINGS .....	9
II.1 LOCATION OF GRANTEES IN THE EVALUATION .....	13
III.1 STRATEGIES FOR ACCESSING TARGET POPULATIONS.....	34
IV.1 FBCO SUBAWARDEES BY ORGANIZATION TYPE .....	54
IV.2 BARRIERS TO WORK AMONG GRANT CLIENTS.....	63
V.1 STRATEGIES FOR RECRUITING FBCOs USED BY WIB GRANTEES .....	81
V.2 ACTIVITIES USED TO MONITOR FBCOs .....	89
V.3 PROVIDERS OF CAPACITY-BUILDING ACTIVITIES.....	102



## EXECUTIVE SUMMARY

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The public workforce investment system aims to serve all job seekers, but many of those most in need of help do not use it. Language barriers, dislike or fear of government agencies, limited awareness of available services, and difficulties using self-directed services are some of the challenges that may limit the accessibility of the system. While not traditionally partners in the workforce investment system, small, grassroots faith-based and community organizations (FBCOs) may be well positioned to serve people who do not currently use the public workforce system. Some job seekers may be more likely to access services from FBCOs because they typically have earned the trust of local community members and understand their needs. Moreover, FBCOs often provide personal, flexible, and comprehensive services that are well suited to people who face multiple barriers to employment.

The U.S. Department of Labor (DOL) has recognized that by filling a service gap and serving some of the neediest populations, FBCOs have the potential to be valuable partners in the workforce investment system. Collaborating with FBCOs may also allow the government to leverage its workforce investment funds by taking advantage of the volunteers, donated goods and services, and other resources FBCOs are often able to access. Moreover, an FBCO's knowledge of its community and its needs may help workforce investment agencies plan and deliver services more effectively.

Collaborations between government agencies and FBCOs may not, however, come easily. In many communities, workforce investment agencies and grassroots FBCOs have little experience working together. Government agencies may not know about the work of FBCOs, and FBCOs may be unaware of the ways that public agencies could help their clients. Each may perceive the other's mission as different from its own. In addition, government agencies may be concerned about their customers' rights and legal issues when services are provided by faith-based organizations (FBOs), and the limited administrative and service capacity of some FBCOs may also be a barrier to collaborative relationships.

Cognizant of the potential barriers to these collaborations, DOL has since 2002 granted over \$30 million to promote and sustain collaborations between FBCOs and the workforce investment system. These grants have been made to FBCOs, states, intermediaries, and Workforce Investment Boards (WIBs). Intermediaries are larger nonprofit faith- or

community-based agencies that can facilitate collaboration with smaller, grassroots organizations. WIBs are state or local entities that oversee the local workforce investment systems.

## THE EVALUATION

To evaluate the success of these efforts, DOL contracted with Mathematica Policy Research, Inc., to conduct an evaluation of a set of 16 grants awarded to WIBs and intermediaries. Twelve of the grants were awarded to WIBs in July 2004, and the other four grants were awarded to intermediaries in 2003. The overarching objectives of the grants were (1) to increase the number of FBCOs providing services within the One-Stop system; (2) to expand access to the One-Stop system to populations that have not traditionally used it; and (3) to document innovative partnerships between FBCOs and the One-Stop system. In addition, the 2004 WIB grants differed from earlier grants by placing emphasis on partnerships with businesses, especially those in high-growth industries.

A previous report described interim findings based on information about the grantees' activities collected in the first quarter of 2005 (McConnell et al. 2006). At that time, most WIB grantees had detailed plans for the grant funds and had made subawards to FBCOs, but the FBCOs were just beginning to provide direct services. This report provides a final set of findings from the evaluation, focusing on the experiences and outcomes of the 12 WIB grantees and their FBCO, intermediary, and One-Stop center partners.

The main goal of the evaluation was to provide information to DOL, the workforce investment system, and local collaboration partners about the extent to which the grants promoted sustainable collaborations between FBCOs and local workforce investment systems. Because the evaluation is descriptive in nature, it has focused on understanding the strategies used to promote collaboration—by documenting implementation strategies and challenges, identifying promising practices, and gleaned lessons that can be useful to other WIBs and workforce investment partners seeking to collaborate with FBCOs.

Three main research questions guided the evaluation:

1. What strategies did grantees use to promote collaboration?
2. To what extent were the strategies effective?
3. What implementation lessons did grantees and other collaboration partners learn?

## GRANTEES' GOALS

Goals differed slightly across grantees but fell into three main categories:

1. ***Increasing access to the workforce investment system in new locations or among underserved populations.*** These populations included job seekers

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facing multiple barriers to employment, such as ex-offenders, people with limited English skills, and people with limited access to transportation.

2. ***Providing new or enhanced services to job seekers.*** These services included supportive services, soft-skills training, comprehensive and personalized assistance, and specific services tailored to the needs of underserved populations.
3. ***Building FBCOs' organizational capacity and enabling their ongoing participation in the workforce investment system.*** Enhancing capacity was important for ensuring the provision of high-quality services and increasing the likelihood that collaborations could be sustained beyond the end of the grant period.

### INCORPORATING FBCOs INTO THE LOCAL WORKFORCE INVESTMENT SYSTEMS

The public workforce investment system is designed to provide employment services for a broad range of job seekers. In defining a role for FBCOs in the One-Stop system, WIBs sought to expand the reach of the system to hard-to-serve populations and offer intensive employment services for these job seekers. The new partnerships relied extensively on FBCOs' close community connections and their experience tailoring services to meet the needs of underserved populations.

**Increasing Access to the Workforce Investment System.** Conducting outreach to underserved populations was a strength of the FBCOs. They did so by recruiting job seekers from existing client bases, reaching out to the community, and soliciting referrals from other organizations. The specific roles of FBCOs in providing services depended in part on whether grantees focused on increasing access to One-Stop *centers* or to workforce investment *services*. FBCOs improved access to One-Stop centers by referring clients to them, and to workforce investment services by providing services in locations accessible to job seekers from the target populations. Referral between FBCOs and One-Stop centers worked most smoothly when One-Stop centers designated specific points of contact for FBCOs, when partners created an efficient process that placed minimal burden on the person being referred, and when communication between FBCO and One-Stop center staff was frequent.

**Providing New or Enhanced Services to Job Seekers.** FBCOs expanded the types of services offered through the workforce system and enhanced existing services by offering specialized job readiness courses, using an individualized approach to service delivery, and tailoring employment services to the specific needs of the target populations.

**Models for Integration.** Grantees used three main models to integrate FBCOs into the workforce investment system:

1. ***Recruit-and-Refer Model.*** FBCOs conducted outreach to the target population, provided job seekers with basic supportive services, and then referred them to the One-Stop center for job placement.

2. ***Specialized Job Readiness Training Model.*** FBCOs provided specialized job readiness training courses tailored to the needs of the target population, and then either provided job placement services or referred job seekers to the One-Stop center.
3. ***Comprehensive Services Model.*** FBCOs provided comprehensive employment and social services to job seekers in accessible locations.

### **CHARACTERISTICS OF FBCOs**

DOL required that the WIBs collaborate with grassroots FBCOs that were based in their local communities and identified social service delivery as a major part of their mission. (A grassroots organization was defined as a small nonprofit organization with no more than six full-time-equivalent employees or an annual social services budget of \$350,000 or less.)

WIBs made subawards to a wide variety of FBCOs. Over two-thirds of subawardees were faith-based, with more than half of these affiliated with a church congregation. The rest were secular community-based organizations. FBCOs varied widely in size and experience: some were well established and had long provided employment services, while others were inexperienced, relied entirely on volunteer staff, and had small budgets before receiving the subaward. To implement the grant projects, FBCOs relied on a small number of staff, usually one or two staff or full time equivalents. Most staff that FBCOs hired for the grant projects had previously worked with the target population, but few had experience providing employment services.

### **SERVICE PROVISION**

Under their grants, FBCOs targeted job seekers from hard-to-serve populations that typically faced significant barriers to employment. The most common services provided were job search assistance, soft-skills training, case management, supportive services, and educational services.

WIBs relied heavily on FBCOs to establish relationships with employers and develop jobs for grant participants. FBCOs had little experience working with employers to develop jobs and relied primarily on informal approaches. The most common method was to make phone calls and visits to local employers.

### **FBOs AND SERVICE PROVISION**

The DOL grant restricted FBO subawardees from using federal funds for religious activities and required participation in faith activities to be voluntary. All WIB grantees made efforts to inform FBOs of the religious restrictions. WIB grantees reported minimal efforts to monitor FBOs' adherence to restrictions on religious activity, and none of the grantees detected or addressed practices that may have violated the restrictions. Many FBOs reported no difficulty in separating religious and grant activities, or made deliberate efforts to keep religious and grant activities separate. In a third of the grant sites, however, one or

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more FBOs reported incorporating religious content or prayers into grant activities. For example, an FBO in one site reported that religion played a “significant role” in its job readiness curriculum that included Biblical references, while an FBO in another site offered a training that dealt directly with faith issues. In some sites, FBOs that incorporated religious activities were newer organizations that had no experience with federal grants.

### **STRATEGIES FOR PROMOTING COLLABORATION**

An explicit goal of the WIB grants was to encourage and nurture relationships between FBCOs and workforce investment partners, especially One-Stop centers. Grantees used a variety of strategies to encourage these partnerships, including holding regular meetings, designating One-Stop liaisons, creating incentives to encourage partnerships, co-locating FBCO staff in One-Stop centers, and instituting referral processes.

### **MONITORING FBCOs**

WIB grantees, either directly or in conjunction with intermediaries or One-Stop partners, established systems for monitoring FBCOs’ performance and systematically tracking enrollment, service provision, and participant outcomes. Monitoring activities were designed to meet federal reporting requirements, hold FBCOs accountable, identify their capacity-building needs, and document grant successes. Efforts to monitor FBCOs included reports and databases, on-site visits, financial records and invoices, and monthly “check-in” meetings.

### **BUILDING FBCOs’ CAPACITY**

Many FBCO subawardees, because they were new and inexperienced in providing services, needed extensive assistance to build basic infrastructure, including identifying facilities and hiring staff. In general, FBCOs’ capacity-building needs were more extensive than WIB grantees had anticipated. Capacity-building activities focused on grant management but also included help with providing services, developing partnerships, and sustaining grant activities. Even though FBCOs made considerable progress during the grant period, most needed additional support to become competitive contracted service providers.

### **GRANT OUTCOMES**

As part of the evaluation, we examined the outcomes of the grants in several areas. Because this study is descriptive and lacks a comparison group, we cannot know whether similar outcomes would have been achieved in the absence of the grant projects. Nevertheless, a careful examination of these data can provide useful information about the types of outcomes that can be achieved by grassroots FBCOs in collaboration with the workforce investment system and point to strategies that merit further examination.

**Changes in Access to Workforce Investment Services.** Collaborations with FBCOs expanded access to workforce investment services among job seekers from underserved

populations. Nearly a third of participants were ex-offenders, almost a fourth had limited English proficiency, and more than a fifth were receiving public assistance at enrollment.

FBCOs' success in connecting target populations with other providers of workforce services was mixed. In sites implementing the specialized job readiness training model, FBCOs referred 45 percent of participants to the One-Stop centers, while FBCOs in sites implementing the recruit and refer model referred 36 percent of participants. Across grantees implementing the comprehensive services model only 16 percent of participants were referred to One-Stop centers. Grantees that established robust connections between FBCOs and the One-Stop centers cited factors such as the co-location of FBCOs at the centers, the presence of a designated liaison, and a formal process for referring participants to the One-Stop centers.

**Changes in Types of Services Offered Through the Workforce System.** Most FBCOs enhanced the workforce services available by providing more intensive services, more individualized services, or services that had not been offered before (such as specialized job readiness training or mentoring). Only 10 percent of grant participants were referred to FBCOs by One-Stop centers.

**Employment Outcomes of Grant Participants.** Employment outcomes reported by grantees demonstrate that carefully selected grassroots FBCOs can help hard-to-serve job seekers find employment. FBCOs funded by the 12 grantees enrolled 7,184 job seekers during the grant period. On average across sites, 39 percent of participants were placed in jobs, and 6 percent in postsecondary education or advanced training. Comparisons to the general population of job seekers who receive One-Stop center services are not appropriate because FBCOs enrolled high proportions of job seekers from populations that typically were not able to access One-Stop services on their own and had to overcome substantial barriers to employment.

**Grant Expenditures per Placement.** On average, grantees spent \$2,318 in grant funds for each client placed in employment or postsecondary education/advanced training. Grant expenditures per placement varied widely across grantees, ranging from \$1,259 to \$4,854 (with the exception of one grantee that spent \$22,707 per placement).

**Resources Leveraged by FBCOs to Support Grant Activities.** WIBs leveraged substantial community resources through their subawards to FBCOs, including volunteer hours, office space and equipment, computers, furniture, supplies, transportation, and grant funds from other sources.

**Changes in FBCO Capacity.** Nearly all grantees reported improvements in FBCOs' organizational capacity by the end of the grant period but felt that only a subset would be able to manage grant funds and deliver services without ongoing technical assistance.

**Sustainability of Grant Activities.** None of the grant projects had plans in place to continue service delivery at the level of intensity achieved during the grant period. Staff from many WIBs and FBCOs expressed an intention to maintain communication and exchange referrals on a scaled-back basis, but few had concrete plans for how they would

continue to do so. FBCOs in seven sites obtained grants to continue work related to grant activities or target populations, but only some of these grants targeted employment services or collaboration with the workforce investment system.

## LESSONS LEARNED

There is much to be learned from the experiences of the grantees—including both the successes and the shortcomings of their grant projects—about the potential for future partnerships between FBCOs and the workforce system. We have considered all the information collected about the 12 grant projects to glean a set of lessons that can be useful to other WIBs considering partnerships with FBCOs, either within the context of a specific grant program or simply as part of their ongoing implementation of WIA services. The lessons we have identified focus on three main questions: (1) Why collaborate with FBCOs? (2) What are the main barriers to collaboration? and (3) What steps can be taken to build productive partnerships?

### WHY COLLABORATE WITH FBCOs?

- ***Partnerships with FBCOs can extend the workforce system's reach to underserved populations.*** In nearly all sites, FBCOs played a unique role in the workforce system by reaching out to, enrolling, and serving job seekers from populations typically underserved by local One-Stop centers. Partnering with FBCOs may be a fruitful strategy for WIBs seeking to extend their reach to serve the neediest job seekers in their communities—people receiving public assistance, people with limited English skills, homeless people, and ex-offenders recently released from incarceration, as well as others with multiple needs.
- ***FBCOs can provide services tailored to meet the needs of hard-to-serve job seekers.*** For example, several FBCOs targeted recent immigrants. Because these organizations were rooted in the community, they were able to provide services that were culturally sensitive and addressed the unique barriers to employment faced by these populations. Similarly, FBCOs targeting ex-offenders focused on identifying employers willing to hire them and helping job seekers obtain identification, housing, and other services necessary to prepare them for employment. In some sites, FBCOs arranged for volunteer or staff mentors to work one-on-one with job seekers facing multiple barriers, and they provided supportive services such as food, housing, clothing, and transportation.
- ***Carefully selected FBCOs can help job seekers with significant barriers to employment find jobs.*** While job placement rates varied across grantees, the grant projects demonstrated that FBCOs have the potential to help job seekers with significant barriers to employment. One-Stop centers that are struggling to serve even a few job seekers with significant barriers may be able to improve their ability to place such people in jobs through collaboration with FBCOs.

- ***FBCOs can leverage other community resources.*** Assisting a job seeker with significant barriers to employment can require investment of more time and resources than One-Stop centers can typically devote to one person. One potential benefit of partnering with FBCOs is that local workforce systems can leverage their limited resources by taking advantage of the volunteers and other donated goods and services that FBCOs often use to provide services.

#### WHAT ARE THE MAIN BARRIERS TO COLLABORATION?

- ***FBCOs may be reluctant to apply for grants to collaborate with the workforce investment system.*** Grantees found recruiting FBCOs to be more difficult than expected, and competition for the subawards was generally not intense. Grantees cited several factors that may have discouraged FBCOs from applying for subawards, including insufficient resources or experience to apply, concerns about federal grant reporting requirements, or a lack of capacity to meet grant requirements. Additionally, DOL's definition of FBCOs made many organizations in the community ineligible to participate because they did not meet the 'grassroots' definition.
- ***One-Stop centers and FBCOs have different organizational cultures.*** In most of the grant sites, workforce investment systems and grassroots FBCOs had little or no experience working together. Differences in organizational culture, and an initial lack of understanding of these differences, sometimes contributed to unrealistic expectations and frustration on both sides. For partners in the collaboration grant sites, frequent and ongoing communication between workforce and FBCO staff helped to ease this tension over time.
- ***Many FBCOs have extensive capacity-building needs.*** FBCOs may be fairly new and inexperienced in grant management and direct service provision. Many lack a basic infrastructure for managing grant funds and delivering services.
  - ***FBCOs require substantial assistance in managing grants.*** Most FBCOs in the study had little to no experience managing government grants before receiving the awards. As a result, a large majority of capacity building activities focused on developing FBCOs' ability to track participant outcomes, maintain financial records, and fulfill reporting requirements. FBCOs' limited capacity contributed to start-up delays, snags with service delivery, and problems with financial and programmatic reporting.
  - ***FBCOs may face challenges in hiring and managing staff.*** Many FBCOs lacked experience in hiring and managing staff. This led to either inadequate staffing for the projects or high staff turnover. In one site, for example, all four FBCOs experienced turnover in the project coordinator position. A common mistake was hiring staff with the

wrong set of skills and experience. Staff turnover resulted in some disruptions in service delivery, but grantees noted progress in this area over time.

- **Many FBCOs lack experience in providing employment services.** FBCOs often had no experience delivering employment services such as job search assistance or job development. This lack of experience presented a challenge for grantees implementing the specialized job readiness training or comprehensive services models that required FBCOs to provide employment services.

#### WHAT STEPS CAN BE TAKEN TO BUILD PRODUCTIVE COLLABORATIONS?

- ***Partner with organizations that have existing relationships with FBCOs to recruit FBCOs.*** While grantees used a variety of strategies to inform FBCOs about subaward opportunities, personal contacts by staff at workforce agencies or intermediaries that already had relationships with FBCOs appeared to be an effective strategy.
- ***Select FBCOs with sufficient capacity to manage grants and provide services.*** The WIBs developed requests for proposals and relied on explicit criteria to rate and select FBCOs that applied for subawards. Grantees found that some FBCOs did not have adequate systems in place to meet financial, monitoring, or reporting requirements, and needed to develop these systems early in the grant period. As a result, many FBCOs needed extensive capacity building support in grant management, personnel management, and the delivery of employment services. In hindsight, several grantees felt they should have included additional criteria to assess FBCOs' experience managing grants and their internal capacity to provide services. This could include reference checks or information on payroll systems, staffing, and budget management capacities.
- ***Draw on FBCOs' strengths in conducting outreach.*** Grantees consistently identified outreach to underserved populations as a strength of FBCOs. FBCOs were able to reach out to job seekers unlikely to access services at a One-Stop center and involve them in activities designed to help them find employment. WIBs seeking to collaborate with FBCOs should consider their community ties to ensure that their strengths and experience are aligned with the needs of the target population.
- ***Clearly define roles and responsibilities.*** During site visits, WIB, One-Stop, and FBCO staff talked about the importance of defining partners' roles and responsibilities and aligning them with each partner's mission, culture, and strengths. Considering these factors makes the roles and responsibilities of each partner realistic and achievable.
- ***Consider the benefits and challenges of different approaches to collaborating with FBCOs.*** Grantees generally applied three approaches to

collaborating with FBCOs that each have their own advantages and drawbacks. In selecting an approach to collaborating with FBCOs, WIBs should consider the needs of the targeted population, the purpose of the collaboration, and the capacity of FBCOs and One-Stop centers.

- **Recruit and Refer.** WIBs interested in raising awareness of the One-Stop system among underserved populations and creating a network of FBCO partners for the One-Stop system should consider this approach. To implement this model, FBCOs need the capacity to conduct outreach to hard-to-serve populations, and One-Stop centers need the capacity to provide services for the hard-to-serve population targeted for the collaboration.
- **Specialized Job Readiness Training.** This approach may be useful for WIBs interested in targeting hard-to-serve populations that are unprepared to begin a job search and lack the basic life skills needed to find and retain a job. FBCOs need the capacity to provide the job readiness training, and are likely to need training themselves to learn how to implement the curricula.
- **Comprehensive Services.** The comprehensive services approach creates new locations where hard-to-serve populations can access One-Stop center services. WIBs who feel that hard-to-serve populations are more likely to seek services offered in their own community and by a familiar organization may be interested in this model. FBCOs provide a combination of employment and social services for clients. FBCOs need the capacity to provide employment services, including job placement and job development.
- ***Take steps to ensure that partners have the capacity to carry out their roles.*** In addition to specifying roles for each partner, local workforce investment systems must ensure that both FBCOs and One-Stop centers have the ability to carry out their roles. For example, FBCOs with strong community connections but limited capacity to provide employment services might focus on outreach. WIBs must consider whether One-Stop centers have adequate capacity and resources to serve the target population after referral; they should also consider ways in which FBCOs might support them.
- ***Provide training and assistance to FBCOs responsible for job development.*** Several WIBs expected FBCOs to develop jobs for the grant despite the FBCOs' lack of existing employer relationships or experience in this area. Many FBCOs did not form strong relationships with employers or develop jobs for the grant. The WIB grantees consistently cited FBCOs' lack of experience and training as a barrier to developing jobs. WIBs should be prepared to provide training for FBCOs that lack the necessary background or experience to fulfill an assigned role or responsibility.

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- ***Cultivate strong partnerships between FBCOs and One-Stop centers.*** WIBs that decide to use FBCOs to recruit job seekers and then refer them to One-Stop centers must ensure that all partners are invested in the referral process and understand their roles. Below we list strategies used by grantees to build collaborative relationships.
    - **Designate a liaison from the One-Stop center.** Establishing a liaison at the One-Stop center offered two benefits. First, it facilitated communication and coordination between FBCOs and One-Stop centers. Second, it provided job seekers referred by FBCOs with a point of contact at the One-Stop center who could enroll them and assist them in using One-Stop services.
    - **Co-locate FBCO staff at the One-Stop center.** Co-locating FBCO staff within One-Stop centers fostered efficient referral systems and communication between partners. In one site co-location helped to integrate FBCOs into the One-Stop system, allowing FBCOs to become One-Stop partners and access the resources of the center.
    - **Create an efficient and supportive process for referring clients to the One-Stop centers.** The referral process should place minimal burden on the person being referred and make One-Stop center staff aware of their referral. A lengthy referral process or insufficient support from One-Stop center staff can discourage clients from accessing One-Stop services.
  - ***Take steps to actively engage One-Stop centers in collaborations.*** Assigning specific roles and responsibilities to One-Stop centers encouraged their participation and increased their involvement in collaborations with FBCOs. Some grantees strengthened One-Stop centers' investment in the collaboration by awarding them grant funds to hire dedicated staff to manage referrals or offer workshops for grant participants.
  - ***Conduct ongoing monitoring of restrictions on religious activity.*** Despite efforts by all of the WIBs to inform FBOs of the restrictions on religious activities, some FBOs incorporated faith activities into grant services. Half the grantees reported monitoring compliance with religious restrictions; however, efforts to monitor these activities were limited in practice. To ensure adherence to federal guidelines, WIBs should conduct ongoing monitoring of religious activities.
  - ***Keep reporting requirements simple.*** In nearly all sites, at least some of the FBCOs struggled with reporting requirements, and most reported a general feeling that there was "too much paperwork." Although most FBCOs understood that documenting services and outcomes and maintaining adequate financial records was essential, staff often expressed frustration that these duties took time away from service provisions and at times overwhelmed them.

- ***Recognize that FBCOs with relatively small budgets may need assistance to cover upfront costs.*** The cost reimbursement awards used by nearly all the WIBs made it difficult for some FBCOs to cover upfront costs, especially those with small operating budgets. To address this challenge, some grantees disbursed a portion of the funds upfront to help FBCOs with initial expenses. Smaller, grassroots FBCOs, such as those targeted by the DOL grants, may need upfront funding to cover the startup costs of collaborations.
- ***Establish realistic expectations for how long it might take to implement partnerships.*** At 18 months, the grant period for the collaboration projects was relatively short. In hindsight, grantees said they needed more time to design their initiative, recruit and establish contracts with FBCOs, develop the capacity of FBCOs to provide services and manage funds, and build strong relationships between partners. WIBs considering partnering with FBCOs should take into account the time needed to identify FBCOs, put systems in place, and assist the FBCOs in building their skills to deliver employment services.

# CHAPTER I

## INTRODUCTION

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The public workforce investment system aims to serve all job seekers, but many of those most in need of help do not use it. Language barriers, dislike or fear of government agencies, limited awareness of available services, and difficulties using self-directed services are some of the challenges that may limit the accessibility of the system. While not traditionally partners in the workforce investment system, small, grassroots faith-based and community organizations (FBCOs) may be well positioned to serve people who do not currently use the public workforce system. Some job seekers may be more likely to access services from FBCOs because they typically have earned the trust of local community members and understand their needs. Moreover, FBCOs often provide personal, flexible, and comprehensive services that are well suited to people who face multiple barriers to employment.

The U.S. Department of Labor (DOL) has recognized that by filling a service gap and serving some of the neediest populations, FBCOs have the potential to be valuable partners in the workforce investment system. Collaborating with FBCOs may also allow the government to leverage its workforce investment funds by taking advantage of the volunteers, donated goods and services, and other resources FBCOs are often able to access. Moreover, an FBCO's knowledge of its community and its needs may help workforce investment agencies plan and deliver services more effectively.

Collaborations between government agencies and FBCOs may not, however, come easily. In many communities, workforce investment agencies and grassroots FBCOs have little experience working together. Government agencies may not know about the work of FBCOs, and FBCOs may be unaware of the ways that public agencies could help their clients. Each may perceive the other's mission as different from its own. In addition, government agencies may be concerned about their customers' rights and legal issues when services are provided by faith-based organizations (FBOs), and the limited administrative and service capacity of some FBCOs may also be a barrier to collaborative relationships.

Cognizant of the potential barriers to these collaborations, DOL has since 2002 granted over \$30 million to promote and sustain collaborations between FBCOs and the workforce investment system. These grants have been made to FBCOs, states, intermediaries, and workforce investment boards (WIBs). Intermediaries are larger nonprofit faith- or

community-based agencies that can facilitate collaboration with smaller, grassroots organizations. WIBs are state or local entities that serve as the policy-making bodies for the local workforce investment systems.

To evaluate the success of these efforts, DOL contracted with Mathematica Policy Research, Inc. (MPR), to conduct an evaluation of a set of grants awarded to WIBs and intermediaries. The remainder of this chapter describes the policy context in which the grants were awarded, the grants that are the subject of this evaluation, and the evaluation's goals and methodology. The chapter concludes with a brief guide to the rest of the report.

## **A. POLICY CONTEXT**

DOL's desire to encourage the participation of FBCOs in the workforce investment system grew out of two policy initiatives. First, the federal government launched an initiative to remove some of the barriers faced by FBCOs—and FBOs in particular—in accessing federal funds to provide social services. This initiative began with the charitable choice provisions in the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) and continued in the White House Office of Faith-Based and Community Initiatives. Second, the reform of the workforce investment system initiated by the Workforce Investment Act of 1998 (WIA) stressed the need for universal access to services and responsiveness to community needs.

### **1. Efforts to Level the Playing Field for Faith- and Community-Based Organizations**

Concerned that FBCOs were underutilized in providing social services and that they faced unnecessary barriers to partnering with government agencies, the federal government has acted to level the playing field by lowering these barriers. For example, PRWORA includes provisions, commonly known as “charitable choice,” that allow Temporary Assistance for Needy Families (TANF) program funds to be used for contracts and grants with FBOs, including those that because of their explicitly religious character had been previously barred from receiving government funds. Before the legislation, FBOs receiving government funds were required to “neutralize” their religious nature and provide services in a secular fashion; the charitable choice provisions allowed FBOs not only to make use of religious symbols and scripture while delivering federally funded services but also to retain religious standards for organizational governance and staffing. PRWORA permitted FBOs to discriminate on the basis of religion in their hiring decisions, hiring only co-religionists if they so chose. Similar provisions were included in legislation covering three other federal program areas:

- Welfare to Work, a DOL grants program, in 1997<sup>1</sup>

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<sup>1</sup> The Welfare to Work grants program has now expired.

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- Community Service Block Grants, a U.S. Department of Health and Human Services (HHS) program, in 1998
  - Certain Substance Abuse and Mental Health Services Administration (SAMHSA) programs, in 2000

On January 29, 2001, the White House issued the first two of five executive orders designed to further reduce barriers to federal funding of social services through FBCOs. These orders established the White House Office of Faith-Based and Community Initiatives and centers for faith-based and community initiatives in five cabinet-level agencies, including DOL. They also directed all federal agencies to audit their rules and internal operations for policies and practices that discouraged or disadvantaged participation by FBCOs. In December 2002, the White House provided additional guidance to federal agencies “to ensure equal protection of the laws for faith-based and community organizations, to further the national effort to expand opportunities for, and strengthen the capacity of, faith-based and other community organizations so that they better meet social needs in America’s communities...” (Executive Order 13279). This guidance echoed many of the themes embodied in the charitable choice provisions.<sup>2</sup>

## **2. Reform of the Workforce Investment System: The Workforce Investment Act**

The goal of WIA is to provide universal access to the information, services, training, and other tools Americans need to enter and advance in the workforce. To promote the integration of service delivery, WIA mandated the establishment of One-Stop centers, intended to bring together in one location public and private resources as well as local, state, and federal programs to provide employment-related services and supports. The centers provide some services and are the point of entry and referral for others.

Including FBCOs as partners in the One-Stop system is consistent with several key principles of WIA:

- ***Universal Access to Services.*** An important tenet of WIA is that all job seekers should be able to access the programs and services offered by the One-Stop system. Including FBCOs as partners in the One-Stop system can improve its accessibility by removing or alleviating some of the barriers to using services available through the One-Stop centers.
- ***Responsiveness to Community Needs.*** WIA sought to empower local leaders and organizations to implement workforce investment systems that respond to the needs of their communities. It gave local WIBs the option to

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<sup>2</sup> The other executive orders established the Compassion Capital Fund (CCF) within the U.S. Department of Health and Human Services and established faith-based and community initiative centers in five additional federal agencies. The CCF builds the capacity of FBCOs by funding intermediary organizations that provide technical assistance to FBCOs and by awarding capacity building grants to FBCOs.

use any service providers—including FBCOs—that meet certain standards. Many communities need intensive and comprehensive services that are not typically provided at One-Stop centers for segments of their populations. Collaborating with FBCOs may be an effective way to fill this service gap.

WIA was largely silent on the issue of service provision by FBOs. It differed, however, from PRWORA in noting that the programs it funded were not exempt from the nondiscrimination clauses of the 1964 Civil Rights Act prohibiting the use of religion as a criterion for employment.

### **3. Implementation of the Faith-Based and Community Initiatives Within DOL**

DOL has implemented its faith-based and community initiatives through pilot projects to promote collaborations with FBCOs, guidance to state and local workforce investment agencies, regulatory changes to clarify implementation of new FBCO initiatives, grants to support FBCO collaborations, and technical assistance for WIBs collaborating with FBCOs.

**Pilot Projects.** In 2002, the DOL Center for Faith-Based and Community Initiatives launched the *Touching Lives and Communities* pilot project to promote collaborations between the local WIB and FBCOs in two locations, Memphis and Milwaukee (Voll et al. 2004). The two local WIBs were given extensive technical assistance on planning and capacity-building activities. After the largely successful pilot, the two WIBs proceeded to full implementation of their projects.

**Guidance to State and Local Agencies.** In 2002, the Assistant Secretary for Employment and Training at DOL issued a Training and Employment Guidance Letter (TEGL 17-01) informing the state WIBs about the DOL Center for Faith-Based and Community Initiatives and asking them to take the following actions:

- ***Encourage local WIBs*** to appoint members familiar with local FBCOs
- ***Develop campaigns*** to educate FBCOs about the workforce investment system and remedy any misunderstandings they might have about the implications of becoming a One-Stop partner
- ***Ensure that information about grants*** was readily available and understandable to FBCOs

In 2004, DOL issued a Training and Employment Notice (TEN 15-03) intended to educate state and local WIBs about how to build partnerships with FBCOs. It summarized lessons learned through the *Touching Lives and Communities* pilot, outlined two models for collaborations formed in North Dakota and Brevard County, Florida (see U.S. Department of Labor 2004), and announced the WIB grants that are the subject of this report.

**DOL Regulations.** After a new law is passed or a new initiative is created, federal agencies typically develop regulations to provide guidance on how to implement the new effort. Final DOL regulations pertaining to the FBCO initiative were issued in July 2004.

These regulations outline an approach largely similar to that of charitable choice, except for prohibiting discrimination in hiring. They specify that FBOs can compete for DOL funds on the same basis as all other organizations without regard to their religious character or affiliation. Moreover, they may continue to pursue their mission, including “the definition, development, practice, and expressions of [their] religious beliefs.” They may display religious art or icons, scriptures, or other religious symbols. They may retain a religious name, use religion as a criterion for selecting board members, and include religious references in their governing documents. However, the regulations also specify the following:

- FBOs cannot use direct DOL funding (such as contract or grant funds) for “inherently religious activities” such as religious instruction, worship, or proselytizing. If the FBO engages in these types of activities, they must be “separate in time or location” from the social services supported by DOL funds, and client participation in the activities must be voluntary.
- DOL-funded FBOs cannot discriminate in favor of or against current or prospective clients on the basis of their religion or the absence of religious belief.
- The law authorizing WIA contains specific prohibitions on employment discrimination. Therefore, FBOs may make hiring decisions based on religion only when positions are funded through non-WIA sources.

**Grants.** DOL had four main objectives for its grants to build collaborations between the One-Stop system and FBCOs: (1) to increase the number of FBCOs providing services within the One-Stop system; (2) to expand access to the One-Stop system to the FBCOs’ clients and others who have not traditionally used the One-Stop system; (3) to provide new or enhanced services through the One-Stop system; and (4) to identify, document, and showcase innovative partnerships between FBCOs and the One-Stop system.

The grants were made to four types of organizations:

- **State Agencies.** In 2002, nearly \$10 million in grants were given to state agencies.
- **WIBs.** Grants were made to WIBs in 2004 (nearly \$6 million) and 2005 (about \$5 million).
- **Intermediaries.** Intermediaries received grants in 2002 (\$5 million) and 2003 (\$3.5 million).
- **FBCOs.** A total of nearly \$3 million was awarded to FBCOs for providing workforce investment services. Grants were awarded to FBCOs each year beginning in 2002.

The states, WIBs, and intermediaries were required to subaward grant funds to FBCOs for service provision as well as to work on building the organizational capacity of the FBCOs.

**Technical Assistance.** DOL has provided technical assistance to all stakeholders involved in these collaborations under the *Touching Lives and Communities* project. All WIB grantees have received technical assistance through this project via one-on-one phone calls and email correspondence as well as grantee conference calls, in-person conferences and meetings, peer-to-peer learning networks, and resource materials (Voll et al. 2006).

## B. GRANT PROGRAMS INCLUDED IN THE EVALUATION

This evaluation includes 16 grants that were active in fall 2004 (Table I.1). Twelve of the grants were awarded to WIBs in July 2004. The original period of performance for these WIB grantees was 18 months, but most chose to extend their performance periods by 3 to 6 months, through either the first or second quarter of 2006. The other four grants were awarded to intermediaries in July 2003. The initial period of performance for the intermediary grantees was 12 months, but for the four intermediaries in this study, it was extended by another 12 months with additional funding—through July 2005. This report describes findings from a descriptive evaluation of 12 grants awarded to WIBs in July 2004.

**Table I.1. Study Grantees**

Grantee	Location
<b>WIB Grantees</b>	
Anne Arundel Workforce Development Corporation	Anne Arundel County, Maryland
Metro North Regional Employment Board, Inc.	Cambridge, Massachusetts
Cumberland County Workforce Investment Board	Cumberland County, New Jersey
City and County of Denver	Denver, Colorado
Capital Workforce Partners	Hartford, Connecticut
LaFourche, Assumption, and Terrebonne Parish Workforce Investment Board	Houma, Louisiana
Capital Area Michigan Works!	Lansing, Michigan
New Hampshire Workforce Opportunity Council	Manchester, New Hampshire
Ottawa County Michigan Works!	Ottawa County, Michigan
WorkNet Pinellas, Inc.	Pinellas County, Florida
San Diego Workforce Partnership	San Diego County, California
DC Workforce Investment Council and DC Department of Employment Services	Washington, DC
<b>Intermediary Grantees</b>	
Appalachian Center for Economic Networks (ACEnet)	Athens, Ohio
Capital Region Education Council (CREC)	Hartford, Connecticut
Good Samaritan Ministries	Ottawa County, Michigan
East Harlem Employment Services—Support and Training Result in Valuable Employees (STRIVE)	New York, New York

The overarching objectives of the WIB and intermediary grants were similar to those of the earlier grants. Emphasis was again placed on building the capacity of FBCOs, sustaining the collaborations over time, and documenting the outcomes of the grants. The 2004 WIB grants, however, differed from the earlier grants by placing emphasis on partnerships with businesses, especially those in high-growth industries. The goal was to build on President Bush's High-Growth Job Training Initiative, which aims to build partnerships to both address the employment needs of high-growth industries and provide Americans with the skills they need to secure good jobs. In their grant applications, WIBs were required to obtain commitments from up to three businesses or business sectors to work with the One-Stop system and the WIBs to provide jobs to those in disadvantaged neighborhoods.

DOL expected the WIBs and intermediary grantees to subaward a substantial portion of their grant funds to eligible FBCOs. To be eligible, an FBCO had to meet the following conditions:

- ***Provide social and human services*** as a major part of its mission.
- ***Be headquartered in the community*** in which it provided services (thus, local affiliates of national social service organizations, such as Catholic Charities, Jewish Family Services, Lutheran Social Services, and the Salvation Army were not eligible for subawards).
- ***Have a total social service budget of \$350,000 or less***, or have six or fewer full-time equivalent employees.

Throughout this report, we use the term “FBCO” to refer to the small, grassroots organizations that meet these criteria.

Two of the WIB grantees were located in the same community as two intermediary grantees—Capital Workforce Partners and Capital Region Education Council are both in Hartford, Connecticut, and Ottawa County Michigan Works! and Good Samaritan Ministries are both in Ottawa County, Michigan (Table I.1). In both sites, the WIB applied for a grant to extend the work of the intermediary grantee. The WIB and intermediary grants involved the same players and had the same main objectives. They differed, however, in the set of FBCOs that received funding and the set of activities planned under each grant.

### C. THE EVALUATION

The main goal of the evaluation was to provide information to DOL, the workforce investment system, and local collaboration partners about the extent to which the grants promoted sustainable collaborations between FBCOs and local workforce investment systems. Because the evaluation is descriptive in nature, it has focused on understanding the strategies used to promote collaboration—by documenting implementation strategies and challenges, identifying promising practices, and gleaning lessons that can be useful to other WIBs and workforce investment partners seeking to collaborate with FBCOs.

Specifically, three main sets of research questions guided the evaluation:

- ***What strategies did grantees use to promote collaboration?*** Did they collect and disseminate information about the needs of local job seekers, FBCO resources, and the roles of each member of the collaboration? How did they recruit FBCOs to participate? To what extent were grant funds subawarded to FBCOs and to what types of organizations? Did grantees support FBCOs in building their capacity, and if so, how? What strategies did grantees use to improve access to One-Stop services? What were the roles, if any, of intermediaries in the collaborations? Did grantees collaborate with local employers to develop jobs for grant participants? Were other formal or informal interagency collaborations developed? What challenges did grantees face in implementing these strategies? To what extent were these challenges overcome and what strategies were used? What plans were in place to sustain the partnerships after the grant period ended?
- ***To what extent were the strategies effective?*** How did relationships change between WIBs, FBCOs, One-Stop centers, and employers in the community? To what extent did grant activities increase access to and use of the One-Stop system? What new services were made available to One-Stop customers? What were the characteristics and needs of job seekers served through the grants, what services did they receive, and what were their outcomes? Did the grants help the One-Stop system meet employers' needs? Did the grants allow the One-Stop system to leverage additional financial and in-kind community resources? To what extent did FBCOs have input into the WIBs' strategic planning processes? What was the likelihood that the collaborations would be sustained after the grant ended?
- ***What implementation lessons were learned by grantees and other collaboration partners?*** Did the characteristics of the community or grantee affect the strategies used or the success of the strategies? Which strategies were most likely to lead to sustainable collaborations? How important were the roles of the intermediaries, One-Stop centers, or other community partners involved in the collaborations? What factors created challenges or contributed to the success of grant activities? Under what conditions are the strategies replicable?

Data for the evaluation were collected primarily during two rounds of site visits. The first round, conducted in spring 2005, consisted of a one-day visit to each WIB grantee and a one-and-a-half day visit to each intermediary grantee. During those visits, research team members conducted interviews with grantee staff as well as with staff at the WIBs, One-Stop centers, FBCOs, and intermediaries. MPR conducted a second round of visits to the 12 WIB grantees in winter and spring 2005–2006; site visits were timed to occur approximately one to two months before the end of each grantee's performance period. During those visits, which lasted approximately one and a half days, team members interviewed staff from the grantee and intermediary if appropriate. Researchers also visited the offices of three FBCOs at each site and interviewed the directors and selected frontline

staff. In addition to data collected during site visits, this report also includes analyses of grantee-collected data on levels of enrollment, services provided, and the demographic characteristics and employment outcomes of participants. We did not conduct a second round of site visits to the four intermediary grantees.

A previous report described interim findings based on information about the grantees' activities collected in the first quarter of 2005 (McConnell et al. 2006; see Figure I.1). At that time, most WIB grantees had detailed plans for the grant funds and had made subawards to FBCOs, but the FBCOs were just beginning to provide direct services.

**Figure I.1. Summary of Interim Evaluation Report Findings**

These interim findings are based on site visits conducted in the first quarter of 2005, approximately six to nine months after the 12 WIBs received their DOL grants. At that time, most grantees had completed the process of recruiting FBCOs to participate, and the FBCOs were just beginning to provide services. Therefore, findings at this stage focused primarily on the grantees' goals, their experiences with the procurement process, the types of FBCOs selected for participation, plans for service delivery, and early capacity-building activities (McConnell et al. 2006). Here we highlight the most important findings from the interim report:

- Grantees had three main goals: to expand access to workforce services, to fill existing service gaps, and to build the organizational capacity of FBCOs.
- FBCOs participating in the grant program were diverse in terms of organizational type, prior experience providing employment services, size, longevity in the community, target population, and plans for service provision.
- Many grantees found recruiting FBCOs to be more difficult than initially expected, in part because DOL's definition of "FBCOs" made many larger organizations in the community ineligible to participate.
- Establishing an infrastructure for collaborating with FBCOs required at least six months.
- Many FBCOs needed extensive support for building their organizational capacity.
- Grantees asked some FBCOs to provide services that they did not have previous experience providing.
- Initial efforts to develop relationships between FBCOs and One-Stop centers were often weak.
- Early in the grant period, FBCOs' connections to employers in the community were limited.
- Intermediaries had the potential to play useful roles in carrying out grant activities.

#### **D. REPORT STRUCTURE**

This report presents our findings from all data sources, focusing primarily on the experiences and outcomes of the 12 WIB grantees. Findings from visits to the four intermediary grantees included in this study were presented in the interim report for the evaluation (McConnell et al. 2006). We did not conduct a second round of site visits to intermediary grantees because their grant periods ended in July 2005, well before our second round of visits to WIB grantees. Therefore, we have no new findings to report on these grants.

In the rest of this report, we examine the WIB grantees' experiences collaborating with FBCOs in detail. In Chapter II, we describe the grantees and their approaches to designing the collaborations with FBCOs and other partners. Chapter III describes the models grantees developed for incorporating FBCOs in the local workforce investment systems, including strategies for using FBCOs to increase access to the system and expand the range of services available to job seekers. In Chapter IV, we describe the FBCO subawardees, including their characteristics, staffing for the grant, approaches to service delivery, and relationships with employers. We discuss strategies used by the grantees to promote collaboration in Chapter V, including how grantees identified and recruited FBCOs, their approaches to building and nurturing collaborative relationships, how they monitored the FBCOs' performance, and the support they provided for building FBCOs' organizational capacities. In Chapter VI, we examine the outcomes of the grants—the extent to which grantees increased access to the One-Stop system, enhanced services available through the system, increased FBCOs' capacity, and established plans for sustaining the collaborations. The chapter also presents information on the employment outcomes of grant participants and the resources leveraged by FBCOs for the grant. In Chapter VII, we conclude the report by highlighting key successes and challenges experienced by the grantees and their partners as well as lessons learned that can be useful to other local workforce investment systems interested in collaborating with FBCOs.

## CHAPTER II

### THE GRANTEES AND THEIR APPROACHES TO DESIGNING THE COLLABORATIONS

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The WIBs that received DOL grants to collaborate with FBCOs had to make some important decisions before recruiting their FBCO partners: identify a population of job seekers to target for services, define a geographic service area, and establish goals for the collaboration. The grantees also had to decide how to involve One-Stop centers, and whether and how to engage intermediaries and other community partners. All these decisions hinged to some degree on the needs of job seekers in the community and the availability of community resources.

This chapter describes the 12 WIB grantees, the communities they serve, and the approaches they took to designing their collaboration initiatives. We first provide background information on the grantees—including their locations and service areas, their administrative structure and staffing for the grant, their experience collaborating with FBCOs, and the socioeconomic and political environments in which they operate. Next, we discuss the goals grantees established for the collaborations. We then describe the other parties involved in the collaborations—FBCO subawardees, intermediaries, One-Stop centers, and other community partners.

#### A. THE GRANTEES

In 2004, the 12 WIBs received a total of \$5.8 million to establish collaborations with FBCOs (Table II.1). The grants covered the 18-month period from July 2004 to December 2005, although most grantees extended their performance period for an additional three to six months. Ten of the 12 WIBs received grants of \$500,000 or within \$10,000 of that amount. The two exceptions were Pinellas County, Florida, and Lansing, Michigan, which received \$474,140 and \$350,000, respectively. The average WIB grant was just over \$484,000.

Eligible WIB grantees, as defined by DOL in its request for applications, were state WIBs, local WIBs, and consortia of local WIBs (*Federal Register* 2004). Despite this broad definition of eligible WIBs, however, all but one grantee was a local workforce investment

**Table II.1. Amount Awarded to WIB Grantees**

WIB Grantee	Grant Amount	Grant Period End Date
Anne Arundel County, Maryland	\$490,803	6/30/06
Cambridge, Massachusetts	\$500,000	6/30/06
Cumberland County, New Jersey	\$499,562	12/31/05
Denver, Colorado	\$500,000	12/31/05
Hartford, Connecticut	\$500,000	12/31/05
Houma, Louisiana	\$500,000	3/31/06
Lansing, Michigan	\$350,000	12/31/05
Manchester, New Hampshire	\$500,000	12/31/05
Ottawa County, Michigan	\$500,000	6/30/06
Pinellas County, Florida	\$474,140	3/31/06
San Diego, California	\$500,000	6/30/06
Washington, DC	\$494,308	6/30/06
<b>Total</b>	<b>\$5,808,813</b>	

Source: U.S. Department of Labor.

board. The one exception was the state workforce board in New Hampshire. In contrast to most states with a system of local boards, New Hampshire's state workforce board oversees all local workforce investment activities.

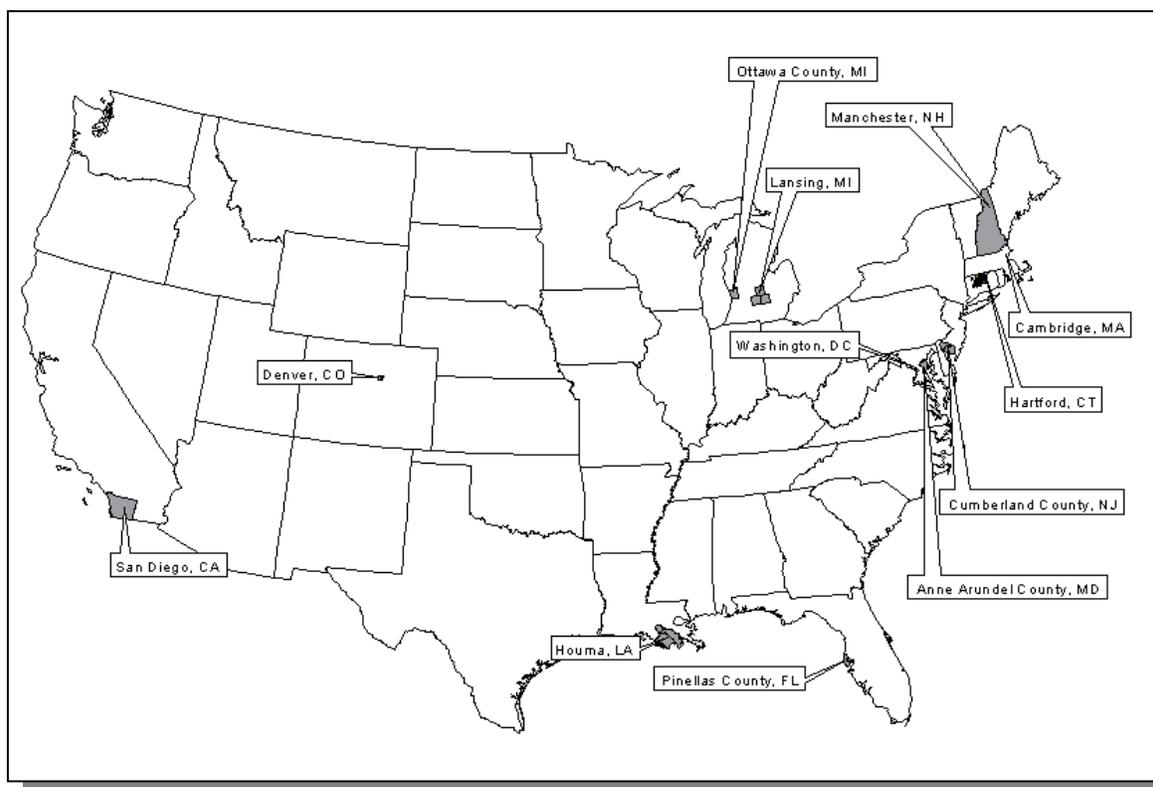
### 1. Grantee Locations and Service Areas

The grantees are geographically spread across the country (Figure II.1). Three are located in workforce investment areas that cover the cities of San Diego, Denver, and Washington, DC. Three are in workforce investment areas that serve a region of cities and towns in Massachusetts and Connecticut, and a single WIB represents the state of New Hampshire. Most grantees cover county and multicounty areas, including workforce investment areas in eastern Maryland, central Florida, southeastern Louisiana, southwestern New Jersey, and central and western Michigan.

Most grantees focused their activities on specific geographic areas within the workforce investment area (Table II.2). Five targeted one or more cities or towns. The Lansing WIB, which represents a three-county area, targeted grant activities in the city of Lansing. Three grantees targeted specific neighborhoods within a city. For example, the San Diego WIB focused grant activities within the City Heights neighborhood. Manchester was the only WIB grantee to target an enterprise zone. Three WIBs—Houma, Pinellas County, and Washington, DC—implemented grant activities throughout their entire workforce investment area; Houma intentionally located grant sites across the three counties served by the WIB. Anne Arundel County was unique in targeting its grant activities to two public housing complexes and two detention facilities.

*Chapter II: The Grantees and Their Approaches  
to Designing the Collaborations*

**Figure II.1. Location of Grantees in the Evaluation**



## 2. Administrative Structure and Grant Staffing

The administrative entity that staffs each WIB oversaw day-to-day implementation of the grant. Seven of the 12 grantees have established a nonprofit organization to implement WIB policies and thus serve as the WIB's administrative entity (Table II.2). The nonprofit organizations may fall under the authority of a local government, such as in Anne Arundel County, where the county government oversees the WIB's administrative entity. For each of four WIB grantees, a city or county agency serves as the administrative entity. For example, Denver's Division of Workforce Development is the administrative entity for the local board in Denver; in Ottawa County, the county government staffs the local board. In Lansing, the WIB administrative entity is a "special purpose unit of government" that incorporates all three counties represented by the WIB.

Most WIB grantees assigned one to three existing staff members to oversee grant activities on a part-time basis. As described in detail in Chapter V, grantees that contracted with intermediaries delegated many grant oversight activities to them and were thus able to manage the grants with only a small amount of WIB staff time. Four of the 12 grantees assigned staff to the grant on a full-time basis, a few hired new staff to manage grant activities, and one hired a consultant. Staff typically assigned to oversee the grant included project or program managers, administrative coordinators, and financial managers. Three-

**Table II.2. Characteristics of WIB Grantees**

Grantees	Workforce Investment Area	Grant Area	CBO on WIB <sup>a</sup>	FBO on WIB <sup>a</sup>	Administrative Entity for WIB	Prior Collaboration of WIB with FBCOs <sup>a</sup>
Anne Arundel County, Maryland	County	Two public housing sites and two detention facilities	Yes	Yes	Nonprofit (quasi-public)	One-Stop-led collaboration
Cambridge, Massachusetts	Region of small cities and towns	Cambridge, Chelsea, and Woburn	Yes	No	Nonprofit	2002 DOL intermediary grant
Cumberland County, New Jersey	Two-county area	Millville, Bridgeton, and Vineland	Yes	No	Government agency	One-Stop-led collaboration
Denver, Colorado	City	Neighborhoods in eastern and western Denver	Yes	No	Government agency	No <sup>b</sup>
Hartford, Connecticut	Region of small cities and towns	Hartford and New Britain	Yes	Yes	Nonprofit	2002 DOL state grant & 2003 DOL intermediary grant
Houma, Louisiana	3-county area	Entire workforce investment area	Yes	No	Nonprofit	One-Stop-led collaboration
Lansing, Michigan	3-county area	Lansing	Yes	No	Special purpose unit of government	No
Manchester, New Hampshire	State	Enterprise zone in inner-city Manchester	Yes	Yes	Nonprofit	No
Ottawa County, Michigan	County	Holland, Zeeland, and Grand Haven	Yes	Yes	Government agency	2003 DOL intermediary grant and other local collaborations
Pinellas County, Florida	County	Entire workforce investment area	Yes	No	Nonprofit	No <sup>b</sup>
San Diego, California	County	City Heights neighborhood	Yes	No	Nonprofit	No
Washington, DC	City	Entire workforce investment area	Yes	No	Government agency	2002 DOL state grant

Source: Interviews with WIB grantees.

<sup>a</sup>These columns include CBOs and FBOs that may not meet the definition of FBCO as specified in the DOL grant. The DOL grant defined FBCOs as organizations that were headquartered in the community and had fewer than seven staff members or a social service budget of less than \$350,000.

<sup>b</sup>Located in a state that received a 2002 DOL state grant for collaborations with FBCOs, but the local WIB did not participate in grant activities.

*Chapter II: The Grantees and Their Approaches to Designing the Collaborations*

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fourths of the WIB grantees had no turnover in staff assigned to the grant. Three grantees made changes during the grant period, either because staff assigned to the grant left the WIB or because responsibilities were reallocated across existing staff.

### **3. Grantees' Experience Collaborating with FBCOs**

One potential indicator of a WIB's relationship with the FBCO community is the inclusion of representatives of community-based organizations (CBOs) or FBOs on the WIB. WIA requires that state and local WIBs have majority representation by local business representatives, as well as representation by education agencies, labor organizations, CBOs, economic development agencies, and all One-Stop partners. While few if any grantees included representatives of grassroots FBCOs as defined in the DOL grant, all WIBs included at least one board member from a CBO, and four included a representative from an FBO (Table II.2). The CBOs represented on the WIBs were local nonprofit organizations, such as the local antipoverty agency Tri-City Community Action Program in Cambridge, Massachusetts, and local affiliates of national organizations, such as Goodwill Industries in San Diego. Four WIBs included a representative of the local affiliate of an FBO on their board. For example, a representative of a local affiliate of Love in the Name of Christ (Love, Inc.), was a WIB member in Ottawa County.

DOL's request for grant applications focused on grantees that had established successful partnerships with FBCOs. Seven of the 12 WIB grantees had experience with a prior DOL grant or local effort to collaborate with FBCOs (Table II.2). Washington, DC, was the only WIB grantee that had received an earlier DOL grant to promote collaborations with FBCOs. Specifically, the WIB received a 2002 DOL state grant to develop a mobile One-Stop center and build relationships with local FBCOs in hard-to-serve communities.

Three WIB grantees were involved in an earlier DOL grant awarded to a state WIB or an intermediary organization. The Hartford WIB conducted a series of grant-writing workshops as part of a state DOL grant to identify and inventory FBCOs providing services. An earlier intermediary grant in Hartford established FBCOs as access points to the One-Stop system for clients with limited English proficiency; the Hartford WIB used its DOL grant to build on this program created under the earlier grant. The WIB in Ottawa County partnered with an intermediary grantee to provide pre-employment services for people underserved by the One-Stop system and expand the service capacity of FBCOs. The Cambridge WIB served as the location for an earlier intermediary grant that focused on redesigning One-Stop services for underserved populations. The Cambridge WIB did not actively participate in the intermediary grant activities.

Three WIBs had experience with a smaller-scale collaboration between their One-Stop system and FBCOs. The One-Stop operator in Cumberland County had provided computers to 22 FBCOs, while in Anne Arundel County and in Houma, the One-Stop operator had previously collaborated with a single FBCO.

#### 4. Socioeconomic Environment

Community context is important for understanding the types of challenges faced by grantees in implementing and sustaining grant activities. Grantees' workforce investment areas differ in the size and density of their population and the strength of their local economy.<sup>1</sup> Seven grantees were located in densely populated urban and suburban areas where 94 percent or more of the population lives in urban areas (Table II.3). Except for San Diego, all these grantees have population densities above 1,000 people per square mile. The areas vary slightly in their geographic layout, with some grantees located in workforce investment areas representing a single city (Denver and Washington, DC) and others representing regions of urban and suburban communities (Hartford and Cambridge). The workforce investment area for Washington, DC, was the most densely populated. Five grantees were located in areas of lesser density, where most of the population resides in small cities or towns and some rural areas.

Grantees were located in workforce investment areas with a range of economic conditions (Table II.3). For example, the workforce investment areas of only four of the 12 grantees had unemployment and poverty rates above the national average. Grantee staff in areas with lower unemployment and poverty rates, however, described "pockets" of low-income communities with higher unemployment and poverty rates within the workforce investment area.

The Houma WIB was unique in that it had low average unemployment but a high poverty rate of 18.3 percent because of the area's low-wage jobs. The three-parish area covered by the Houma WIB was affected by two major hurricanes in the fall of 2005. Hurricanes Katrina and Rita caused wind and flood damage in the area, including flooding of more than 10,000 homes and businesses and the displacement of at least 200 people in Terrebonne Parish.<sup>2</sup> Due to its proximity to New Orleans, the region had an influx of evacuees seeking shelter and services after Hurricane Katrina, with over 4,000 displaced individuals relocating in Houma.<sup>3</sup> The unemployment rate in the area doubled in the two months following Hurricane Katrina, increasing from five percent in August 2005 to over ten percent in September and October of 2005. However, unemployment soon fell below its pre-Katrina rate, reaching 4.6 percent in December 2005, and 3.5 percent by the time Houma's grant ended in March 2006.

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<sup>1</sup> Because of constraints on the availability of data for smaller areas, this section focuses on grantees' workforce investment areas rather than on the specific service areas targeted by the grants.

<sup>2</sup> Information obtained from Louisiana Speaks, a planning organization created by the Louisiana Recovery Authority, at [<http://www.louisianaspeaks-parishplans.org/Default.cfm>].

<sup>3</sup> Louisiana Recovery Authority. "Hurricane Katrina Anniversary Data for Louisiana." Baton Rouge, LA: August 20, 2006.

**Table II.3. Demographic and Economic Characteristics of Grantee Workforce Investment Areas**

Grantee	Percentage of Population in Urban Areas	Persons per Square Mile	Unemployment Rate (Percentage) <sup>a</sup>	Average Weekly Wage, in Dollars <sup>b</sup>	Poverty Rate (Percentage)
Anne Arundel County, Maryland	94	1,177	3.6	786	3.6
Cambridge, Massachusetts	100	1,779	4.5	1,008	8.5
Cumberland County, New Jersey	74	255	6.2	738	13.3
Denver, Colorado	100	3,617	6.7	928	14.3
Hartford, Connecticut	95	1,166	5.3	943 <sup>c</sup>	9.3
Houma, Louisiana	72	81	5.4	610	18.3
Lansing, Michigan	74	262	6.0	707	11.0
Manchester, New Hampshire	78	435	3.8	753	6.3
Ottawa County, Michigan	76	421	5.6	683	5.5
Pinellas County, Florida	100	3,292	4.5	659	10.0
San Diego, California	96	670	4.7	815	12.4
Washington, DC	100	9,316	8.2	1,232	20.2
<b>U.S. Average</b>	<b>79</b>	<b>79.6</b>	<b>5.7</b>	<b>757</b>	<b>12.4</b>

Sources: Census (2000), Bureau of Labor Statistics Local Area Unemployment Statistics (2004) and Quarterly Census of Employment and Wages (2004), Massachusetts Division of Career Services Labor Force and Unemployment Data (2004) and Employment and Wages (2004), and Connecticut Department of Labor, Office of Research, Local Area Unemployment Statistics (2004).

Note: This table is based on the workforce investment area covered by each grantee rather than the specific area targeted for grant activities.

<sup>a</sup>Annual 2004.

<sup>b</sup>Annual 2004, all industries, all establishment sizes.

<sup>c</sup>Because wage data were unavailable for the Hartford Workforce Investment Area, this figure represents the average weekly wage for the Hartford WIB grantee.

## 5. Legal and Political Environment

Grantees operated in a legal and political environment that could influence local political support for grant activities and the ability of state governments to fund collaborations with FBOs. Based on an analysis by Lupu and Tuttle (2003), we characterize grantees' legal environments according to whether their state constitutions contain (1) language similar to the establishment clause of the U.S. Constitution,<sup>4</sup> and (2) provisions

<sup>4</sup> The First Amendment prohibits Congress (extended by the courts to state and local governments) from making any law respecting the establishment of religion or prohibiting the free exercise of religion.

that prohibit funding for religious organizations. Although state restrictions on funding for FBOs did not interfere with DOL grants, which were federally funded, the restrictions could affect the ability of grantees to sustain grant activities with state funding in the future. While the existence of state constitutional provisions regarding funding of religious organizations is one indicator of the legal environment, some state courts nonetheless interpret such provisions narrowly and allow certain types of state funding for FBOs (Lupu and Tuttle 2003).

Only four grantees were in states whose constitution contains language similar to that of the establishment clause (Table II.4). The inclusion of such language in a state constitution has provided the basis for challenging state funding of FBOs (Lupu and Tuttle 2003).

**Table II.4. Grantees' Legal and Political Environment**

Grantees	Establishment Clause in State Constitution	"No-Funding" Clause in State Constitution	State Liaison or Office of Faith-Based Initiatives
Anne Arundel County, Maryland	Yes	Yes	Liaison
Cambridge, Massachusetts	No	Yes	Liaison
Cumberland County, New Jersey	No	Yes	Office of Faith-Based and Community Initiatives
Denver, Colorado	No	Yes	Liaison
Hartford, Connecticut	No	No	Office of Faith-Based and Community Initiatives
Houma, Louisiana	Yes	No	Liaison
Lansing, Michigan	No	Yes	Office of Faith-Based and Community Initiatives
Manchester, New Hampshire	No	No	None
Ottawa County, Michigan	No	Yes	Office of Faith-Based and Community Initiatives
Pinellas County, Florida	Yes	Yes	Liaison
San Diego, California	Yes	Yes	None
Washington, DC	NA	NA	Liaison

Source: Lupu and Tuttle (2003) and website of White House Office of Faith-Based and Community Initiatives [[www.whitehouse.gov/government/fbcij](http://www.whitehouse.gov/government/fbcij)].

NA = not available.

While “charitable choice” provisions and recent court cases have relaxed federal restrictions on funding of FBOs, many state constitutions specifically prohibit such funding, and 8 of the 12 grantees were located in such states. Some grantees, such as Anne Arundel and Cumberland counties, operated in states with restrictions on funding for “places of worship and ministry,” while other WIBs, such as Pinellas County, operated in states with general restrictions that prohibit funding for “any sectarian institution.” Two grantees (Manchester and Hartford) were located in states without language similar to the establishment clause and without restrictions on state funding of FBOs.

While the legal environment is a reflection of the state constitutional framework regarding the funding of FBOs, the political environment is defined by state political leaders’ acceptance and support of faith-based initiatives. Many states have created a liaison or office for faith-based initiatives to facilitate connections between the government and FBOs. All but two of the grantees were located in states with either a liaison or an office for faith-based and community initiatives (Table II.4). Six grantees were in states with a liaison, four in states with an office. These liaisons and offices were typically housed within the governor’s office. Manchester and San Diego were the only grantees in a state without a faith-based liaison or office.

Most of the grantees described support from local political leaders when they applied for and began implementing the DOL grant; in a few locations, political leaders raised concerns about using FBOs to provide workforce investment services. One site described collaborations with FBOs as a “politically charged issue” but decided to apply for the grant once it received the support of key government officials. Despite initial reservations in some locations, other grantees did not report any major political obstacles in applying for or receiving the grants.

## **B. GOALS ESTABLISHED BY THE GRANTEES**

Grantees’ goals generally echoed DOL’s objectives for the collaboration initiative, focusing on three main themes (Table II.5):

1. Increasing access to the workforce investment system in new locations or among underserved populations
2. Providing new or enhanced services to job seekers
3. Building FBOs’ organizational capacity and enabling their ongoing participation in the workforce investment system

At the outset of the grant period, all but one WIB grantee aimed to increase access to the workforce investment system among new populations or in new locations. Four grantees identified offering new or enhanced services as a goal, and four identified building FBOs’ organizational capacity. In the sections that follow, we examine each of these goals in detail.

**Table II.5. Primary Goals for Collaboration Projects**

Grantee	Increase Access		Enhance Services	Build FBCO Capacity
	New Populations	New Locations		
Anne Arundel County, Maryland	X	X		
Cambridge, Massachusetts	X			X
Cumberland County, New Jersey		X		X
Denver, Colorado		X		X
Hartford, Connecticut	X	X		
Houma, Louisiana		X	X	
Lansing, Michigan	X		X	
Manchester, New Hampshire	X			X
Ottawa County, Michigan			X	
Pinellas County, Florida	X	X		
San Diego, California		X		
Washington, DC		X	X	
<b>Total</b>	<b>7</b>	<b>8</b>	<b>4</b>	<b>4</b>

Source: Interviews with grantees.

### 1. Increasing Access to the Workforce Investment System

A core principle of WIA is that anyone in need of employment assistance should be able to access it through One-Stop centers. According to staff interviews and grant applications, many WIB grantees expected that collaborations with FBCOs would make the workforce investment system more accessible, particularly to hard-to-serve job seekers such as ex-offenders and people with multiple barriers to employment, limited English skills, or limited access to transportation. Several grantees also aimed to enhance access by expanding the reach of workforce investment services in specific locations or neighborhoods. In addition, a few grantees planned to enlist FBCOs to help make workforce investment services easier to use by relying on the FBCO staff to provide individualized assistance to job seekers.

Grantee staff noted that helping job seekers who have multiple barriers to employment or live far from One-Stop centers can be challenging. Specific barriers to One-Stop system access can include:

- ***Communication Problems Due to Differences in Language or Culture.*** People who do not speak English, or whose English proficiency is limited, might not be able to access One-Stop services if centers lack staff who can communicate clearly with them. Cultural differences can also interfere with communication.

*Chapter II: The Grantees and Their Approaches to Designing the Collaborations*

- ***Intimidation, Stigma, or Distrust of Government.*** Some job seekers may be daunted by the formality of the One-Stop center environment, or they may associate the One-Stop system with the perceived stigma of welfare programs. Recent immigrants or refugees from countries in which interaction with government was to be avoided, as well as people who have had negative experiences with government agencies in the United States or other countries, might feel trepidation about approaching a public agency to obtain services.
- ***Location and Lack of Transportation.*** Job seekers could have difficulty accessing One-Stop centers distant from their residences. In some areas, limited public transportation makes travel to One-Stop centers impractical. Migrant farmworkers, who often lack transportation, are also likely to find it difficult to access One-Stop center services. Incarcerated offenders preparing for release obviously cannot use One-Stop centers outside their facility.
- ***Limited Awareness of the One-Stop System.*** Job seekers who simply do not know of the workforce investment system, or who are unaware that they might be eligible for employment assistance, might not take advantage of One-Stop services.
- ***Limited Ability to Use One-Stop Centers.*** To use some services at One-Stop centers, customers must be self-directed. For example, job listings and other informational services at One-Stop centers are typically available via computer. Customers unfamiliar with information technology may not be able to use computer services without substantial assistance. Low literacy levels can also pose barriers.

## 2. Providing New or Enhanced Services

Several grantees identified gaps in the services offered by the One-Stop system and planned to address these gaps through collaborations with FBCOs. Initially, grantees planned to provide the following types of new or enhanced services:

- ***Supportive Services.*** One-Stop centers were not always equipped to serve customers facing employment obstacles related to basic needs, such as lack of food, housing, child care, transportation, or clothing. While it is not uncommon for One-Stop centers to offer supportive services either directly or through referral, the centers might not have the capacity to provide such assistance consistently or intensively over time. Many FBCOs provide these types of services or are connected with other organizations that can provide them.
- ***Soft-Skills Training.*** While some One-Stop centers offered training in appropriate behavior at work, such training was usually not provided in the depth that some job seekers needed. Some FBCOs offer multiweek training programs in soft skills; others address them one-on-one with the job seekers.

- ***Comprehensive, Personalized Assistance.*** Grantees that hoped to fill service gaps through collaboration with FBCOs expected the FBCOs to offer more comprehensive and personalized services than were generally available at One-Stop centers. FBCOs often work one on one with clients addressing multiple barriers to work. FBCOs sometimes also offer mentoring for clients—from staff or volunteers—to help promote successful job searches and retention.
- ***Services for Underserved Populations of Job Seekers.*** In some sites, WIBs expected FBCOs to offer intensive services to people underserved by the One-Stop system, such as immigrants, refugees, and ex-offenders preparing for release from prison.
- ***Specialized Services.*** A few grantees aimed to enhance existing One-Stop center offerings by contracting with FBCOs to provide specialized, rather than comprehensive, services. These services were intended to complement the services already available at the One-Stop centers or increase the number of providers for services in high demand. Three grantees, for example, subawarded funds to one or more FBCOs primarily for instruction in English as a second language. Other examples of specialized services offered by FBCOs include literacy tutoring, computer training, and translation assistance.
- ***Additional Services for Employers.*** One grantee, Ottawa County, planned specifically to enhance services not only for job seekers but also for employers through its collaboration with FBCOs. A major goal of the effort was to help connect employers with potential employees who are “work ready” and have the support necessary to retain their jobs. The project also involved training for employers to help them supervise and support employees who face obstacles related to poverty.

### **3. Promoting FBCO Capacity and Participation in the Workforce Investment System**

WIB and intermediary staff cited the development of FBCOs’ service and management capacity as another broad goal of the collaboration. Enhancing capacity was seen as important for ensuring the provision of high-quality services and increasing the likelihood that collaborations could be sustained. (DOL hoped that collaborations established between FBCOs and the workforce investment system would continue after the grant period without further funding.) In fact, staff at some WIB grantees described their current collaborations as either a test of the feasibility of working with FBCOs or an opportunity to identify the most appropriate role for grassroots organizations within the workforce investment system.

Grantees’ aims related to FBCO service capacity included augmenting the number of people the FBCOs were able to assist and improving the service delivery skills of FBCO staff. In some cases, WIBs and intermediaries expected FBCO subawardees to increase their client base substantially. The funding and technical assistance provided to these

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organizations was intended to help them “scale up” their service provision so that job seekers not currently reached by the One-Stop system would be able to receive assistance.

Grantees also aimed to help FBCOs become more sophisticated in their ability to seek funding, manage finances, and monitor performance. Grantee staff believed that improved management capacity would enable FBCOs to become longer-term partners with the workforce investment system. Improving the ability of FBCOs to secure revenue from government and nongovernment sources was important for sustaining collaborations, as funding received through WIBs or intermediaries represented the dominant share of the revenue of some FBCOs.

A few grantees considered expanding FBCOs’ organizational and service capacity to be a strategy for increasing competition for WIA contracts that might not necessarily be targeted to grassroots organizations. These grantees hoped that FBCOs would become viable participants in future procurements so that the WIB would not have to rely on a limited pool of organizations that frequently serve as WIA contractors.

### **C. NUMBER AND AMOUNTS OF SUBAWARDS TO FBCOs**

Of the nearly \$6 million awarded to the 12 WIB grantees, just over half (53 percent) was subawarded to the FBCOs (Table II.6). The rest went to resource mapping, the procurement process, training, technical assistance and other capacity-building activities for the FBCOs, monitoring the FBCOs, reporting on their successes and challenges, and administering grant funds.

The proportion of the funds subawarded by grantee varied widely. Even though DOL required WIB grantees to subaward the “majority” of the grant funds to FBCOs, Manchester subawarded to FBCOs only 30 percent of its grant. In contrast, Lansing subawarded nearly 86 percent of its grant to FBCOs.

Grantees also varied in the number of subawards they made. The Denver WIB grantee made 35 subawards, while Ann Arundel made only 3 (Table II.6). San Diego made only two awards, but to FBCOs that were expected in turn to subaward to other FBCOs. The median number of subawards was four—half the study grantees made four or fewer subawards and half made more than four. The number of subawards was roughly equal to the number grantees planned to make.

The number of subawards was clearly associated with their size. All the awards made by the Denver WIB were between \$2,500 and \$8,000. In contrast, every subaward made by Anne Arundel County exceeded \$100,000. As discussed in Chapter III, the grantees’ approach to collaborating with FBCOs also affected the size of subawards.

**Table II.6. Amount and Number of Subawards to FBCOs**

Grantee	Amount of Grant (in Dollars)	Amount Subawarded to FBCOs (in Dollars)	Total Amount of Subawards as Percentage of Grant	Number of Subawards	Average Amount of Subawards (in Dollars)
Anne Arundel County, Maryland	490,803	300,000	61.1	3	100,000
Cambridge, Massachusetts	500,000	255,000	51.0	4	63,750
Cumberland County, New Jersey	499,562	211,920	42.4	9	23,547
Denver, Colorado	500,000	200,000	40.0	35	5,714
Hartford, Connecticut	500,000	305,000	61.0	7	43,571
Houma, Louisiana	500,000	315,022	63.0	6 <sup>a</sup>	52,504
Lansing, Michigan	350,000	300,000	85.7	4	75,000
Manchester, New Hampshire <sup>b</sup>	500,000	148,798	29.7	4	47,949
Ottawa County, Michigan	500,000	282,746	56.5	10	28,275
Pinellas County, Florida	474,140	240,000	50.6	3	80,000
San Diego, California	500,000	249,250	49.9	2	124,625
Washington, DC	494,308	285,000	57.7	6	47,500
<b>Total</b>	<b>5,808,813</b>	<b>3,092,736</b>	<b>53.2</b>	<b>93</b>	<b>33,322</b>

Source: Interviews with grantees.

<sup>a</sup>One FBCO received two subawards.

<sup>b</sup>This grantee spent only \$350,000. Thus, 42.5 percent of funds used were subawarded to FBCOs.

#### **D. USE OF INTERMEDIARIES**

DOL specified in its request for applications that WIB grantees could contract with an intermediary to “conduct outreach to grassroots organizations and provide technical assistance to the subawardees.” Seven WIB grantees are contracting with eight intermediary organizations (Table II.7). Four of the eight are faith-based, three are community-based, and one is a quasi-public education authority. The faith-based intermediaries include three church networks and one social services provider:

- The Metro Denver Black Church Initiative is a network of churches that provides capacity building to help churches provide social services.

**Table II.7. Use of Intermediary Organizations by WIB Grantees**

WIB Grantees	Intermediary	Type of Organization	Description of Organization	Amount Awarded
Anne Arundel County, Maryland	None	n.a.	n.a.	n.a.
Cambridge, Massachusetts	Institute for Community Inclusion (ICI) <sup>a</sup>	Nonprofit CBO	Advocate of services for people with disabilities	\$40,000
Cumberland County, New Jersey	None	n.a.	n.a.	n.a.
Denver, Colorado	Metro Denver Black Church Initiative & Denver Inner City Parish	Nonprofit FBO & Nonprofit CBO	Network of churches & social service provider	\$120,000 (to each intermediary)
Hartford, Connecticut	Capital Region Education Council	Quasi-public authority	School operator and educational assistance	\$90,293
Houma, Louisiana	None	n.a.	n.a.	n.a.
Lansing, Michigan	None	n.a.	n.a.	n.a.
Manchester, New Hampshire	Odyssey Youth Rebuild	Nonprofit CBO	Youth and workforce development	\$172,628
Ottawa County, Michigan	Good Samaritan Ministries	Nonprofit FBO	Network of churches	\$117,254
Pinellas County, Florida	Catholic Charities	Nonprofit FBO	Social service provider	\$186,140
San Diego, California	All Congregations Together	Nonprofit FBO	Employment services provider and network of churches	\$50,000
Washington, DC	None	n.a.	n.a.	n.a.

Source: Interviews with WIB grantees.

<sup>a</sup>Although the Cambridge WIB does not identify ICI as a formal intermediary organization, we consider ICI to be an intermediary for the purposes of this study because the range and intensity of ICI's involvement in grant activities is consistent with agencies designated as intermediary organizations in other study sites.

n.a. = not applicable.

- All Congregations Together in San Diego is a network of about 100 congregations and organizations with experience in providing employment services, including job retention assistance.
- Good Samaritan Ministries assists a network of churches in developing social services programs and serves as a clearinghouse for information on FBO services in the community.

- Catholic Charities Diocese of St. Petersburg in Pinellas County serves a five-county area and provides a broad array of social services for families, including clinical counseling, foster care, and services for the elderly.

Three of the intermediaries are CBOs:

- The Institute for Community Inclusion in Cambridge promotes services for and awareness of people with disabilities.
- Denver Inner City Parish provides a range of education and social services for a primarily Latino community. Although founded by two neighborhood churches, the organization is nondenominational.
- Odyssey Youth Rebuild is a CBO in Manchester that provides employment services for youth and young adults who dropped out of high school.

One is a quasi-public agency:

- The Capital Region Education Council (CREC) in Hartford is an education organization that operates schools, offers technical assistance for education leaders, and provides adult literacy programs.

## **1. Subaward Amounts**

The amount awarded to intermediaries was \$112,039 on average, ranging from \$40,000 to \$186,140 across organizations (Table II.7). The amount awarded to each intermediary roughly reflected its expected level of involvement in grant activities (Table II.8). Some had a lower level of involvement. For example, the WIBs in Cambridge and San Diego funded an intermediary in the early stages of the grant to conduct outreach and provide technical assistance for FBCOs. The intermediaries received \$40,000 and \$50,000, respectively.

In contrast, the WIBs in Pinellas County, Denver, Ottawa County, and Manchester awarded much larger subgrants to the intermediaries and expected them to take on more substantial roles. The subawards averaged just over \$143,000. Three of these intermediaries served as the fiscal agent for the grant. In Pinellas County, Denver, and Ottawa County, the WIB passed funding for FBCO subawards through the intermediaries to the FBCOs. These intermediaries were also responsible for the procurement process, technical assistance and capacity building for FBCOs, and monitoring subawardees.

## **2. Experience with FBCOs and the One-Stop System**

Experience with FBCOs and the One-Stop system can affect the ability of an intermediary organization to conduct outreach to FBCOs successfully and foster effective collaborations with the One-Stop system. All but one intermediary organization had experience working with FBCOs in the community prior to the WIB grant (Table II.9).

**Table II.8. Roles of Intermediary Organizations Used by WIB Grantees**

Grantee	Fiscal Agent for Sub-awards	Information Gathering	Outreach	Procurement	Technical Assistance	Monitor Sub-awardees	Other
Cambridge, Massachusetts			X		X		
Denver, Colorado	X		X	X	X	X	
Hartford, Connecticut					X	X	Facilitate subawardee meetings
Manchester, New Hampshire		X			X	X	Bidder's conference and referrals to FBCOs
Ottawa County, Michigan	X		X	X	X	X	Capacity building; developing program services
Pinellas County, Florida	X			X	X	X	
San Diego, California		X	X		X		

Source: Interviews with WIB grantees.

Earlier DOL-funded intermediary grants provided experience with FBCOs for three of the intermediary organizations, while two other organizations had experience with FBCOs through their oversight of networks of churches or FBOs. The intermediary in Pinellas County is the only organization that had no experience working with FBCOs.

Most intermediaries also had experience with the WIB or the One-Stop system before the WIB grant. As prior DOL intermediary grantees, three of the intermediary organizations had exposure to the WIB and One-Stop system. Three other intermediaries had contracts to provide services under WIA before the grant. While the Pinellas County WIB selected an intermediary that had no experience with the One-Stop system, the intermediary had prior experience implementing federal grants and serving as a fiscal intermediary.

Three intermediary organizations had experience with FBCOs and the One-Stop system through their prior experience as a 2003 DOL intermediary grantee. The WIB grantees partnering with these intermediary organizations chose to continue and expand the programs developed under these intermediary grants:

**Table II.9. Intermediaries' Experience with FBCOs and the One-Stop System**

WIB Grantees	Intermediary	Experience Working with FBCOs	Experience with WIB or One-Stop System
Cambridge, Massachusetts	Institute for Community Inclusion	Yes	Yes
Denver, Colorado	Metro Denver Black Church Initiative	Yes	Yes
	Denver Inner City Parish	Moderate	Yes
Hartford, Connecticut	Capital Region Education Council	Yes	Yes
Manchester, New Hampshire	Odyssey Youth Rebuild	Yes	Yes
Ottawa County, Michigan	Good Samaritan Ministries	Yes	Yes
Pinellas County, Florida	Catholic Charities	No	No
San Diego, California	All Congregations Together	Moderate	Yes

Source: Interviews with WIB grantees.

- In Hartford, the WIB grant was a direct extension of the program established by CREC through the intermediary grant.
- The Ottawa County WIB revised and expanded aspects of Good Samaritan Ministries' intermediary grant to address some perceived shortcomings.
- The Institute for Community Inclusion in Cambridge received an intermediary grant to redesign One-Stop services for underserved populations. The WIB grant built on the work of this intermediary grant by focusing on a similar target population.

#### **E. INVOLVEMENT OF ONE-STOP CENTERS**

Because the purpose of the grants was to establish new partnerships between FBCOs and the workforce investment system, and because One-Stop centers play a central role in this system, it was expected that One-Stop centers would play key roles in the collaborations. This section describes some characteristics of the One-Stop system in the grant sites such as the number of One-Stop centers, the types of One-Stop operators, and the systems' experiences with contracting for One-Stop services that could potentially affect the nature and success of collaborations with FBCOs.

## 1. Number of One-Stop Centers

The number of One-Stop centers directly involved in grant activities depended on whether the WIBs targeted specific areas or communities within their workforce investment areas. Six WIB grantees involved a subset of One-Stop centers in their grant activities (Table II.10). For example, grant activities in San Diego involved the One-Stop center in the target neighborhood of City Heights.

**Table II.10. Characteristics of the Grantees' One-Stop Systems**

WIB Grantees	One-Stop Centers in the Workforce Investment Area <sup>a</sup>	One-Stop Centers Targeted in the Grant <sup>a</sup>	One-Stop Operator (for One-Stop Centers Involved in the Grant)	One-Stop Contract with a CBO or FBO for One-Stop Services Before the Grant <sup>b</sup>	WIB Contract with One-Stop System for the Grant
Anne Arundel County, Maryland	6	1	Two state agencies and a community college	No	No
Cambridge, Massachusetts	3	3	Nonprofit and community college	No	\$52,000 <sup>c</sup>
Cumberland County, New Jersey	3	2	Government agency	Yes	No
Denver, Colorado	6	6	Government agency	Yes	No
Hartford, Connecticut	5	5	Nonprofit and for-profit firm	Yes	No
Houma, Louisiana	3	3	Nonprofit	No	\$53,375
Lansing, Michigan	3	1	School district	Yes	No
Manchester, New Hampshire	13	1	State consortium of public agencies/private firms	Yes	No
Ottawa County, Michigan	2	2	Government agency	Yes	No
Pinellas County, Florida	9	4	Community college	Yes	No
San Diego, California	6	1	Nonprofit consortium	Yes	\$50,000
Washington, DC	7	0	Government agency	No	No

Source: Interviews with WIB grantees.

<sup>a</sup>This includes both comprehensive and Satellite One-Stop centers.

<sup>b</sup>This includes CBOs and FBOs that might not meet the definition of FBCO as specified in the DOL grant.

<sup>c</sup>The Cambridge WIB required that FBCO subawardees allocate 20 percent of their budget request to subcontract with a One-Stop center; this represents the total amount of these subcontracts with the One-Stop centers.

Other grantees either included all the One-Stop centers in the workforce investment area or did not target One-Stop centers for involvement in the grant. For example, the WIB in Houma involved all the One-Stop centers, because the One-Stop centers and FBCOs were spread across its three-county service area. In contrast, the WIB in Washington, DC, did not target any of its seven One-Stop centers for participation in grant activities.

## **2. One-Stop Center Operators**

The One-Stop centers involved in the grants were operated by a variety of nonprofit organizations, community colleges, school districts, and government agencies (Table II.10). The four WIB grantees administered by government agencies—Cumberland County, Denver, Ottawa County, and Washington, DC—also contracted with the same government agency to act as the One-Stop center operator.

The other WIBs contracted with a mix of nonprofit organizations, school districts, and community colleges. The Houma WIB contracted with a nonprofit organization to operate all three of its One-Stop centers, while Cambridge relied on two One-Stop center operators—a nonprofit organization and community college—for the two One-Stop centers involved in the grant. Hartford was the only grantee with One-Stop centers operated by both a nonprofit organization and a for-profit organization; Manchester relied on a consortium of public and private agencies that collaborated to operate all One-Stop centers in the state.

## **3. Experience with FBCOs**

Before the DOL grants, the One-Stop operator for 8 of the 12 WIB grantees had contracted with a CBO or an FBO for One-Stop center services (Table II.10). For example, the Lansing WIB previously contracted with an FBO to provide services for Food Stamp recipients, and one of the FBCOs receiving a subaward from the Ottawa County WIB had received a contract to provide WIA youth services.

## **4. Subawards for One-Stop Operators**

Three WIB grantees awarded an average of about \$52,000 to One-Stop center operators for providing services under the collaboration grant (Table II.10). The Houma WIB contracted with the One-Stop operator to provide eligibility, enrollment, and monitoring of FBCOs' grant activities. The San Diego and Cambridge WIBs contracted with One-Stop operators to train FBCO subawardees in how to provide One-Stop services. In Cambridge, the WIB required FBCO subawardees to allocate 20 percent of their budgets to subcontract with One-Stop centers for training. The One-Stop centers in Cambridge also provided assistance with job placement services and monitoring.

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## F. OTHER GRANT PARTNERS

WIB grantees could partner with additional organizations or government agencies to support and promote grant activities. Two WIB grantees included other community partners in their design for the collaboration projects:

- In Anne Arundel County, the WIB established mini-One-Stop centers in two public housing complexes and two detention facilities. To facilitate collaboration between FBCO subawardees and the grant sites, the WIB defined the local public housing authority and county detention facilities as grant partners. These agencies were involved in the initial grant planning process and supported the mini-One-Stop centers by donating furniture, equipment, and space within their facilities. The WIB signed a memorandum of understanding with both partner agencies.
- The WIB in Pinellas County partnered with a local university and the county planning commission to identify areas of high poverty and areas with high concentrations of ex-offenders and people with limited English proficiency. The grant partners were also responsible for developing a list of service providers to be shared with the One-Stop system.



## CHAPTER III

### STRATEGIES FOR INCORPORATING FBCOs INTO LOCAL WORKFORCE INVESTMENT SYSTEMS

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The public workforce investment system is designed to provide employment services for a broad range of job seekers. In defining a role for FBCOs in the One-Stop system, WIBs sought to expand the reach of the system to hard-to-serve populations and offer intensive employment services for assisting these job seekers. These new partnerships relied extensively on FBCOs' close community connections and their experience tailoring services to meet the needs of populations typically underserved by One-Stop centers.

This chapter describes how WIB grantees incorporated FBCOs into local workforce investment systems. In particular, it focuses on the role FBCOs played in increasing access to the system for hard-to-serve job seekers and in providing new or enhanced services to address the needs of these underserved populations. The chapter ends with a description of how WIBs combined these various roles into three distinct approaches to defining roles for FBCOs in the workforce system.

#### A. INCREASING ACCESS TO THE WORKFORCE INVESTMENT SYSTEM

As described in Chapter II, a major goal of the WIB collaboration grants was to expand access to workforce investment services for populations that faced barriers to using One-Stop centers and were thus underserved. Accomplishing this goal required first reaching out to these hard-to-serve populations, and then linking them to the One-Stop system. FBCOs assumed both these roles: they conducted outreach to underserved populations—often expanding their existing efforts—and also linked people to the workforce investment system by referring them to One-Stop centers or providing employment services in accessible locations.

The specific roles of FBCOs depended in part on whether grantees focused on increasing access to the One-Stop *centers* or to workforce investment *services*. FBCOs improved access to One-Stop centers by referring clients to the centers, and they expanded access to workforce investment services by providing employment services in accessible

locations. The rest of this section describes how FBCOs fulfilled their roles in increasing access both to One-Stop centers and to workforce investment services.

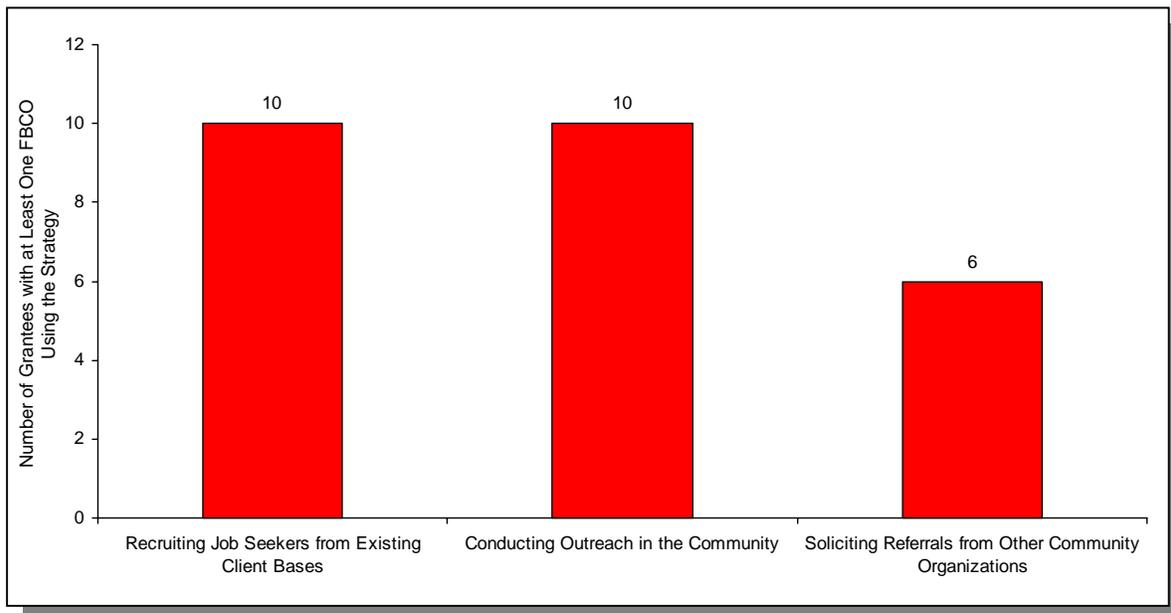
## 1. Reaching Out to Underserved Populations

WIBs relied on FBCOs to reach out to populations that faced barriers to accessing services at the One-Stop centers—such as limited-English speakers who faced communication problems, immigrants intimidated by government agencies, and low-income people without access to transportation. FBCOs were uniquely positioned to fill this role, because they already had relationships with the populations targeted by the grant and were often located in the communities they served. Almost all the grantees reported that outreach to hard-to-serve populations was a strength of FBCO service provision and a success of the collaboration projects.

FBCOs used a variety of strategies to reach the populations targeted for the grants. The most common were recruiting job seekers from groups the FBCO already served, conducting outreach in the community, and soliciting referrals from other community organizations (Figure III.1).

**Recruiting Job Seekers from Existing Client Bases.** Ten grantees collaborated with FBCOs that were already operating inner-city soup kitchens for low-income people, community centers for immigrants, re-entry programs for ex-offenders, and service centers

Figure III.1. Strategies for Accessing Target Populations



Source: Interviews with WIB grantees.

for homeless people. Some FBCOs were churches that offered supportive services for community residents experiencing personal or family challenges. In addition, some participating FBCOs served as sources of information and referrals for members of the target population. Examples include a Native American tribal agency and an Ethiopian immigrant association. These FBCOs recruited job seekers by informing people who came in for services or information about the availability of employment services under the grant. For example, the Native American tribal agency in Cumberland County invited members who visited its office to use a computer lab operated under the grant. Some FBCOs had greater success with outreach efforts when they co-located employment services with their other services. For example, a church operating a soup kitchen in Hartford was able to improve its recruitment efforts by locating its employment services in the same space.

**Conducting Outreach in the Community.** Many FBCOs had insight into the appropriate channels for disseminating information because they were familiar with the populations they served and knowledgeable about their communities. Therefore, they advertised the availability of grant services by distributing fliers to businesses and social services agencies in the community, advertising in community newspapers and on local radio shows, and announcing the availability of services in church bulletins. In half the grant sites, FBCOs also reported using informal approaches for reaching out to job seekers, such as speaking directly with people on the street and making door-to-door visits in their neighborhoods. FBCO staff also reported that community members, especially those who participated in grant activities, spread information about the grant projects through word of mouth.

**Soliciting Referrals from Other Community Organizations.** FBCOs in half the grant sites used their connections with other service providers in the community to recruit participants. These connections were formed through FBCOs' existing networks of agencies in the area or by staff using their knowledge of the community to develop new relationships. FBCOs informed other organizations about grant activities and enlisted their assistance in referring people for employment services. For example, to solicit referrals, an FBCO in Pinellas County relied on its close relationships with a women's shelter, the YWCA, and a drug recovery program. At one point during the grant period, the FBCO reported receiving about 20 referrals in a single week. In Denver, an FBCO networked with halfway houses to enroll interested people, and in Washington, DC, an FBCO sent emails to 200 organizations and contacted churches in a local clergy partnership. FBCOs in two sites had new or existing relationships with probation officers who referred recently released ex-offenders.

WIBs identified certain characteristics of FBCOs that contributed to their success in employing these strategies to reach out to underserved populations. As service providers for hard-to-serve people, FBCOs were known in their communities and often had close connections with the target populations. FBCOs' location in the communities they served allowed them to pursue informal methods of outreach, such as talking with people on the street or making door-to-door visits. FBCO staff who lived in the target areas or who had experience working with the target population provided useful information on effective outlets for conducting outreach and had existing relationships with other local social services agencies that served the same population.

Although WIBs consistently described outreach as a strength of the collaboration projects, some FBCOs had difficulty recruiting participants. In some cases, the difficulties were due to the design of the collaboration projects rather than the efforts or skills of FBCO staff. For example, two WIBs defined their grant area in ways that led to recruiting challenges for FBCOs. An overly restrictive target area in Manchester forced FBCOs to turn away youth who were interested in the grant but did not reside within the city's Enterprise Zone. The WIB eventually broadened the target area to include the entire metropolitan area. In rural Louisiana, overlapping target areas caused problems for FBCOs that felt there was insufficient demand to have two FBCOs covering the same area.

In a few cases, however, the difficulties in recruiting participants reflected problems at the FBCOs. Delays in hiring staff hindered outreach efforts for FBCOs in two sites. FBCOs in two other sites expected people to seek their services without any outreach efforts. In one of these sites, an FBCO reported that the staff person initially hired by the FBCO avoided conducting outreach because she was uncomfortable working with the targeted population.

## 2. Referring Hard-to-Serve Job Seekers to One-Stop Centers

FBCOs can help job seekers gain access to the workforce investment system by making referrals to the One-Stop centers. Especially for people who may be unaware of One-Stop services or uncomfortable visiting a One-Stop center, referrals can raise their awareness and provide a point-of-contact at the One-Stop center to help them obtain services. Thus, FBCOs can facilitate the link between underserved populations and the One-Stop centers through the referral process. In some grant sites, FBCOs made referrals to One-Stop centers for job placement services, while in others they made such referrals for training.

**Referrals for Job Placement Services.** In a third of the grant sites, WIB grantees directed FBCOs to recruit hard-to-serve job seekers and provide them with supportive services before referring them to the One-Stop center for job placement (Table III.1). FBCOs in these sites often provided case management or basic job readiness assistance

**Table III.1. Average FBCO Subaward Amounts, by Types of Referrals Made to One-Stop Centers**

Type of Referrals Used by WIB Grantee	Average Subaward Amount	Number of Grantees Using This Approach	Median Number of FBCO Subawardees
Referrals for Job Placement Services	\$33,967	4	8
Referrals for One-Stop Center Training	\$66,581	5	5
No Focus on Referrals	\$74,316	3	4

Source: Interviews with WIB grantees.

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before referring the participants to the One-Stop center. For example, in Hartford, the WIB intended that FBCOs serve as “pre-One-Stop centers” that prepared hard-to-serve job seekers for work before referring them for job placement. Some WIBs established a formal referral process to encourage close coordination between FBCO and One-Stop center staff. In Cambridge, for example, FBCOs made a list of participants to be referred and sent it to a designated One-Stop staff member who communicated regularly with the FBCO and worked with referred participants at the center.

**Referrals for One-Stop Center Services.** Half the WIB grantees gave FBCOs primary responsibility for providing job placement services but encouraged or allowed them to make referrals to One-Stop centers for specific services, training sessions, and workshops. In these grant sites, FBCOs made referrals to the One-Stop center for a wide variety of services, including courses in English as a second language, computer workshops, and basic education classes. WIBs using this approach were less likely to establish formal referral processes; some simply informed FBCOs about the workshops available at the One-Stop centers and allowed FBCOs to make referrals as needed. The referral process in these sites usually relied on informal relationships between FBCO and One-Stop center staff. In Washington, DC, for example, an FBCO made referrals for basic education training because the director had an existing relationship with a case manager at the One-Stop center.

WIBs tended to make smaller subawards to a larger number of FBCOs in sites where FBCOs made referrals to One-Stop centers for job placement services.<sup>1</sup> In the four grant sites that used this approach, the average subaward amount was almost \$34,000, and the median number of FBCO subawardees was eight (Table III.1). In contrast, WIBs that directed FBCOs to make job placements themselves and refer participants to One-Stop centers only for training, or not all, made much larger awards to fewer FBCOs. For example, in sites in which FBCOs made referrals only for specific services, the average subaward was nearly \$67,000, almost double the amount for sites that made job placement referrals. This substantial difference is most likely due to the difference in the amount of services that WIBs expected FBCOs to provide under each approach. FBCOs making referrals to the One-Stop center for job placement services provided fewer services directly; their primary role was to prepare participants and then link them to the One-Stop. On the other hand, when WIBs did not establish referral systems, they awarded larger grants to FBCOs and gave them primary responsibility for placing participants in jobs.

Because increasing access to workforce investment services among underserved populations was a primary goal of the collaboration grants, we sought to identify factors that contributed to the ability of FBCOs to link participants to the services provided through One-Stop centers. During site visit interviews, WIB, One-Stop, and FBCO staff identified several aspects of their referral systems that helped them to operate smoothly. We describe each one here:

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<sup>1</sup> This chapter discusses WIB strategies for incorporating FBCOs into local workforce investment systems. In Chapter VI we discuss the outcomes of grantees, including the number of referrals made to One-Stop centers and the number of clients placed in employment.

- ***Point-of-Contact at the One-Stop Center.*** Four WIB grantees designated a specific staff person at the One-Stop centers to serve as a point of contact for referrals from FBCOs. This liaison typically had responsibility for enrolling referred people and helping them obtain One-Stop center services. In Ottawa County, for example, the One-Stop center hired a career counselor for the grant who received referrals and matched them with a job placement coordinator. Similarly, the Cambridge WIB designated at least half the time of one One-Stop staff person to work directly with job seekers referred by the FBCOs. In Cumberland County, where the WIB did not designate a point of contact at the One-Stop to receive individual referrals, FBCO staff reported that participants were reluctant to use the One-Stop center because they had to repeat the enrollment process and were not recognized by One-Stop staff as participants in the FBCO collaboration.
- ***Efficient and Supportive Process.*** The referral process is intended to support the entry of hard-to-serve job seekers into the One-Stop center. During site visit interviews, informants characterized an efficient referral process as one that placed minimal burden on the person being referred. FBCOs facilitated the process by providing One-Stop staff with a list of referred participants who would be visiting the One-Stop center or registering referrals for One-Stop services before they arrived. The Denver WIB initially established a lengthy referral process in which clients visited both an FBCO and an intermediary before being referred to a One-Stop center. Because it discouraged clients from visiting the One-Stop center, the process was modified. Some FBCOs supported referrals by providing transportation assistance to the One-Stop center, and in one grant site an FBCO staff member accompanied clients to the One-Stop center to see that they received adequate attention.
- ***Frequent Communication Between FBCO and One-Stop Center Staff.*** Communication is critical to the referral process, because without it FBCO staff do not know whether participants have visited the One-Stop center, and center staff will not know whom to expect from the FBCO. Communication between FBCO and One-Stop center staff, even when informal, engendered a relationship that encouraged FBCOs to make referrals. In grant sites where WIBs did not emphasize referrals or develop a formal referral process, FBCOs that communicated regularly with One-Stop center staff were more likely to make referrals. For example, in Washington, DC, staff at one congregational subawardee had a personal connection with a One-Stop center staff member who belonged to the congregation. Two FBCOs in Pinellas County made referrals because of their informal connection with a One-Stop center staff person. The referrals ended when their contact was transferred. Despite having no point of contact for referrals designated at the One-Stop center, a couple of FBCOs in Cumberland County made referrals to a job developer with whom they had informally established a relationship and had contacted by phone.

In all four sites where FBCOs were expected to make referrals to the One-Stop center for job placement services, at least one FBCO instead provided the services itself. FBCOs cited a variety of reasons for not referring their clients. Some felt the One-Stop center did not have the capacity or resources to help its hard-to-serve job seekers. FBCOs in two sites expressed frustration that their participants were placed on waiting lists for One-Stop services, while in three other sites FBCOs said the One-Stop center staff could not tailor services adequately to the target population. In Pinellas County, FBCOs reported that One-Stop staff did not provide ex-offenders with job openings at employers willing to hire someone with a criminal record.

Proximity to the One-Stop center was a factor in determining whether referrals would be made in a third of the grant sites, where long distances between the FBCO and One-Stop center prevented clients from visiting the One-Stop center or discouraged FBCOs from referring clients. Another factor affecting the success of the referral process was whether One-Stop centers communicated with FBCOs about client outcomes. Since FBCOs were held accountable for the employment outcomes of clients, if they could not track clients referred to the One-Stop center, they were not able to include the client in their outcome reports.

### **3. Provide Employment Services in Locations Accessible to Underserved Populations**

More than half the WIBs defined the target population by their location in an area with a high concentration of poverty or unemployment and directed FBCOs to provide job placement services in locations accessible to these people. Under this model, FBCOs focused on linking hard-to-serve populations with workforce investment services by serving as additional access points for various employment services.

Eight grantees defined their target population by their location in a neighborhood or area with high rates of poverty and unemployment, or with a high proportion of hard-to-serve people (Table III.2). The targeted locations included “hot-spot” neighborhoods with high rates of unemployment in Washington, DC, a low-income Hispanic neighborhood in San Diego, the city of Manchester’s Enterprise Zone, and two public housing projects in Anne Arundel County.

In these grant sites, WIBs selected FBCOs that could provide employment services in locations accessible to the people living in the area. Most FBCOs already had existing locations in these communities that were convenient for hard-to-serve job seekers in need of employment services. The FBCOs’ proximity to their communities made them accessible to people who lacked adequate transportation. In addition, FBCOs’ offices were often places where the target populations already sought other services or information. For example, FBCOs included a community resource center for African immigrants, a Native American tribal office, and a service center for homeless people. Hard-to-serve job seekers typically knew these organizations and were comfortable using their services.

Three WIBs directed FBCOs to establish new locations for providing employment services, including detention facilities, public housing projects, a Mexican-immigrant community, and a school serving deaf and hard-of-hearing students. Establishing a new service location presented challenges in terms of identifying and securing space. For example, difficulty finding adequate office space contributed to startup delays in Pinellas

**Table III.2. Target Populations Defined by Location**

	Target Population Defined by Location	New or Existing FBCO Location
Anne Arundel County, Maryland	Detention facilities and public housing projects	New location
Cambridge, Massachusetts	—	—
Cumberland County, New Jersey	—	—
Denver, Colorado	—	—
Hartford, Connecticut	—	—
Houma, Louisiana	Low-income population living within three-parish area	Existing locations
Lansing, Michigan	Ex-offenders from state prison and county jail; high school dropouts in Southside Community	Existing locations <sup>a</sup>
Manchester, New Hampshire	Youth in the Manchester Enterprise Zone <sup>b</sup>	New and existing locations
Ottawa County, Michigan	Eight targeted census tracts in the Holland/Zeeland and Grand Haven areas	Existing locations
Pinellas County, Florida	South St. Petersburg, central city, and Mexican-immigrant neighborhood	New and existing locations
San Diego, California	City Heights community	Existing locations
Washington, DC	“Hot spot” neighborhoods with high unemployment and poverty	Existing locations

Source: Interviews with WIB grantees.

<sup>a</sup>The Lansing WIB had three FBCOs co-locate at the One-Stop center.

<sup>b</sup>During the grant, the Manchester WIB expanded the target area to encompass the greater Manchester area.

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County; in Anne Arundel County, the public housing project provided office space that was small and unprepared to serve as an office for providing services. The detention facilities and public housing projects offered limited access to office space. Security restrictions in the detention facilities interfered with employment services, and the operating hours of the public housing offices prevented FBCOs from offering classes in the evenings and on weekends.

FBCOs that set up offices in new locations but had no existing relationship with that community and did not hire staff familiar with the community struggled to recruit participants. For example, in Pinellas County an FBCO with no experience serving Hispanic people was unable to attract clients at its new location in a Mexican-immigrant community. In contrast, churches that had no experience providing social services but had a long-term presence in the community were often successful in establishing accessible locations and recruiting participants.

## **B. ADD NEW OR ENHANCED SERVICES TO THE ONE-STOP SYSTEM**

Because One-Stop centers are designed to serve a broad population of job seekers, they might not have the capacity to provide intensive services for people who face multiple barriers to employment. Therefore, some WIBs viewed the role of FBCOs as expanding the nature and type of services offered through the One-Stop system, with a focus on addressing the intensive service needs of hard-to-serve populations. WIBs partnered with FBCOs to provide specialized job readiness training, offer an individualized service approach, and tailor employment services for the targeted populations. Site visit informants reported that these new and enhanced services improved the ability of the One-Stop system to assist underserved populations.

### **1. Specialized Job Readiness and Basic Skills Training**

Many of the people targeted by the grant were unprepared to begin a job search and lacked the basic life skills needed to find and retain a job. Five WIBs directed FBCOs to prepare these hard-to-serve clients for employment by offering a specialized job readiness course. While other WIBs directed FBCOs provide job readiness assistance, FBCOs in these sites provided well-structured job readiness training that followed a specific curriculum.

WIBs typically partnered with FBCOs that had no experience providing a job readiness course. The only exception was Washington, DC, where the WIB made subawards to FBCOs that already provided job readiness training courses. FBCOs used a variety of job readiness training curricula, including commercially available curricula such as Training Inc. and Phillip Roy, a state TANF curriculum, and a course developed for the grant by a community college professor. In Ottawa County, the intermediary developed a job readiness course based on a book by Ruby Payne (Payne and Karbill 2002). Most WIBs trained FBCO staff on the curricula, through sessions ranging from a half-day workshop to a multiweek course provided by the curriculum developer.

Although they used different curricula, the training courses provided by FBCOs covered a similar range of topics, including both job readiness skills, which are focused on how to behave at work, and life skills, which consist of general principles that an independent, responsible adult needs to follow in order to function successfully in society. Topics in the job readiness components of the training included how to dress for work, conflict resolution, honesty, teamwork, organization, and time management. Life skills included money management, parenting, basic hygiene, and assistance with legal issues. One FBCO offered training that also incorporated a session on office skills and a job simulation experience.

The duration of FBCO job readiness training varied widely, from one week to three months; the hours required ranged from 20 hours to more than 200. The grantee with FBCOs providing the shortest course, at 20 hours, felt in retrospect that more time was needed to prepare clients who had no work experience. FBCOs offering longer courses, lasting two to three months, covered topics in more depth but had difficulty maintaining participation. For example, only 3 of the 10 African-immigrant youth enrolled in the two-month job readiness and office skills program completed the training, with many dropping out because they needed to find work more quickly.

One WIB offered an incentive for people who completed the job readiness training, while FBCOs in two other sites provided a stipend for participating. The Houma WIB awarded \$200 to participants that completed the job readiness training offered by FBCOs, and a \$100 incentive for participants who found employment. FBCOs in Houma felt the training incentive encouraged participation in the job readiness training sessions; however, FBCOs had difficulty maintaining participation in job search activities after the training incentive was awarded. The FBCOs suggested designing future incentives so that participants earned more for finding employment than for completing the training.

Three WIBs made subawards to FBCOs to provide specialized training in areas other than job readiness and life skills. These FBCOs received smaller subawards to provide a range of classes, including literacy tutoring, basic skills training, computer classes, and medical office skills training. In two sites these FBCOs trained clients referred from other FBCOs involved in the grant. For example, in Ottawa County, seven FBCOs provided General Equivalency Diploma (GED) preparation, adult literacy, budget counseling, and classes in English as a second language for participants referred from the three FBCOs that provided the week-long job readiness training.

## **2. Individualized Service Approach**

One-Stop center staff can help customers use the workforce investment system, but resource and time constraints often prevent them from providing the intensive, one-on-one assistance needed by job seekers facing multiple personal and family challenges. FBCOs offered hard-to-serve job seekers an individualized approach to employment services, one that allowed them to develop relationships with customers, provide continuous follow-up, and address basic social services needs. Rather than provide new services for the One-Stop system, this role encouraged FBCOs to enhance existing services with an individualized

approach. Eight of the twelve WIB grantees identified the FBCOs' personalized service approach as a strength of collaborations. According to site visit informants, FBCOs' individualized service delivery approach had three characteristics: (1) staff provided one-on-one attention, (2) services were provided on a flexible schedule, and (3) FBCOs provided assistance to meet basic needs.

**One-on-One Attention.** FBCO staff typically spent more time working individually with hard-to-serve job seekers than would be possible for staff at the One-Stop center. WIBs described FBCO staff as offering a "personal touch" or "nurturing approach" to service provision in which they developed close relationships with the individuals they served. WIBs reported that FBCOs offered individual attention and assistance for hard-to-serve job seekers whose needs could not be met in the self-serve environment of the One-Stop center. For example, in Cumberland County an FBCO spent two to three hours with each new client discussing personal issues, assisting in preparation of a resume, and beginning the search for a job. In Ottawa County, FBCO staff assessed clients and familiarized themselves with their lives, skills, work histories, and goals. An FBCO staff member in Anne Arundel reported that she worked hard to earn customers' trust, helping them obtain basic documentation and talking with them individually about their job search. According to WIBs, FBCOs in other sites took the time to identify clients' strengths and understand their learning styles.

**Flexible Schedule.** Some FBCOs were willing to spend time outside regular working hours to provide workshops or assist clients with personal problems. For example, an FBCO director in Lansing provided her phone number to clients so they could call her on weekends and evenings to discuss personal issues requiring immediate attention, such as evictions or court appearances, or to discuss upcoming job interviews. She reported receiving 10 phone calls from customers in one weekend. In Pinellas and Cumberland counties, FBCO staff met with clients or held support group meetings in the evenings; job readiness classes in Houma were scheduled to meet the needs of the clients.

**Assistance with Basic Needs.** Some FBCOs were able to draw on services they already provided to offer a comprehensive approach that combined social services with job search and job readiness assistance. For example, some FBCOs provided clients with food through a soup kitchen, drug and alcohol counseling, basic education, or transitional housing if a client was homeless. FBCOs that did not have the existing capacity or resources to provide social services directly made referrals to other agencies. While One-Stop centers provide direct access or referrals to a broad array of social services, FBCO staff spent one-on-one time helping hard-to-serve job seekers access even basic services to meet their needs. For example, FBCOs in Anne Arundel helped public housing residents obtain birth certificates and driver's licenses. FBCOs in half the sites provided some form of transportation assistance for people to access services or attend job interviews, and in at least two sites FBCOs gave clients small, one-time payments to help in them meet immediate needs during their job search.

WIB and One-Stop center staff identified a number of characteristics that contributed to the ability of FBCOs to take this personalized approach to service provision. FBCO staff

typically had a strong commitment to the people they served and a passion for their work. Job seekers from hard-to-serve populations often trusted FBCOs because they had a history of providing services, a well-known presence in the community, staff who understood them, and sometimes staff who came from the community itself. Importantly, compared with One-Stop centers, the grants offered FBCOs more time and resources to focus on a smaller pool of hard-to-serve clients.

### **3. Tailored Employment Services**

Certain hard-to-serve populations face unique challenges in searching for a job and maintaining employment. For example, a criminal record limits the types of jobs available, and people with disabilities need a job that fits their abilities and skills. FBCOs in a third of the grant sites provided employment services, including job search and job placement assistance, tailored to the specific needs of a defined population targeted by the grant. For example, staff discussed with ex-offenders how to handle a criminal background when applying and interviewing for a job. One FBCO developed a directory of employers in the community willing to hire ex-offenders. In Manchester, an FBCO serving deaf and hard-of-hearing youth developed job-shadowing opportunities to increase clients' awareness of the types of jobs that people with hearing impairments can perform. Clients at an FBCO in Pinellas County started their own weekly support group where single mothers could discuss parenting and other life issues. These efforts extended beyond job readiness training to assist clients in searching, applying, and preparing for a job.

Other FBCOs tailored workshops or classes to the targeted population. In addition to the specialized job readiness training described above, FBCOs provided other types of training designed to address the needs particular populations. Examples of these tailored training sessions include:

- An FBCO in Washington, DC, serving disabled Hispanic job seekers held a class on social security and workplace rights for disabled people.
- In Houma, an FBCO provided job seekers in rural Louisiana with certification training for employment in the state's offshore oil industry.
- An FBCO in Manchester offered African immigrants a public speaking support group to address language and cultural issues.
- Several FBCOs serving immigrants offered training in English as a second language.

### **C. MODELS FOR INTEGRATING FBCOs INTO THE WORKFORCE INVESTMENT SYSTEM**

WIBs developed a number of different models for integrating FBCOs into the workforce investment system, depending on the roles they defined for FBCOs and partners and how they decided to structure the collaboration. In this section, we describe, and illustrate with an example, each of the three main models that WIBs used to define the role

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of FBCOs in the workforce investment system. Each model or approach represents a different combination of the FBCO roles described earlier in this chapter. We discuss the outcomes for grantees implementing each of these models in Chapter VI.

### **1. Recruit and Refer to One-Stop Center**

In this approach, WIBs collaborated with FBCOs to conduct outreach to hard-to-serve job seekers, provide them with basic supportive services, and refer them to the One-Stop center for job placement. This model took advantage of the ability of the FBCOs to reach out to hard-to-serve populations and then link them to the One-Stop center. WIBs using this approach often made smaller subawards to a larger number of FBCOs, because FBCOs did not have to provide job placement services. This approach is useful for raising awareness of the One-Stop center services among underserved populations and for creating a network of FBCOs that can serve as partners with the workforce investment system. Since FBCOs refer clients to the One-Stop centers, this approach requires that One-Stop centers have sufficient resources and capacity to serve the FBCO referrals, who often require intensive, tailored employment services. In addition, an effective referral process, as described previously, is needed to ensure that FBCO referrals actually visit the One-Stop center and obtain the services they need.

### **2. Provide Specialized Job Readiness Training**

As noted, some FBCOs assumed the role of job readiness training provider. In addition to offering a structured course, these FBCOs were often responsible for providing job placement services for clients who completed the training. This approach is similar to the comprehensive services approach described earlier, except that FBCOs are expected also to provide job readiness training tailored to the needs of the target population. Under this approach, FBCOs either needed training on the curricula or needed to hire an instructor for their course. An alternative version of this approach, used in Ottawa County, is for FBCOs to conduct outreach, provide job readiness training, and refer clients to a One-Stop center for job placement services.

### **3. Offer Comprehensive Services**

Grantees relying on this approach often felt that hard-to-reach job seekers would be more likely to use employment services offered in their own communities by familiar service providers. The offices of FBCOs were often places where the target populations had already sought other services or information, and where they felt comfortable doing so. WIBs using this approach relied on FBCOs to provide a comprehensive combination of employment and social services for clients. For this approach to be successful, FBCOs must have the capacity to provide job placement services, including the ability to develop relationships with employers that will hire their clients. As described above, some FBCOs offered job placement services that were more individualized than services available through the One-Stop center. Alternatively, in some sites the WIB had One-Stop center staff provide employment services or training at the FBCO site.

Grantees implementing the comprehensive services model did not view their approach as duplicating One-Stop center services for two reasons. First, some grantees selected locations that had a hard-to-serve population unlikely to use a One-Stop center. For example, Anne Arundel located FBCOs in two public housing facilities, while FBCOs in San Diego targeted a high poverty neighborhood with a large number of immigrants and refugees. The comprehensive services model assumes that a new or existing One-Stop center in the location would not have been able to recruit or serve the hard-to-serve population. Second, rather than duplicate the services already offered through the One-Stop center, under this model FBCOs tailored employment services to meet the needs of specific hard-to-serve populations. For example, FBCOs in Pinellas tailored employment services for ex-offenders by addressing the challenges of finding a job with a criminal record and finding employers willing to hire ex-offenders.

Although we have identified each of the 12 WIB grantees as following one of the three models for integrating FBCOs into the workforce development system (Table III.3), the approaches are not mutually exclusive. Not all FBCO subawardees within a grant site had the same role. For example, we categorized Lansing under the comprehensive services model because most FBCOs in that site provided a combination of intensive social and employment services for grant clients. However, one of the subawardees in Lansing focused on providing specialized job readiness training that included job search assistance. In Ottawa County, three FBCOs received larger subawards to provide a job readiness training course designed by the intermediary. The WIB also made much smaller awards to other FBCOs to focus solely on providing educational training for clients participating in the job readiness training.

**Table III.3. WIBs' Primary Approach to FBCO Collaborations**

Recruit and Refer	Specialized Job Readiness Training	Comprehensive Services
Cambridge Massachusetts	Houma, Louisiana	Anne Arundel County, Maryland
Cumberland County, New Jersey	Manchester, New Hampshire	Lansing, Michigan <sup>a</sup>
Denver, Colorado	Ottawa County, Michigan	Pinellas County, Florida
Hartford, Connecticut	Washington, DC	San Diego, California

Source: Interviews with WIB grantees.

<sup>a</sup>Although three FBCOs in Lansing were co-located at the One-Stop center and utilized One-Stop center resources, FBCOs provided a separate, comprehensive set of services tailored to the specific needs of their clients. For example, one FBCO in Lansing provided job readiness and life skills training, case management services, and a support group for clients.

## Examples of FBCO Collaboration Models

### Recruit and Refer

The Cambridge WIB collaborated with FBCOs to provide pre-employment services and make referrals to the One-Stop centers. Four FBCOs received awards of \$65,000 and an intermediary received about \$40,000 to provide FBCOs with technical assistance and capacity building services. FBCOs were expected to recruit individuals from the area's rapidly growing immigrant and refugee population, provide supportive services, and refer them for training and job placement services to a One-Stop center. The WIB matched each FBCO with a One-Stop center and awarded \$155,000 to the participating One-Stop centers for training and job placement services. The One-Stop centers were actively involved in grant activities, communicating daily with some of the FBCOs. Each One-Stop center designated at least half of a staff person's time to work directly with FBCOs and the customers FBCOs referred to them. The One-Stop centers registered referred clients at the One-Stop center and provided English and computer literacy classes, job search workshops, and job search assistance. FBCOs continued to provide case management services for clients referred to the One-Stop centers.

### Provide Specialized Job Readiness Training

Houma made subawards averaging \$52,000 to five FBCOs for the explicit purpose of providing job readiness and life-skills training to hard-to-serve people. Only one of the FBCOs had experience providing the training, so the WIB offered materials and training on the state's job readiness curriculum for TANF clients. The WIB required that FBCOs provide 20 hours of job readiness training to each customer and offered a \$200 incentive for customers who completed five job readiness competencies. The training covered topics such as self-esteem, goal setting, communication, problem solving, and employer expectations. FBCOs also offered job search assistance for clients who completed the training and hired a job developer to identify job openings. Most FBCOs offered minimal social services, relying on referrals to other agencies for assistance.

### Offer Comprehensive Services

In Pinellas County, three FBCOs received subawards, averaging \$80,000, to provide one-on-one job readiness and job search assistance while linking customers with social services. FBCOs targeted hard-to-serve populations, such as ex-offenders and homeless people, as well as locations with high unemployment or poverty, including a Mexican-immigrant community and a low-income African American neighborhood. Job search assistance included helping clients with resumes, job applications, and interviews, and providing information on job openings through access to the virtual One-Stop system and other job listings. Each FBCO combined employment services with a range of social services or referrals designed to address the needs of their target population. For example, a homeless services center offered its clients access to transitional housing, a food pantry, clothes closet, and transportation assistance. Another provided ex-offenders with referrals for a wide range of services, including housing, substance abuse treatment, and education.

It is also important to note that the grouping was based on each WIBs' *intended* approach to integrating FBCOs. FBCOs' actual roles sometimes differed from their planned roles. For example, in Cambridge, despite initial plans for FBCOs to make referrals to the One-Stop center for job placement services, one FBCO focused its efforts on providing a structured job readiness course and made few referrals to the One-Stop center. Similarly, in Cumberland County, FBCOs made fewer referrals than expected because no formal referral process was established. As a result, many FBCOs offered job placement services themselves, and implemented an approach that was similar to the comprehensive services model.

While these models are not mutually exclusive and were not always implemented exactly as planned, they provide a useful framework for considering options for integrating FBCOs into the workforce investment system. The choice of model depends on the needs of job seekers in the community, the availability and experience of FBCOs interested in partnering with the workforce investment system, and the other services and resources available in the community. WIBs considering integrating FBCOs into their local system might chose to mix and match approaches according to the needs of specific target populations and the skills and expertise of available FBCOs. Throughout the rest of this report, we use these models as a framework for examining how the collaboration projects were implemented and the successes and challenges that grantees and their partners experienced. In the next chapter, we use the models as a framework for examining the specific types of services that FBCOs provided.

### III. SUMMARY OF KEY FINDINGS

- Conducting outreach to underserved populations was a strength of the FBCOs. They did so by recruiting job seekers from existing client bases, reaching out to the community, and soliciting referrals from other organizations.
- Referral processes between FBCOs and One-Stop centers worked most smoothly when One-Stop centers designated specific points of contact for FBCOs, when partners created an efficient process that placed minimal burden on the person being referred, and when communication between FBCO and One-Stop center staff was frequent.
- FBCOs also increased access to the workforce investment system by providing employment services in locations that were accessible to job seekers from the target populations.
- FBCOs expanded the types of services offered through the workforce system and enhanced existing services by offering specialized job readiness courses, using an individualized approach to service delivery, and tailoring employment services to the specific needs of the target populations.
- Grantees used three main models to integrate FBCOs into the workforce investment system:
  1. *Recruit and Refer.* FBCOs conducted outreach to the target population, provided job seekers with basic supportive services, and then referred them to the One-Stop center for job placement.
  2. *Provide Specialized Job Readiness Training.* FBCOs provided specialized job readiness training courses tailored to the needs of the target population, and then either provided job placement services or referred job seekers to the One-Stop center.
  3. *Offer Comprehensive Services.* FBCOs provided comprehensive employment and social services to job seekers in accessible locations.



## CHAPTER IV

### FBCO SUBAWARDEES AND SERVICE PROVISION

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The DOL grants encouraged WIBs to establish partnerships with FBCOs to help hard-to-serve populations find employment. The grants focused on small, grassroots FBCOs that were closely connected to their communities and had few staff and low budgets before the grant. FBCO subawardees represented a diverse range of organizations that varied in their identification as an FBO or a CBO, their experience providing employment services, and their existing capacity to administer programs and deliver services. On average, the WIB grantees awarded more than half the grant funds they received to FBCOs who had primary responsibility for identifying, recruiting, and serving the targeted populations of job seekers. In this chapter we examine the characteristics of FBCO subawardees and the services they provided.

The chapter begins with a description of the FBCOs that received subawards under the DOL collaborations grant and implemented grant activities. We then provide an overview of the types of services FBCOs provided under the grant. We also examine the roles FBCOs played in establishing relationships with employers and developing jobs for participants in the grant projects.

#### A. CHARACTERISTICS OF FBCO SUBAWARDEES

As described in Chapter I, DOL required that the WIB grantees collaborate with grassroots FBCOs that were based in their local communities and identified social service delivery as a major part of their mission. A grassroots organization was defined as a small nonprofit organization with no more than six full-time equivalent (FTE) employees, or an annual social services budget of \$350,000 or less. While nearly all the FBCOs met this definition, WIBs made subawards to a wide variety of FBCOs.<sup>1</sup>

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<sup>1</sup> Two subawards were made to FBCOs that did not meet DOL's definition of a grassroots organization. Joshua Station, a subawardee in Denver, fit the definition because it employed two full-time and one part-time staff members and had a social services budget under \$350,000. But it was a program of Mile High Ministries, whose annual budget exceeds \$1 million and whose paid staff exceeds six. Another subawardee in Manchester,

## 1. Types of Organizations

FBCOs can be grouped into three categories based on the religious nature of their mission and their affiliation with a religious congregation. These categories are congregations, noncongregational FBOs, and secular CBOs.

**Congregations.** This category includes any organization that is a congregation (including churches, temples, and mosques) or is closely associated with one. For example, we categorized Refuge Enterprises, a subawardee in Cumberland County, as a congregation because it is closely associated with a church and serves mainly church members. All the FBCOs categorized as congregations were Christian churches or closely associated with a Christian church. We also included in this category coalitions that were led by a congregation, such as the Abundant Grace Christian Center in San Diego County.

**Noncongregational FBOs.** These are FBOs unaffiliated with a congregation. We defined an organization as “faith-based” if its mission statement includes a religious reference or if a representative of the organization refers to it as faith-based.

**Secular CBOs.** This category includes CBOs that are not faith-based and coalitions of organizations that are led by secular CBOs. For example, it includes the Pinellas Ex-offenders Reentry Coalition, which is a coalition of churches, CBOs, and government agencies whose goal is to assist ex-offenders.

A few FBCOs were included that had large overall budgets but met the DOL definition of “FBCO” because their social services budgets were within the required limit. For example, St. Patrick’s Church, a subawardee in Ottawa County, reported a social services budget well within the \$350,000 limit and employed more than six full-time-equivalent employees. However, it has a total budget of over \$1 million for its other church operations. In San Diego, the subawardee City Heights Community Development Corporation has more than 26 full-time staff and a budget of over \$2 million, but its social services budget is less than \$100,000.

The distinction between FBOs and CBOs is not always clear. Some FBO subawardees were similar to secular CBOs because their staff did not share a religion and they provided services with no religious content. Conversely, some organizations that we categorized as secular employed staff and volunteers who were motivated by their faith to provide the services and were willing to provide religious counseling if requested.

FBCOs that consisted of partnerships between other organizations also sometimes blurred the distinction between FBOs and CBOs. For example, the Pinellas Ex-offender

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*(continued)*

Business Computer Solutions, Inc., was a small CBO that operated for profit. It did not meet the DOL definition of FBCO, which required grantees make subawards to nonprofit organizations.

### Examples of FBCO Subawardees

#### **Congregation: Upper Room Baptist Church**

Upper Room Baptist Church was a subawardee of the WIB in Washington, DC. Before receiving the grant, the church had an overall annual budget of \$275,000 with 11 paid employees, but only \$10,000 of this budget was used for social services programs. A strong volunteer pool, about 70 people, supported social services programs. The church targeted the hard-to-serve, ex-offender, and adult TANF populations in communities that experienced homelessness, crime, and drugs. The church provided employment training and other supportive services to about 1,000 residents through an employment services program begun in 1995.

Upper Room Baptist Church provided a six-week job readiness and job placement program under the DOL grant that covered issues of self-concept and practical skills needed for employment. After completing the six-week training program, participants used computers at the church to prepare a resume, searched for job openings, and received other supportive services. The Upper Room's social service programs included monthly food distribution, Alcoholics and Narcotics Anonymous, and referrals for GED, utilities assistance, and occupational training.

#### **Faith-Based Noncongregation: St. Petersburg Dream Center**

The St. Petersburg Dream Center was a subawardee of the WIB in Pinellas County. Begun in 1996, it is a faith-based, non-profit 501(c)(3) organization, located in inner-city St. Petersburg, that serves primarily the homeless. According to a representative, its mission is "restoring hope and changing lives through Jesus Christ." Prior to the grant, St. Petersburg Dream Center was an all-volunteer organization that operated a homeless outreach program that provided coffee, water, sandwiches, blankets, and toiletry items to people who live on the streets in St. Petersburg. Other services included a food pantry, a homeless breakfast program, a clothing closet, and a recovery group for substance abuse and other addictions.

Under the subaward, St. Petersburg Dream Center operated two mini-One-Stop center sites—one at its existing office in inner-city St. Petersburg, and another in a Mexican-immigrant community. The Dream Center also co-located staff at a One-Stop center. The FBO served primarily homeless people and ex-offenders, including clients recruited at its food kitchen and during "coffee runs" for homeless people. Case managers provided one-on-one job search assistance and job readiness support, and computers were available for clients to search for jobs. The full range of social services typically available to Dream Center customers was also available to grant participants.

#### **Secular CBO: Ethiopian Community Mutual Assistance Association**

The Ethiopian Association, a subawardee of the WIB in Cambridge, has provided services to the Ethiopian refugee community in Boston since 1991. Before receiving the Expanding Opportunities grant, the agency provided outreach and intensive case management services to Ethiopian and Somali refugees. The mission of the organization is "to build a support network to assist Ethiopian refugees and immigrants residing in the greater Boston area to become self-sufficient and productive participants in America while preserving and enhancing their cultural heritage, identities, and their sense of belonging to the community." Prior to the grant, one full-time and two part-time paid staff and four part-time volunteers operated the agency.

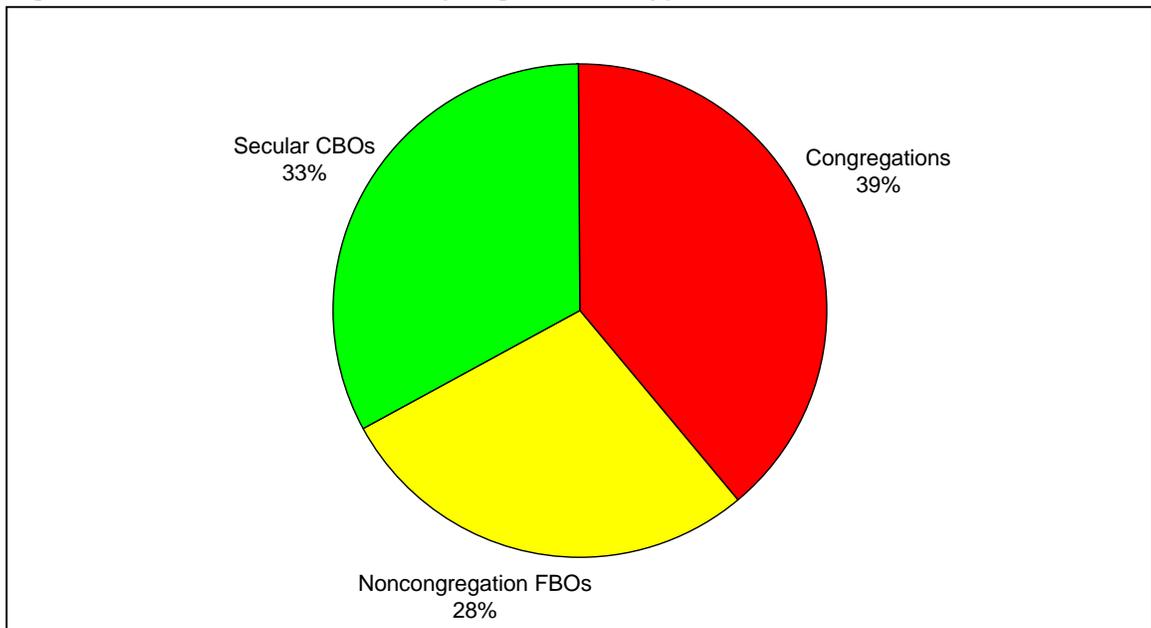
Under the subaward, the Ethiopian Association provided case management services and linked participants to the One-Stop center. In partnership with the One-Stop center, the Ethiopian Association provided job seekers with ESL and computer courses, career counseling, job readiness training, and placement services.

Reentry Coalition is a collaborative partnership between churches and other FBOs, but we categorized it as secular because the lead organization was not faith-based. In addition, some CBOs, such as the Manchester Community Resource Center, worked with churches to provide services. We classified the Abundant Grace Christian Center in San Diego as an FBO even though it collaborated with two secular CBOs.

Across all 12 grantees, nearly 70 percent of all subawardees were FBOs; 39 percent were congregations, and 28 percent were noncongregational FBOs (Figure IV.1). One grantee, the WIB in Denver, accounted for more than half the FBO subawardees because it made awards to 32 FBOs and 3 CBOs (Table IV.1). Across the other WIB grantees, subawards were split evenly between FBOs and CBOs. Four WIBs made 75 percent or more of their subawards to CBOs (Cambridge, Hartford, Lansing, and Manchester), while in Denver, Houma, and Ottawa, WIBs relied more on FBOs, to which each site awarded at least 75 percent of subawards.

Although two-thirds of subawards went to FBOs, these organizations received just over half of the total funds subawarded to FBCOs. This was because CBOs received larger subawards, on average, than FBOs. CBOs received subawards about twice as large as noncongregation FBOs and almost 70 percent larger than subawards to congregations. As

**Figure IV.1. FBCO Subawardees by Organization Type<sup>a</sup>**



Source: Interviews with WIB grantees.

<sup>a</sup>This figure differs from a similar figure included in MPR's interim report (McConnell et al. 2006) in two ways. First, it excludes the 2003 intermediary grantees and is based solely on the 92 FBCOs that received subawards from the 2004 WIB grantees. Second, we redefined the organization type of nine FBCOs after learning more about the organizations in our second round of site visits.

**Table IV.1. Number of FBCO Subawardees by Organization Type**

	Faith-Based		Secular		Total	Percentage Faith-Based
	Congregation	Non-congregation	Nonprofit	For-Profit		
Anne Arundel County, Maryland	1	1	1	0	3	67
Cambridge, Massachusetts	1	0	3	0	4	25
Cumberland County, New Jersey	3	3	3	0	9	67
Denver, Colorado	16	16	3	0	35	91
Hartford, Connecticut	1	0	6	0	7	14
Houma, Louisiana	3	1	1	0	5	80
Lansing, Michigan	0	1	3	0	4	25
Manchester, New Hampshire	0	0	3	1	4	0
Ottawa County, Michigan	6	3	1	0	10	90
Pinellas County, Florida	0	1	2	0	3	33
San Diego, California	1	0	1	0	2	50
Washington, DC	3	0	3	0	6	50
<b>Total</b>	<b>35</b>	<b>26</b>	<b>30</b>	<b>1</b>	<b>92</b>	<b>67</b>

Source: Interviews with WIB grantees and FBCOs.

mentioned previously, much of this difference can be attributed to Denver, where the WIB made small subawards to a large number of FBOs. Among all the other grantees, differences in subaward amounts for CBOs and FBOs were much smaller, and non-congregational FBOs received larger subawards than CBOs.

## 2. Experience and Size of FBCOs

WIB grantees made subawards to FBCOs with varying amounts and types of experience delivering social and employment services. Some FBCO subawardees were well established in the community prior to the grant but had little or no experience providing employment services. A few of these FBCOs described the grant as an opportunity to expand their capacity to provide employment services. Examples include:

- ***The Welcome Project.*** This CBO in Cambridge had since 1987 been serving immigrants and refugees living in the Somerville Mystic Public Housing Development. It offered case management, translation services, education classes, and access to a computer lab, in addition to advocating for tenants and

leading a community organizing initiative. The organization had a budget of \$137,000, with two full-time and one part-time staff.

- ***Anne Arundel House of Hope.*** This CBO had been providing homeless services in the county for 13 years and used a network of churches and community organizations to link homeless people with substance abuse treatment, mental health services, education, and health services. Anne Arundel House of Hope operated an emergency shelter, a transitional housing center, and a permanent housing program with supportive services for homeless people. Before receiving the grant, it had a budget of just under \$250,000, with two full-time and three part-time staff.
- ***St. Patrick's Catholic Church.*** This congregation in Ottawa operated a food pantry, a jail ministry, and programs for youth and senior citizens for many years prior to receiving its grants. It had a social services budget of \$52,000 and employed one full-time staff member but had no experience in providing employment services.

Some FBCOs were well established in the community and also had experience providing employment services. One WIB grantee, Washington, DC, focused almost exclusively on FBCOs with experience providing job readiness training and job search assistance. These FBCOs used subaward funds to support and expand the employment services they already provided. Examples of FBCOs that were more established and had experience providing employment services included:

- ***DenverWorks.*** This noncongregational FBO had been offering employment-focused life skills, mentoring, job readiness training, and a professional clothing bank to adults in the Denver area for 10 years. Prior to the grant, the organization operated in three locations, with four full-time and two part-time staff and an annual budget of about \$300,000.
- ***Spanish Speaking Center, Inc.*** Located in Hartford, this CBO focused on social services, career development programs, leadership development, and advocacy. It provided education and employment services for low-income Latino families and others in the New Britain area. The organization had a budget of \$160,000 before receiving the grant, with 10 full-time and 1 part-time staff.
- ***New Way In, Inc.*** A CBO in Lansing, New Way In had been in operation since 1972. Before receiving the grant, it had a budget of \$92,000, one full-time staff member, one part-time paid staff member, and one part-time unpaid intern. The agency provided employment and other social services to ex-offenders and youth in the Ingham County area to reduce crime and recidivism. New Way In had previously been awarded a \$50,000 grant under WIA.

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Some subawardees, however, were small and inexperienced. These included FBCOs that had little to no service experience, relied solely on volunteer staff, had very small social services budgets, or had no experience administering government grants. For example, Bayou Interfaith Shared Community Organizing in Houma, a coalition of churches that developed relationships between local churches to improve services for the local community, had no direct experience providing services. In addition, some well-established churches that received subawards had not previously had the capacity to provide social services. Examples of these subawardees include:

- ***Eaglevision Ministries.*** This FBO, a subawardee in Lansing, was incorporated as a nonprofit in 2003. At the time it submitted its application for a subaward, it had no social service budget and relied on five part-time volunteers to provide services for female ex-offenders.
- ***St. Mark's Baptist Church.*** The church was a subawardee to the Houma WIB grantee. When it applied for the grant, it had no full-time employees and no funds for providing social services.
- ***KINFOLKS (Kids in Need of Families Offering Love, Kindness, and Support).*** In 2001, one woman started this CBO, a subawardee of the Pinellas County WIB. The organization's goal was to recruit and retain adoptive and foster parents for minority children with special needs and to help ex-offenders who were mothers regain custody of their children. In the year before the subaward, because of a lack of funding, the organization had not provided any services.

## **B. FBCO STAFFING FOR THE DOL GRANT**

FBCOs used subaward funds to hire new staff and fund the salaries of existing staff to implement grant activities. These staff played critical roles in reaching out to and serving the populations targeted by the grant—underserved job seekers facing multiple barriers to employment. In this section, we examine the amount of staff FBCOs used to carry out grant activities, the types of staff position they created under the grant, the qualifications of grant staff, and staffing challenges related to hiring and staff turnover during the grant period.

### **1. Staffing Levels**

FBCOs relied on a small number of grant staff, with most employing one or two staff or FTEs. The number of FTE staff employed by FBCOs averaged 1.4, with almost three quarters employing 1.5 FTEs or less.<sup>2</sup> FBCOs often relied solely on part-time staff for the

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<sup>2</sup> Statistics on FBCO staffing exclude 2 of the 10 FBCOs in Ottawa County and 26 of the 35 FBCOs in Denver that did not provide information on their staffing levels for the DOL grant.

grant (56 percent of FBCOs), or a combination of part-time and full-time staff (27 percent). A smaller percentage employed only full-time staff (14 percent). Since FBCOs in Denver received small subawards (averaging just over \$5,000), some of these FBCOs did not use subaward funding to support grant staff at all. Instead, the time spent on grant activities by existing staff was covered by the FBCOs' existing budgets, and the grant funds were used for other purposes.

The number of grant staff FBCOs employed was related both to the size of FBCO subawards, which ranged from \$4,000 to \$140,000, and to the expected roles of FBCOs. FBCOs receiving larger subawards were able to hire more staff for the grant (Table IV.2). The number of FTE staff employed averaged 0.6 for FBCOs receiving less than \$10,000, compared with 1.9 for FBCOs with subawards of \$50,000 or more. This difference between FBCOs receiving small and large subawards is equivalent to hiring one additional FTE staff person.

**Table IV.2. Number of Grant Staff by Size of Subaward**

Size of FBCO Subaward	Number of FTE Grant Staff				Average
	0.5 or less	1	1.5	More than 1.5	
Less than \$10,000	67%	33%	0%	0%	0.6
\$10,000 to \$50,000	35%	31%	23%	12%	1.2
\$50,000 to \$75,000	6%	18%	24%	53%	1.9
More than \$75,000	0%	17%	33%	50%	1.9
<b>Average</b>	<b>25%</b>	<b>25%</b>	<b>22%</b>	<b>28%</b>	<b>1.4</b>

Source: Interviews with WIB grantees and FBCOs.

The expected roles of FBCOs, as defined by WIB grantees, were also associated with differences in staffing levels. FBCOs implementing the recruit-and-refer model—recruiting grant participants and referring them to the One-Stop center for job placement as described in Chapter III—relied on 0.9 FTEs on average. (Table IV.3). In contrast, FBCOs implementing the specialized job training and comprehensive services models employed 1.8 and 1.9 FTE staff for the grant, respectively. As discussed in Chapter III, these two models required that FBCOs provide more services and potentially work with job seekers for a longer time than the recruit-and-refer model; thus, it expected that they would need more staff to do so.

## **2. Staff Positions**

Some FBCOs concentrated responsibility for both managing grant activities and providing grant services in one staff position, often a grant coordinator. While other paid or

**Table IV.3. Number of Grant Staff by WIB Approach**

WIB Approach	Number of FTE Grant Staff				Average
	0.5 or less	1	1.5	More than 1.5	
Recruit and Refer	51%	31%	7%	10%	0.9
Specialized Job Readiness Training	4%	17%	39%	39%	1.8
Comprehensive Services	0%	25%	25%	50%	1.9
<b>Total</b>	<b>25%</b>	<b>25%</b>	<b>22%</b>	<b>28%</b>	<b>1.4</b>

Source: Interviews with WIB grantees and FBCOs.

volunteer staff may have provided some assistance, this staff person had responsibility for handling day-to-day implementation of the grant and for working directly with clients. Examples include the following:

- Each subawardee in Cumberland County hired a part-time outreach worker to recruit clients, conduct one-on-one assessments, and assist clients with job search activities in computer labs funded by the grant.
- Two FBCOs in Pinellas County relied on a full-time grant coordinator who provided case management services, offered one-on-one job readiness assistance, managed grant reporting requirements, established employer relationships, and helped clients with their job search.
- In Manchester, Northeast Deaf and Hard of Hearing Services hired a grant coordinator to develop and implement a job shadowing program, recruit clients, assist them with basic life skills, and provide some job search assistance.

In contrast, other FBCOs created specialized staff positions to spread responsibility for grant activities across more than one person. The most common staff positions needed by FBCOs included case managers, job readiness instructors, job developers, and administrative assistants. Some FBCOs employed staff for even more specialized positions, such as an intake worker to assess and enroll clients, an outreach worker to recruit clients, and an accountant to manage financial reporting for the grant. Examples of FBCOs that allocated responsibility for the grant across multiple staff positions included the following:

- FBCOs in Anne Arundel County hired grant managers to oversee the mini-One-Stop centers established for the grant, case managers to provide job search assistance to clients and establish relationships with potential employers, and administrative assistants to manage grant paperwork.
- In Washington, DC, an FBCO had an executive director that managed grant reporting and taught a few job readiness classes, a case manager that served as

the primary training instructor and provided case management services, and an administrative staff person that assisted with grant reporting requirements.

- In Lansing, New Way In's director served as the grant coordinator, a case manager recruited clients and provided job readiness assistance, and a job developer established employer relationships.

Three WIBs defined the specific staff positions that FBCOs were expected to fill for the grant. This allowed WIBs to communicate grant priorities and target FBCO efforts, especially for FBCOs with little experience providing employment services. For example, the WIB grantees in Houma required that FBCOs hire an instructor to lead the job readiness training course and a job developer to communicate with employers and identify job openings. According to the Houma WIB, establishing these staffing requirements ensured that FBCOs hired staff for positions the WIB felt were necessary to accomplish grant goals. In Cumberland County, the WIB expected FBCO subawardees to hire an outreach worker to manage all aspects of the computer labs funded by the grant.

### **3. Qualifications of FBCO Staff**

FBCOs employed grant staff with a wide range of qualifications. Some FBCOs hired staff with a social services background or relied on staff already employed by the FBCO to take on responsibility for delivering services under the DOL grant. In San Diego, for example, the Abundant Grace Christian Center hired a grant coordinator who had experience providing social services for the organization. Many subawardees in Denver relied on their existing staff to provide services to the target population. The executive directors of some FBCOs, who often had substantial social services experience, supported grant activities in a supervisory role, overseeing the work of case managers and training instructors.

Some FBCOs hired grant staff that had extensive work experience, but not related to the provision of social services or employment assistance. For example, at least five FBCOs employed people who had recently retired from or left another career, including a person with 30 years' experience in the military, former school teachers, long-term employees of CBS and AT&T who had business management backgrounds, and a retired employee of Boeing. In one site, the FBCO hired a successful professional who said she was "looking to make a difference."

Few FBCOs hired grant staff with employment services experience, although some FBCOs with such experience relied on their existing staff. Two exceptions included an FBCO in San Diego that hired a grant coordinator who had worked for a WIA services provider, and a grant manager in Washington, DC, who had operated a job readiness program for people with substance abuse problems.

Many FBCOs hired staff who understood or came from the population targeted for services under the grant, especially FBCOs working with immigrant populations. Examples include the Polish American Foundation in Hartford, which hired Polish immigrants; the

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African Community Center in Manchester, which hired African immigrants to manage its job readiness training; and the Pinellas Ex-offender Reentry Coalition, which hired an ex-offender to implement grant activities. In Anne Arundel, an FBCO operating a mini-One-Stop center in a public housing project employed a former tenant to provide services. These staff did not always have experience providing social services, however. For example, the St. Petersburg Dream Center in Pinellas County hired two case managers who were former clients with no formal case management experience.

A few FBCOs relied on family members or church congregants to staff the grant. For example, in one grant site an FBCO hired a coordinator from the family of an influential church member, while another FBCO director hired her own sister to fill the position. In two different sites a church hired a member of the congregation to coordinate grant activities, while in another site the pastor's wife was selected to implement the grant.

WIB grantees and FBCOs varied in what they considered to be the most important qualifications for FBCO grant staff. Since FBCOs targeted hard-to-serve populations facing multiple barriers to employment, some FBCOs prioritized hiring grant staff with social services backgrounds. In Anne Arundel, one FBCO replaced its initial hire with a staff person who had social services experience. According to other WIBs, the close connection of FBCO grant staff to the target community was critical for grant outreach and recruitment efforts. In a few sites where FBCO grant staff lacked an understanding of the target population, FBCOs had difficulty recruiting clients for the grant. For example, an Anne Arundel FBCO that served a public housing project hired a grant staff person who had no experience working with the population. This person conducted little or no outreach and could not recruit clients for the grant.

#### **4. Staffing Challenges**

The hiring process was a challenge for some FBCOs that did not engage in a thorough or systematic hiring process or were delayed in hiring staff for the grant. In one site, an FBCO had to replace its first grant coordinator, because the agency initially hired an existing volunteer rather than conduct a formal hiring process. The WIB required that the FBCO advertise the position and interview potential candidates before hiring the grant staff person. Another WIB felt it should have established hiring practices for FBCOs to follow. In at least a third of grant sites, delays in hiring FBCO grant staff led to delays in beginning grant activities or caused grant staff to miss the WIB's initial training activities. Some FBCO directors said they did not have enough time to hire a grant staff person and needed more to complete the process.

Many FBCOs experienced staff turnover during the grant period, including at least one FBCO in 8 of the 12 grant sites. FBCO subawardees attributed staff turnover to the short-term nature of the grant, the fact that many positions were part-time, or the low level of compensation grant staff received in many sites for the amount of work they did. Examples of staff turnover experienced by FBCOs included:

- Two different grant coordinators hired by the Manchester Community Resource Center felt overwhelmed by grant paperwork and thought the pay was insufficient for the required work.
- Staff at two FBCOs in Cambridge left their position for other jobs, one after only a few months.
- In Washington, DC, the National Association for Community Empowerment lost two grant staff when delays in grant reimbursements from the WIB led to delays in paying staff salaries.

In four grant sites FBCOs did not fill positions because they could not identify qualified replacements or because the time remaining in the grant was insufficient to warrant hiring new staff. An FBCO in Houma struggled to refill a grant position, with three job candidates turning down the position because the part-time salary was inadequate to meet their needs.

### C. SERVICE PROVISION

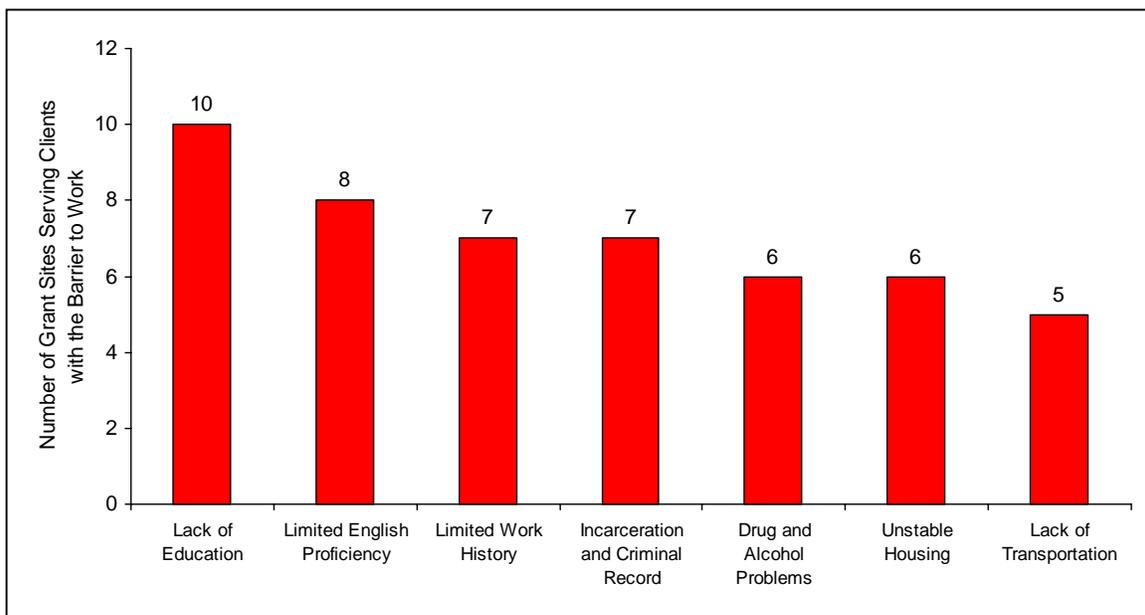
A primary goal of the DOL collaboration grants was to help hard-to-serve job seekers find or advance in employment. To accomplish this goal, FBCO subawardees recruited a wide range of job seekers with multiple barriers to employment, addressed their basic service needs, helped them search for employment either directly or through referral to a One-Stop center, and in some cases provided specialized training and educational services. This section describes the main types of barriers to employment that grant participants faced and the types of services they received from the FBCOs.

#### 1. Barriers to Employment Faced by Grant Participants

As we will discuss in detail in Chapter VI, FBCO subawardees recruited a diverse set of hard-to-serve job seekers who faced multiple barriers to employment. Despite the diversity of target populations across the grant sites, however, FBCOs across sites reported that grant participants had similar barriers to work, including the following:

- ***Lack of Education.*** A common barrier to employment reported by FBCOs in 10 of the 12 grant sites was a lack of education. While some FBCOs targeted youth or high school dropouts, the high-need populations served by other subawardees often had low levels of educational attainment as well. Educational barriers included lack of a high school diploma or GED as well as limited basic literacy skills.
- ***Limited English Proficiency.*** Subawardees in two-thirds of grant sites served participants with limited English proficiency (Figure IV.2), including immigrants from Poland, Ethiopia, the Caribbean, and Mexico, as well as refugees from other Spanish-speaking countries and from Africa. In addition to limited English skills, some of these groups faced cultural barriers to employment, such as not understanding workplace norms in the United States.

Figure IV.2. Barriers to Work Among Grant Clients



Source: Interviews with FBCO staff.

- **Limited Work History.** Job seekers from the hard-to-serve populations targeted by FBCOs typically lacked work experience. As a result, many clients had difficulty developing a resume and had limited knowledge of appropriate workplace behavior and employer expectations.
- **Incarceration and Criminal Record.** FBCOs in more than half the grant sites reported serving ex-offenders who had recently been released from prison; in three grant sites, FBCOs targeted incarcerated people before their release. For example, in Lansing, New Way In provided services to inmates of the state prison prior to their release, and Eaglevision served ex-offenders from the county jail. Ex-offenders had difficulty finding employers willing to hire applicants with criminal records. Many also needed help obtaining basic forms of identification needed to apply for jobs.
- **Drug and Alcohol Problems.** According to FBCO staff, drug and alcohol problems were prevalent among the homeless people and ex-offenders targeted by some grant sites. One FBCO served job seekers referred from a drug rehabilitation program in the community.
- **Unstable Housing.** While one subawardee in Pinellas County focused its grant activities in part on the inner-city homeless population, other FBCOs also served participants who lacked stable housing. For example, the Manchester site provided services to transient youth. Incarcerated people served in many sites lacked stable housing options after their release.

- ***Lack of Transportation.*** Many of the high-poverty neighborhoods targeted by FBCOs lacked access to public transportation. In Anne Arundel, for example, public housing residents served by the grant did not have access to adequate public transportation. Transportation was also a barrier for people in the rural areas surrounding Houma, Louisiana, where subawardees provided services.

Many of the populations served by FBCO subawardees faced more than one of these barriers to employment. For example, two subawardees in Anne Arundel located in a public housing project served single mothers who had no high school diploma or GED, limited work experience, and limited transportation options. In Hartford, one FBCO worked with recent African-Caribbean immigrants who had limited English skills, problems with drugs and alcohol, and low levels of education. In Lansing, an FBCO serving ex-offenders found that many had mental health problems, struggled with drug and alcohol issues, and had unstable housing situations.

## **2. Setting for FBCO Services**

FBCOs often provided services in locations where hard-to-serve populations already accessed services, or in locations well known to the local community. The types of places where FBCOs provided services included:

- ***Social Services Agencies.*** FBCOs in many sites were social services agencies where people could access education services, food and clothing assistance, or homeless services. For example, Circle of Hope, an FBCO in Houma, served as a location for both youth and adult educational services, including after-school tutoring and GED classes. Three WIBs made subawards to FBCOs that operated soup kitchens or food pantries.
- ***Community or Immigrant Resource Centers.*** Many FBCO locations served as resource centers for specific communities or immigrant populations. Examples of immigrant community centers include the African Community Center in Manchester, the Polish American Foundation in Hartford, the Ethiopian Association in Cambridge, and a Native American tribal office in Cumberland County, New Jersey. An FBCO in Pinellas County was located within a community center that also housed other social services agencies.
- ***Churches.*** Many congregational FBOs provided services in church offices or in a separate building near the church. Most were churches that already offered social services, such as the Garden Park Church in Denver that operated a food and clothing bank, and Plymouth Rock Baptist Church in Houma, which provided counseling, food and clothing assistance, and tutoring. A subawardee in San Diego, the Abundant Grace Christian Center, served as both a congregation and social services provider for African and Haitian immigrants. The WIB in Washington, DC, made subawards to three churches that had existing job readiness training programs.

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WIB grantees cited the visibility and accessibility of these locations as a primary benefit of collaborating with FBCOs. Not only was it beneficial that the FBCOs were near the populations they served, but close proximity also helped FBCOs understand the needs of the people. Congregational FBOs in two grant sites felt that their church setting created “a more respectful environment” for providing services, while in another grant site, staff of a congregational FBO said that clients felt emotionally safe in the church setting and that the church provided a sense of family and connection. Moreover, many grant participants from hard-to-serve populations felt comfortable in these settings because they were familiar environments where participants already received other services.

As mentioned in Chapter III, some FBCOs established offices for providing grant services in new locations. These included public housing developments, detention facilities, and an immigrant neighborhood. FBCOs in these new locations, however, had difficulty making their services accessible to grant participants. For example, FBCOs in the public housing projects had to close their offices each day when the public housing authority offices closed. This meant that FBCOs could not provide workshops or other services after 4:30 p.m. The FBCO located in a detention facility was somewhat constrained by security restrictions and the limited availability of detainees to meet with staff.

In three grant sites, WIBs had one or more FBCOs co-locate at One-Stop centers. In Lansing, for example, the purpose of co-location was to integrate FBCOs into the One-Stop center as service providers. One-Stop center staff did not distinguish FBCO subawardees from other service providers at the One-Stop center. In Houma, the WIB decided to locate an FBCO in the One-Stop center because it did not have enough office space to serve grant clients. While One-Stop center staff made referrals to the FBCO, the FBCO operated separately from the One-Stop center. A benefit of co-locating FBCOs at the One-Stop center was ready access to center resources, including computer labs, training, meeting rooms, and office supplies.

### **3. Types of Services**

FBCO subawardees offered a variety of services to prepare hard-to-serve populations for work and help them find a job. Table IV.4 provides an overview of FBCO services based on interviews with staff from the WIBs and at least three FBCOs in each grant site.<sup>3</sup> The most common services provided by FBCOs included job search assistance, soft and life skills training, and case management services. Note, however, that the intensity of these services and how they were provided varies greatly across grant sites. For example, FBCOs in all sites reported providing soft and life skills training; however, FBCOs in sites implementing the specialized job readiness training model (described in Chapter III) provided intensive training using a structured curriculum. Similarly, at least one FBCO in all

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<sup>3</sup> We indicated in the table that a service was provided if at least one FBCO at the grant site provided it. However, an indication that a service was provided at a given site does not mean that *all* FBCOs in that site provided it.

**Table IV.4. Snapshot of FBCO Services**

	Job Search	Job Development	Soft and Life Skills	Case Management	Supportive Services	Education	Job Retention	Occupational Training	Mentoring
<b>Recruit-and-Refer Model</b>									
Cambridge, Massachusetts	X	X	X	X	X	X		X	
Cumberland County, New Jersey	X	X	X	X	X	X	X		
Denver, Colorado	X	X	X	X	X		X		X
Hartford, Connecticut	X	X	X	X	X	X		X	
<b>Specialized Job Readiness Training Model</b>									
Houma, Louisiana	X	X	X	X	X	X		X	
Manchester, New Hampshire	X	X	X			X	X	X	X
Ottawa County, Michigan	X	X	X	X	X	X	X		X
Washington, DC	X	X	X	X	X	X	X		X
<b>Comprehensive Services Model</b>									
Anne Arundel County, Maryland	X	X	X	X	X	X			
Lansing, Michigan	X	X	X	X	X	X	X		
Pinellas County, Florida	X	X	X	X	X				
San Diego, California	X	X	X	X			X	X	X
<b>Total</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>9</b>	<b>7</b>	<b>5</b>	<b>5</b>

Source: Interviews with WIB grantees and FBCOs.

sites reported providing job search services, but FBCOs in sites implementing the recruit-and-refer model most likely referred more of their participants to One-Stop centers for these services. Below we describe in detail each type of service offered by FBCOs.

**Job Search Assistance.** FBCOs in every grant site offered basic job search assistance, including help with writing resumes, filling out job applications, and preparing for job interviews. Many FBCOs provided one-on-one job search assistance, working individually with clients to create employment plans and support their job search. A common approach to job search assistance was providing access to a computer lab where clients could work on

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their resumes, complete online job applications, search through job listings over the Internet, and use the virtual One-Stop system. FBCO grant staff helped clients identify job openings by searching newspaper advertisements and online job listings, and in a few sites, holding job fairs. In some grant sites, staff from the One-Stop center sent weekly emails to FBCOs informing them of job openings. In at least two sites, staff from the One-Stop center conducted job search workshops for grant participants.

**Soft and Life Skills Training.** WIB grantees directed FBCOs to prepare clients for employment by providing training on soft skills, which focused on workplace expectations and behaviors, and life skills, which are basic skills needed to sustain an independent living. As described previously, FBCOs in many sites served populations that had limited work experience and required training on basic workplace norms. FBCOs in all 12 grant sites offered soft and life skills trainings. Soft skills training, also referred to as job readiness training, covered topics related to how to behave at work, including appropriate dress, business etiquette, customer management, communication, honesty, teamwork, dependability, organization, and time management. Life skills training typically covered money management, parenting, assistance with immigration and legal issues, and self-care and personal hygiene.

**Case Management.** Some FBCOs in every site provided case management services to assess new clients, identify needs, develop service plans, and make referrals for needed social services. FBCOs assessed clients as part of the grant enrollment process, often using an assessment tool provided by the WIB or One-Stop center. In Lansing, FBCOs used an educational assessment provided by the One-Stop center, and also conducted their own one-on-one assessment of work history and social services needs. Subawardees in San Diego assessed clients' skills, created employment plans, and helped clients complete applications. FBCOs sometimes referred clients to other agencies for supportive services, often relying on existing networks of social services providers. For example, a church in Washington, DC, used its relationship with other service providers to refer clients for basic education, housing, and counseling services. A subawardee in Pinellas County was located in a community center where it could make referrals for a range of social services, including legal aid, housing, drug and alcohol assistance, and educational services. FBCOs with limited resources or experience providing social services often relied on referrals to link clients with assistance.

**Supportive Services.** FBCO subawardees provide a wide range of supportive services to address grant participants' multiple barriers to employment. FBCOs in eight grant sites offered some supportive services to meet clients' basic needs, with most of these FBCOs relying on the services they provided before receiving the grant. Supportive services included:

- **Food and Clothing.** Several FBCOs offered food and clothing assistance through existing soup kitchens, food assistance programs, and clothing banks. Some FBCOs helped clients find clothes suitable for job interviews or work.

- ***Transportation.*** Inadequate transportation was a common barrier for populations targeted by the grant; as a result, FBCOs often drove clients to job interviews or job readiness classes, provided bus passes or transportation stipends, and, in one site, drove employed clients to work until they received their first paycheck.
- ***Identification and Personal Documents.*** FBCOs found that ex-offenders, immigrants, and residents of public housing often needed assistance with obtaining basic personal documents such as a driver's license, a social security card, or proof of residence necessary to apply for a job.
- ***Support Group Meetings and Counseling.*** Five WIBs had at least one subawardee that provided counseling or support group meetings for clients, often focusing on drug or alcohol problems. In Lansing, one subawardee held weekly support group meetings that focused on substance abuse as well as job readiness skills. Two churches in Washington, DC, provided counseling services for their clients.

**Education.** FBCOs in three-fourths of the grant sites offered educational services. Two grantees made subawards to a subset of FBCOs that focused specifically on providing educational services. In Ottawa County, six FBCOs received subawards to provide English as a second language and GED training, while in Lansing one FBCO provided literacy tutoring. In both sites these FBCOs received referrals of grant participants already being served by other subawardees providing more comprehensive services. Cumberland County offered a unique approach to educational services by allowing grant participants to access self-directed training through educational software set up in the computer labs operated by subawardees.

A few FBCOs, unable to provide educational services themselves, paid an instructor or hired a professor to provide them. The WIB in Cambridge had One-Stop center staff provide educational services at two FBCO sites. The most common educational services included:

- ***Basic Computer Literacy.*** FBCOs in seven grant sites provided basic computer training.
- ***English as a Second Language.*** A third of the grantees, all of whom focused to some extent on serving immigrants or Spanish-speaking populations, offered training in English as a second language.
- ***GED and Basic Academic Skills.*** Subawardees in three sites incorporated into their grant services preparation for the GED exam or classes on basic academic skills.

**Job Retention Services.** Despite initial plans, subawardees rarely provided formal job retention services to employed clients. FBCOs reported that the short grant period made

providing such services difficult. Since many FBCOs were delayed in beginning grant activities, by the time clients were employed and in need of retention services, the grant period was almost over. Moreover, many FBCOs spent most of the grant period helping clients find jobs rather than providing services for people who already had them. Subawardees also described difficulty communicating with employed clients who had relocated or whose availability was limited.

When retention services were provided, they typically consisted of FBCO grant staff calling employed clients on an informal basis or, in two grant sites, visiting clients at work. Some FBCOs made grant services broadly available to employed clients, although they often did not use the services. In Lansing, some clients, after they were employed, continued to participate in weekly support group meetings held by Eaglevision. FBCO efforts to contact employed recipients were sometimes designed to verify employment for grant reporting purposes. Ottawa County established a more formal approach to providing job retention services, in which FBCO staff and volunteer mentors sought to maintain regular communication with employed clients.

**Occupational Training.** Occupational training teaches clients the skills needed for specific jobs. Few subawardees offered occupational training directly, and only four WIBs made subawards to FBCOs that provided it. It was more common for FBCOs to make referrals for occupational training than actually to provide it. The WIB in Anne Arundel planned for FBCOs to offer clients ITAs or vouchers to purchase occupational training, but this did not happen, because FBCOs used the funding to cover other grant expenses. Occupational training provided by FBCOs included:

- One subawardee in Manchester provided an office skills training program designed to prepare clients for work as administrative assistants in medical offices. Another offered training on computer software needed for employment as an office secretary.
- In Hartford, a subawardee conducted a sewing job skills program as well as entrepreneurial training.
- A church in Houma provided marine debris training required for employment in the offshore oil industry in Louisiana.
- An FBCO in San Diego established a relationship with a certified nurse training program and used grant funds to send clients for training.

**Mentoring.** While FBCOs in eight sites provided some mentoring services for clients, only two grantees directed FBCOs to offer formal mentoring programs. Many FBCOs viewed the direct, one-on-one assistance they provided, and discussions about clients' personal problems, as informal mentoring. These FBCOs typically relied on volunteers to serve as mentors. One FBCO described its informal mentoring as one-on-one discussions with grant clients about substance abuse and other personal issues. FBCOs implementing a

formal mentoring program matched clients with mentors to provide one-on-one assistance and support. For example:

- In Ottawa County, subawardees providing job readiness training matched clients with individual mentors who provided support and encouragement and met with clients regularly.
- The Manchester Community Resource Center (MCRC) awarded grant funding to a local church that coordinated volunteer mentors for the youth served by the grant. Separately, the African Community Center in Manchester linked youth with mentors who provided an opportunity for the youth to learn about and experience their jobs.

The primary challenge of mentoring programs was recruiting enough volunteer mentors and encouraging client participation in mentor sessions. In Manchester, MCRC's mentoring program ended before the end of the grant because of difficulties coordinating meetings between mentors and grant participants.

#### **4. FBOs and Service Provision**

More than two-thirds of FBCO subawardees were faith-based organizations. Because of restrictions on the use of federal funding for religious activity, DOL's original grant announcement stated that FBCO subawards could not be used "for religious instruction, worship, prayer, proselytizing, or other inherently religious activities" and that participation in such activities "must be voluntary." During our site visits, we asked FBO staff about separating grant activities from religious activities. While staff from many FBOs reported making efforts to separate grant activities from religious activities, other FBCOs felt that faith was a critical component of their initiatives and may have inappropriately included faith activities when providing services.

Some FBOs had no difficulty separating religious activities from grant activities and reported few if any problems. These were often well-established FBCOs that had experience providing social or employment services. For example, Abundant Grace Christian Center in San Diego and Plymouth Rock Baptist Church in Houma were experienced FBCOs that both reported no difficulty keeping religious and grant activities separate. Both organizations said that religion did not play a role in grant activities. Another experienced organization, the Anne Arundel House of Hope, understood the types of activities not allowed under the grant and followed those guidelines. An FBO with little or no service experience reported that it chose to "err on the side of caution" by not introducing religious symbols, language, or practices that might violate the guidelines.

A few FBOs made deliberate efforts to separate religious and grant activities, but found doing so somewhat challenging. For example, in Washington, DC, the Upper Room Baptist Church used a secular curriculum for its job readiness training and did not include prayers or blessings as part of its classes. When participants asked questions related to religion, grant staff requested that they hold these discussions after class. The church felt that not

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answering questions related to religion was difficult because grant activities were held in the church and grant staff wanted to respond. In Pinellas County, an FBO reported that it segregated religious activities by waiting until customers were on their way out of the building or right outside the office space to mention the possibility of attending church.

In at least a third of the grant sites, staff at one or more FBOs incorporated religious content or prayers into their life skills and job readiness training. Some FBO staff felt that religion was a critical component of their service delivery approach. FBOs typically described religious activities as voluntary, however, and reported allowing clients to leave or decline to participate. Examples of how FBCO staff incorporated religious activities into service delivery include:

- Staff at an FBO in Houma reported incorporating Biblical references throughout its training course and referred clients to the Bible for encouragement. An FBCO staff person reported that religion played a “significant role” in its job readiness curriculum. According to the FBO, relating to clients on a religious level helped them to stay focused.
- An FBO in Lansing held two support group meetings that staff described as “spiritual sessions” because they discussed “inner healing” and spiritual approaches to dealing with depression. These meetings were considered voluntary; grant clients did not have to attend. Regular weekly support groups meetings also began and ended with voluntary prayer.
- In Washington, DC, one FBO’s job readiness training was divided into 12 smaller sections, 3 of which dealt directly with faith issues and incorporated the Bible as the textbook. As part of the training, clients discussed topics related to faith and work; however, staff told clients that they could leave during these voluntary discussions.
- Staff at one subawardee in Denver said that providing counseling without using the Bible would “take away from our style of doing business.”
- Other FBO staff reported that clients sometimes requested that they pray with them before job interviews or to help them deal with personal challenges.

At least two of the FBOs described above were newer organizations that had no experience with a federal grant. The FBO in Houma had no paid staff prior to the grant and no social services budget, while the FBO in Lansing did not have a social services budget or experience receiving government funding prior to the grant. The Houma FBO did not appear to recognize that the lack of separation between religious and grant activities might be a problem.

Among the examples listed above, two of the WIBs knew that the FBO incorporated religious activities into grant activities. For example, in Lansing, the WIB informed the FBO that it could include prayers or discussions related to religion in its support group meetings

as long as clients knew that participation was voluntary. The FBO in Washington, DC, said it successfully defended the use of its curriculum to the WIB and a DOL representative who questioned the religious aspects of the training. WIB grantees in the other sites listed above were not aware of FBO religious activities.

All WIB grantees informed FBCOs of religious restrictions or included relevant language in FBCO contracts. Most WIBs described restrictions on religious activities during a meeting with FBCOs at the beginning of the grant. WIBs cautioned against proselytizing and informed FBCOs of the need to separate religious and grant activities. Four WIBs relied on materials from the website for the White House's Office of Faith-Based and Community Initiatives. A few FBCOs that missed an initial grant meeting or were delayed in hiring grant staff said they did not receive training on religious guidelines. Some WIBs provided guidance to FBOs on specific questions related to the inclusion of religious activities, such as whether volunteers are held to the same restrictions on religion, whether grant funds could be used to send grant customers to a religious conference, and whether an FBO could counsel a grant client.

Overall, WIBs and intermediaries reported minimal efforts to monitor FBOs' adherence to restrictions on religious activity. While half the grantees reported monitoring compliance with such restrictions, efforts to monitor these activities were limited.<sup>4</sup> Some WIBs felt there was little potential that FBOs would violate restrictions on religious activities. The Cambridge WIB felt that religious issues were not commonly discussed in the community, and in Pinellas County the WIB decided not to view the FBO differently from other organizations that contracted with the WIB, saying the FBO was "not caught up in religion." The Lansing WIB felt that FBOs had a disincentive to violate religious guidelines and jeopardize any future funding.

#### **D. JOB DEVELOPMENT AND EMPLOYER RELATIONSHIPS**

DOL expected WIB grantees to include employers in their collaboration projects and develop jobs for the hard-to-serve populations targeted by the grant. As part of their grant applications, WIBs were required to obtain commitments from up to three businesses or employment sectors to work with the local workforce investment system to provide jobs to grant participants. All but two of the WIB grantees included letters of commitment from businesses in their applications or described plans to target three industries (which included health care, retail, hospitality, construction, manufacturing, transportation, and financial services). Most grantees obtained letters of commitment from employers that already had a relationship with the WIB, including businesses that served on the WIB. For example, in Washington, DC, the WIB included a letter of support from CVS Pharmacy, which had an existing partnership to train One-Stop customers. In Anne Arundel, a WIB member who headed a local telephone company initially offered to interview grant clients for jobs.

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<sup>4</sup> A discussion of how WIB grantees monitored FBOs' compliance with guidance on incorporation of religious activities into service delivery is also presented in Chapter V.

Despite the letters of commitment that WIBs obtained, few businesses established formal relationships with FBCOs and One-Stop centers or provided jobs for grant participants. FBCOs in only two grant sites established a relationship or placed clients with any employer that had written a letter of commitment for the grant application. In most grant sites, WIBs did not even try to engage employers that had offered support for the grant or connect them with the FBCO subawardees. For example, while the WIB in Manchester obtained letters of commitment from five employers that agreed to hire youth served by the grant, the WIB did not pursue a relationship with these employers for the grant, and FBCOs did not develop jobs with them. The employers that provided letters of commitment in Washington, DC, and Anne Arundel neither collaborated with FBCOs nor provided jobs for grant clients.

In two grant sites, Ottawa and Pinellas counties, employers that provided a letter of commitment participated in the collaboration project. The WIB and intermediary in Ottawa County placed a priority on recruiting employers that could offer entry-level jobs and career opportunities for grant clients. Employers signed a Memorandum of Understanding (MOU) for the grant and committed to receive training on the curriculum used by FBCOs for the grant, and to interview clients that completed the training. While the WIB was successful in establishing these relationships, FBCOs made fewer referrals to the employers than expected. In Pinellas County, an FBCO placed clients in jobs with a hospital and a local cable company that had provided letters of support for the grant. The other FBCOs in Pinellas County did not establish a relationship with these employers.

Most WIBs relied heavily on FBCOs to establish relationships with employers to develop jobs for grant clients. In 7 of the 12 grant sites—all but one of the WIBs implementing the specialized job readiness training and comprehensive services models described in Chapter III—FBCOs had full responsibility for job development and for providing job placement services (Table IV.5). While FBCOs received some assistance with job search activities from the One-Stop centers, mostly in the form of job listings on the virtual One-Stop system or weekly lists of job openings from the One-Stop center, most WIBs relied on FBCOs to develop jobs. In Houma, the WIB required that each FBCO hire a job developer whose specific duty was to communicate with employers and identify job openings. An FBCO in both Lansing and San Diego hired a job developer for the grant, and in other sites FBCO staff incorporated job development activities into other duties.

WIB grantees that planned to use the recruit-and-refer approach were less likely to give FBCOs responsibility for job development. In these sites, FBCOs focused grant activities on conducting outreach and preparing clients for employment, while the WIB expected One-Stop center staff to place clients in jobs. Therefore, One-Stop or intermediary staff conducted job development activities and often relied on their existing job development efforts.

Since FBCOs often had little experience working with employers or developing jobs, they relied primarily on informal approaches to establish relationships with employers. The most common methods were phone calls and in-person visits (Table IV.5). For example,

**Table IV.5. Job Development Activities**

	Primary Responsibility for Job Development	Informal Job Development Activities by FBCOs	
		Calls, Letters, or In-Person Visits to Employers	Existing Employer Contacts
<b>Recruit-and-Refer Model</b>			
Cambridge, Massachusetts	One-Stop center and FBCOs	X	
Cumberland County, New Jersey	One-Stop center		X
Denver, Colorado	WIB, intermediary, and FBCOs	X	
Hartford, Connecticut	Two job developers hired for the grant	X	
<b>Specialized Job Readiness Training Model</b>			
Houma, Louisiana	FBCOs	X	X
Manchester, New Hampshire	FBCOs	X	X
Ottawa County, Michigan	WIB, intermediary, and FBCOs	X	
Washington, DC	FBCOs	X	X
<b>Comprehensive Services Model</b>			
Anne Arundel County, Maryland	FBCOs	X	
Lansing, Michigan	FBCOs	X	X
Pinellas County, Florida	FBCOs	X	
San Diego, California	FBCOs	X	
<b>Total</b>		<b>8</b>	<b>5</b>

Source: Interviews with WIB grantees and FBCOs.

job developers in Lansing, Houma, and Manchester contacted employers with whom they had no previous relationship to discuss future job openings. For some FBCOs, this informal communication led to new and ongoing relationships with employers. The job developer in Hartford visited a local hospital and arranged for FBCOs to screen and prepare grant clients that the hospital could hire, while an FBCO in Pinellas County established a relationship with the owner of a new grocery store opening in the area. In Washington, DC, a subawardee established a relationship with a local bagel shop through an informal discussion with the owner.

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FBCOs in five grant sites used their existing relationships with businesses to develop jobs. In Houma, the executive director of Circle of Hope held a roundtable discussion for local business leaders she knew to introduce them to grant activities. A church in Washington, DC, relied on its long-term relationships in the construction industry, while a subawardee in Cumberland County used its relationships with a credit union and a bank. Churches often relied on congregants who owned businesses or had connections with other employers.

The hard-to-serve populations targeted by the grant often required an approach different from what the One-Stop center typically offered. Some FBCOs tailored job development activities for the specific populations they served. An FBCO in San Diego focused on developing relationships with “small, culturally aware employers” who would be receptive to the hard-to-serve populations served through the grant. Two FBCOs in Pinellas County worked with the intermediary to develop a directory of employers willing to hire ex-offenders.

Some job development efforts may not have been sufficiently tailored to the characteristics of the target population. In Ottawa County, for example, the number of jobs developed as a result of the collaboration project was much lower than expected, possibly because of a mismatch between the requirements of employers and the qualifications of clients. According to an FBCO subawardee in Ottawa County, clients were discouraged because they rarely received interviews with any of the eight employers that had signed MOUs with the WIB. An FBCO in San Diego intended to establish a relationship with a construction association but found that the jobs were not appropriate for people with the limited education of most grant clients.

The WIB grantees consistently cited FBCOs’ lack of experience and training as a barrier to developing jobs for the grant. FBCO staff often lacked relationships with employers and did not know how to approach them. As a result, WIB grantees found that FBCOs had neither formed strong relationships with employers nor made much effort to develop jobs. None of the WIB grantees offered them training in this area. In many grant sites, FBCOs spent time conducting job search activities to identify existing job openings rather than establish relationships with employers to develop new jobs. Job search activities included looking through newspaper advertisements, the virtual One-Stop system, and weekly job listings from the One-Stop center.

#### IV. SUMMARY OF KEY FINDINGS

##### FBCO Characteristics

- Over two-thirds of subawardees were faith-based, with over half of these affiliated with a church congregation. The rest were secular community-based organizations.
- The size and experience of FBCOs varied widely, ranging from established FBCOs with experience providing employment services to inexperienced FBCOs that relied entirely on volunteer staff and had small budgets before receiving the subaward.

##### FBCO Staffing for the Grant

- FBCOs relied on a small number of staff to implement the grant projects, with most employing one or two full-time equivalent staff. FBCOs implementing the recruit and refer model hired fewer grant staff than FBCOs in sites using the job readiness training or comprehensive services models.
- Most staff that FBCOs hired for the grant projects had experience with the target population, but few had experience providing employment services. Several FBCOs had difficulty hiring grant staff, either because they did not conduct a systematic hiring process or were delayed in hiring staff. Retaining grant staff was a problem in some sites, possibly because of the short-term nature of the grant, the part-time grant positions, or the relatively low compensation.

##### Service Provision

- FBCOs provided services to job seekers from hard-to-serve populations that typically faced one or more significant barriers to employment.
- FBCOs were often in locations accessible to hard-to-serve populations because they were places where participants already sought services, they were well known in the community, or they were in close proximity to the population.
- The most common services that FBCOs provided under the grant were job search assistance, soft-skills training, case management, supportive services, and educational services.

- While the staff of many FBOs tried to separate religious and grant activities, some FBOs may not have been fully educated on the limitations they faced as recipients of government funding, and as a result incorporated religious activities into the services they provided under the grant. Some of the FBOs that incorporated religious activities were newer organizations that had no experience with federal grants or organizations that, in the absence of more specific guidance, found it difficult to separate religious and grant activities.

#### Job Development and Employer Relationships

- WIBs relied heavily on FBCOs to establish relationships with employers and develop jobs for grant participants. FBCOs had little experience working with employers to develop jobs and relied primarily on informal approaches. The most common method was to make phone calls and visits to local employers. FBCOs that do not have existing employer relationships or experience in developing jobs may require training in this area.



## CHAPTER V

### STRATEGIES FOR PROMOTING COLLABORATION

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**I**raditionally, grassroots FBCOs have not been major providers of workforce investment services. Their small size, meager staffs, lack of experience with managing grants, and limited internal capacity to provide employment and training services have often eliminated them from the pool of competitive service providers. WIB grants presented an opportunity for such FBCOs to gain experience and increase their capacity. The subawards also allowed them to establish formal relationships with workforce investment partners. In turn, the FBCOs brought to the workforce investment system strong connections to target populations and an ability to work individually with disadvantaged job seekers.

This chapter examines grantees' efforts to identify FBCOs, to strengthen them, and to cultivate strong partnerships between FBCOs and the workforce investment system. We begin by describing the procedures WIB grantees followed for identifying potential FBCOs with which to partner, as well as the methods grantees used to recruit and develop contracts with them. Next, we discuss the steps taken to build and nurture collaborative relationships between local workforce investment systems and FBCOs. We also examine grantees' strategies for monitoring the performance of the FBCOs and for building their organizational capacity.

#### **A. IDENTIFYING FBCOS<sup>1</sup>**

The first step in implementing the grants was to identify potential FBCOs with which to partner. Nearly all WIB grantees relied exclusively on existing lists of FBCOs to find a large number of potential subawardees without expending much effort. Grantees obtained lists from established FBCOs, intermediaries, and government organizations (Table V.1), and from these lists, grantees contacted as many as 640 FBCOs and as few as 11.

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<sup>1</sup> The interim report for this evaluation (McConnell et al. 2006) contains more detailed information on how WIB grantees recruited and contracted with FBCOs partners.

**Table V.1. Sources of Existing Lists of FBCOs**

Grantees	Established Faith- and Community-Based Organizations	Intermediaries	Government Organizations	Number of FBCOs Identified <sup>a</sup>
Anne Arundel County, Maryland	X		X	300
Cambridge, Massachusetts		X		400
Cumberland County, New Jersey				11
Denver, Colorado		X		NA
Hartford, Connecticut	X			65
Houma, Louisiana				NA
Lansing, Michigan			X	640
Manchester, New Hampshire				117
Ottawa County, Michigan		X		800
Pinellas County, Florida	X		X	NA
San Diego, California	X			135
Washington, DC			X	200
<b>Total</b>	<b>4</b>	<b>3</b>	<b>4</b>	

Source: Interviews with WIB grantees.

<sup>a</sup>Indicates number of FBCOs identified through existing lists or resource-mapping activities.

NA = not available.

Grantees varied in the amount of resources they put into identifying FBCOs. According to grantees, several factors guided their approaches, the first being their goals. Grantees that wanted to collect detailed information about local service needs and the services provided by FBCOs used more resources to gather information about FBCOs than those that wanted the information just for the procurement process. The second factor was the grantees' perceptions of the challenges of recruiting FBCOs. Those with more realistic expectations about the challenges of recruiting FBCOs used more intensive efforts. Finally, when existing lists were available, grantees tended to rely on those instead of developing new ones.

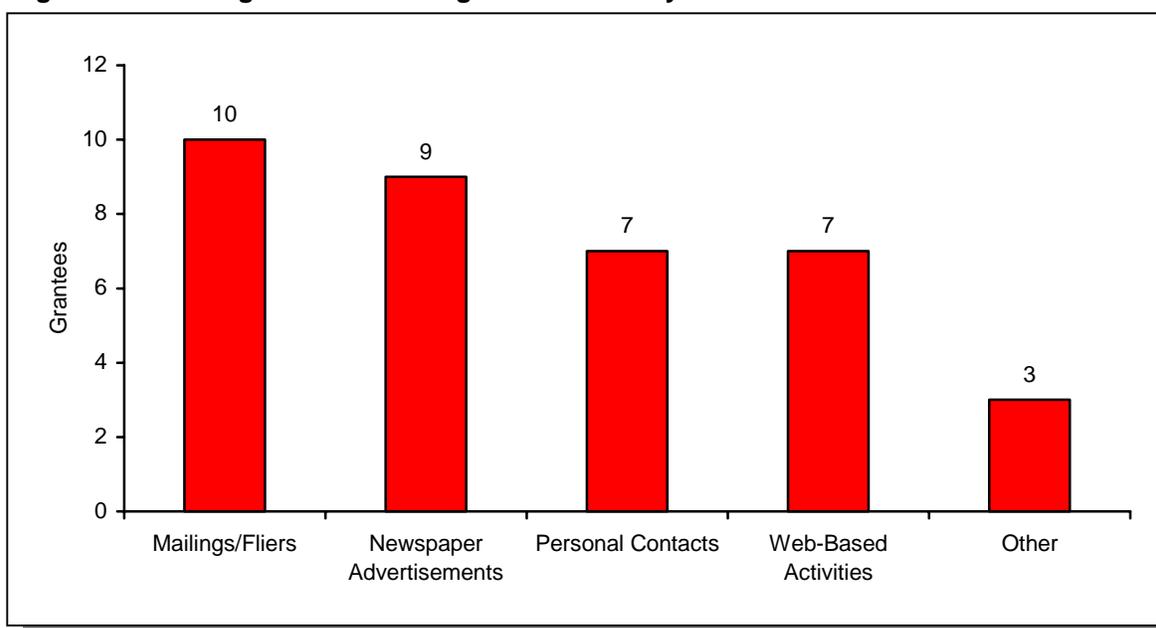
## **B. RECRUITING AND CONTRACTING WITH FBCOs**

The goal of the WIB grantees' FBCO recruitment efforts was to identify a large pool of qualified applicants from which to select subawardees. The recruitment and contracting process included five main steps: (1) informing FBCOs of subaward opportunities, (2) defining the application process, (3) organizing bidders' conferences, (4) reviewing applications and selecting subawardees, and (5) developing formal agreements with FBCOs. In the rest of this section, we examine each of these steps in detail.

## 1. Informing FBCOs of Subaward Opportunities

WIBs used a variety of strategies to inform FBCOs about subaward opportunities. The most common was to mail announcements about the subawards to all identified FBCOs. WIBs also created fliers, ran ads in local newspapers, provided information to personal contacts, and posted notices on websites and listservs (Figure V.1). Personal contacts from workforce investment partners or intermediaries that had existing relationships with FBCOs appeared to be an especially productive strategy. In Cumberland County, One-Stop center staff personally contacted 11 FBCOs funded under a previous DOL grant. Cambridge relied on its intermediary, an organization with extensive FBCO connections, to recruit partners.

Figure V.1. Strategies for Recruiting FBCOs Used by WIB Grantees



Source: Interview with WIB grantees.

## 2. Application Process

Most grantees developed a request for proposals (RFP) for subawards with little input from other organizations. Two grantees (Anne Arundel and Cambridge) organized meetings to discuss the subaward application process with organizations outside the workforce investment system, such as the local housing department and potential FBCO applicants. In both sites, grantees incorporated into the application process suggestions made during the meetings.

The RFPs for subawards typically described the grant projects, the requirements for subawards, and the steps for completing the application. While RFPs varied, they generally included a description of the grant goals, the expectations for subawards, a timeline for

completing grant activities, required information (including page length), and criteria for evaluating the applications.

Grantees simplified the RFP language and application requirements to encourage FBCOs to apply. Typically, the RFPs required that FBCOs respond by writing four to six detailed sections (for example, statement of the issues, organizational capacity, proposed activities, project time line, and reporting requirements) and submitting a detailed budget and description for how funds would be spent. Grant applications were typically about 10 pages long. A few sites (Denver, Ottawa County, and Cambridge) took additional steps, such as shortening the length of the application, to tailor the application to the needs of FBCOs.

### **3. Bidders' Conferences**

All but one grantee held one or more bidders' conferences, which offered several benefits. First, FBCOs could learn about grant goals and subaward opportunities. Grantees described the target population, the application process, the FBCO requirements, and the resources available to assist with applications. Second, the conferences provided FBCOs with an opportunity to ask questions. Third, they gave the FBCOs information about the workforce investment system.

Relative to the magnitude of grantees' attempts to reach FBCOs, few FBCOs attended the bidders' conferences. With the exception of Washington, DC, the WIB grantees estimated that only 10 to 25 people attended each conference. Washington's turnout was noteworthy—about 50 people—probably because DC capitalized on its extensive networks with FBCOs made possible by previous grant efforts to promote collaborations.

### **4. Selecting FBCOs for Subawards**

Grantees created explicit criteria—typically included in the RFP—to score the FBCO applications, and relied on multiple reviewers to evaluate them. Nearly all the grantees used staff from different agencies—WIB board members, One-Stop system administrators, intermediary staff, and community partners—as reviewers. Generally, at least three people reviewed each application. A couple of grantees said that in hindsight they would have included additional criteria to assess FBCOs' experience with managing grants (such as reference checks) and their internal capacity to provide services (for example, payroll systems, staffing, and budget management capabilities).

Competition for subawards was generally not intense, and many grantees expressed disappointment with the number of applications they received. Across all grantees, there were 1.0 to 3.7 applicants for every subaward, the average being 1.6 (Table V.2). Two sites (Houma and Ottawa County) funded all the FBCOs that applied; Manchester reported that the WIB funded all acceptable applicants. Washington, DC, had the highest turnout at the bidders' conference as well as the most applicants per subaward—22 FBCOs applied for 6 subawards.

Grantees cited several factors they thought discouraged FBCOs from applying for subawards:

**Table V.2. Number of Applicants for Subawards and Number and Percentage Funded**

Grantees	Number of Applicants	Number of FBCOs Funded	Percentage of Applicants Funded
Anne Arundel County, Maryland <sup>a</sup>	9	3	33.3
Cambridge, Massachusetts	14	4	28.6
Cumberland County, New Jersey	12	9	75.0
Denver, Colorado	43	35	81.4
Hartford, Connecticut	10	7	70.0
Houma, Louisiana	5	5	100.0
Lansing, Michigan	6	4	66.6
Manchester, New Hampshire	7	4	57.1
Ottawa County, Michigan <sup>b</sup>	10	10	100.0
Pinellas County, Florida	5	3	60.0
San Diego, California	3	2	66.7
Washington, DC	22	6	27.3
<b>Total</b>	<b>146</b>	<b>92</b>	<b>63.0</b>

Source: Interviews with WIB grantees.

<sup>a</sup>In Anne Arundel County, Maryland, four FBCOs applied for more than one subaward. As a result, 9 FBCOs submitted 16 applications for subawards.

<sup>b</sup>In Ottawa County, Michigan, 10 FBCOs submitted 13 applications for subawards.

- Lack of resources, time, and experience to apply for grants
- DOL's definition of *grassroots FBCO*, which excluded many larger FBCOs from the grant
- Perceptions that grant requirements would create more work than staff could handle
- Concerns about what FBCOs perceived to be onerous reporting requirements associated with federal grants

Two factors appeared to influence the success of the procurement process. First, grantees that operated in large urban areas (such as Cambridge and Washington, DC) seemed to be more successful than those in smaller areas (such as inner-city Manchester) or rural areas (such as Houma). Second, the recruitment of FBCOs for the subawards was easiest when an organization familiar with the FBCOs in the targeted area was involved,

such as Good Samaritan Ministries in Ottawa County and the Institute for Community Inclusion in Cambridge—both former DOL intermediary grantees.

While a few of the grantees said that they were pleased with the quality of the proposals they received, grantees more often found them to be of poor quality. Grantees cited the typical reasons for not funding proposals: applicants did not address the statement of work, they proposed to use the funds to pay for services unrelated to the grant, they set unrealistic goals, and some applications were poorly written. One grantee received a handwritten application.

The poor quality reflected the inexperience of many FBCOs, as well as their limited access to the resources needed to prepare a successful grant application. Many applications were written by staff who had never before prepared one, and in some cases, they were written by volunteers who held other full-time jobs.

## **5. Structure of the Subawards**

Once FBCOs were selected, grantees generally developed formal contracts or agreements based on the information included in the subaward applications. Nearly all subcontracts were cost-reimbursement awards.

FBCOs typically had small operating budgets and limited cash flow. The terms of cost-reimbursement awards placed an initial financial strain on some FBCOs that did not have sufficient cash flow to meet upfront costs. To address this, nearly a fourth of grantees disbursed a portion of the funds (10 to 25 percent of the full subaward amount) up front to help FBCOs get started. Once FBCOs began providing services, few sites had problems with cash flow or the timeliness of reimbursements. Most WIBs processed reimbursements quickly, provided that the request was adequately documented with receipts and payment invoices. In one site, however, reimbursements took six to eight weeks after invoices were submitted.

Some subaward contracts with FBOs included language designed to protect the religious freedom of grant participants. In three of the sites—Ottawa County, Lansing, and Pinellas—the contracts with FBOs included information detailing the restrictions on FBOs receiving federal funds. Two of the three grantees that included contract language on religious restrictions, however, had an FBO that incorporated religious activity into grant services (see Chapter IV). Therefore, additional training or assistance may be necessary to make FBOs fully aware of the restrictions.

## **C. BUILDING AND NURTURING COLLABORATIVE RELATIONSHIPS**

An explicit goal of the WIB grants was to encourage and nurture relationships between FBCOs and workforce investment partners. While FBCOs were encouraged to form relationships with all partners—the WIB, One-Stop center, and employers—grant activities focused on the relationship between FBCOs and One-Stop centers. Relationships between FBCOs and WIBs and employers and relationships among FBCOs seemed to be fairly weak;

most of these relationships became inactive at the end of the grant period. The relationships with the most promise for continuing beyond the grant period appeared to be partnerships between FBCOs and One-Stop centers.

Grantees used a variety of explicit strategies to encourage partnerships between FBCOs and One-Stop centers, including (1) holding monthly or regular meetings with FBCOs and One-Stop staff, (2) designating One-Stop liaisons, (3) creating incentives to encourage partnerships, (4) co-locating staff in the local One-Stop centers, and (5) creating a referral process (Table V.3). Of all the strategies, co-location appears to have had the greatest influence on the strength of the relationships between FBCOs and One-Stop partners. In all the sites that co-located FBCOs in the One-Stop centers, FBCOs reported having good relationships with center staffs.

**Table V.3. Strategies for Building and Nurturing Collaborative Relationships**

Grantees	Holding Regular Meetings with FBCOs	Designating One-Stop Liaisons	Creating Incentives to Encourage Partnerships	Co-locating Staff	Creating a Referral Process
Anne Arundel County, Maryland	X	X			
Cambridge, Massachusetts	X	X	X		X
Cumberland County, New Jersey	X	X	X		
Denver, Colorado	X	X			
Hartford, Connecticut	X	X			X
Houma, Louisiana			X	X	
Lansing, Michigan				X	
Manchester, New Hampshire					
Ottawa County, Michigan	X	X			
Pinellas, Florida				X	
San Diego County, California	X		X		
Washington, DC					
<b>Total</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>2</b>

Source: Interviews with WIB grantees.

### **1. Holding Regular Meetings with FBCOs**

Regular meetings between the partners encouraged collaboration. Nine grantees arranged formal meetings between FBCOs and One-Stop center staff to let them learn about each other and explore strategies for working together. Three sites met during the procurement process or the initial phases of the grant. Other grantees met regularly at monthly or quarterly intervals, or held meetings on an as-needed basis. Meetings served as a means of sharing information about clients, addressing service delivery issues, and building relationships. For example, in Ottawa, the workforce investment board, an intermediary, local employers, and FBCOs met quarterly to review progress toward achieving client outcomes.

### **2. Designating One-Stop Liaisons**

Designating a One-Stop staff member to work directly with the FBCOs increased interaction and service coordination. This person served as a bridge between FBCOs and One-Stop centers, helping both FBCO staff and clients navigate the system. For example, in Hartford, a local One-Stop center hired a former employee of the Polish American Foundation—an FBCO in the partnership—to coordinate referrals, translate for limited-English speakers, and help job seekers navigate the One-Stop center. Half the grantees assigned One-Stop center staff to play this liaison role. Three One-Stop centers used grant funds to create full- or nearly full-time positions for this purpose. Others assigned existing staff to serve as liaisons as part of their broader responsibilities. Communication between One-Stop centers and FBCOs in sites with designated liaisons was frequent, as often as daily in some cases.

### **3. Creating Incentives to Encourage Partnerships**

Assigning formal roles and responsibilities to One-Stop centers in the partnerships, especially during the early planning, increased their perception of the value of the collaboration and boosted their day-to-day involvement. One-Stop centers contributed a range of services and resources to the effort. For example, they provided training and technical assistance to FBCOs, services to job seekers, and in-kind resources (such as computers, furniture, curricula, and other training materials). In some sites, One-Stop centers referred hard-to-serve job seekers to FBCOs.

Awarding part of the grant funds to One-Stop centers strengthened their involvement and engagement; it also established accountability for carrying out their role in the partnership effectively. One-third of the workforce investment boards used this strategy, allocating between 10 and 35 percent of the grant funds to the One-Stop centers. One-Stop centers used the money to hire staff to work directly with FBCOs, provide job seekers with classes in computer skills and English as a second language, and manage data entry on participant outcomes.

#### **4. Co-locating Staff**

In a quarter of the sites, some or all of the participating FBCOs co-located staff within the local One-Stop centers. This served to increase communication, enhance trust, and boost the volume of referrals between partners. For example, a large proportion of the job seekers served by a co-located FBCO in one site were referred by One-Stop case managers. In another site, an FBCO in the same building as the One-Stop center provided basic employment services at night and on weekends, when the One-Stop center was closed. In some cases, One-Stop centers also referred job seekers who had intensive needs or were not progressing toward employment to the FBCOs.

Co-location also helped integrate FBCOs into the One-Stop system. For example, in Lansing, three FBCOs became full-fledged One-Stop partners, participating in orientation sessions for partners, receiving orientation materials, attending monthly meetings with other providers, and exchanging information regularly with the One-Stop center. In addition, FBCOs had access to One-Stop center resources, such as meeting rooms, computers, printers, and audiovisual equipment. When the grant ended, the One-Stop center allowed these FBCOs to stay on site, charging them a dollar a month for rent. In two sites (Hartford and Cambridge), One-Stop centers sent their staff to FBCOs to provide job workshops, classes in English as a second language, and computer training.

#### **5. Creating a Referral Process**

Establishing a formal process for FBCOs to refer job seekers to One-Stop centers helped One-Stop staff determine which ones needed help accessing services. Two sites created a formal referral process. For example, in Hartford, job seekers referred to the One-Stop center brought with them a completed referral sheet indicating which FBCO sent them and the date of the referral. One-Stop center staff were informed that job seekers with these referral sheets might need additional assistance. In Cambridge, referred job seekers were given the name and contact number of the One-Stop center liaison, who was provided with a list of clients referred. Referral systems, by making it easier to track the number of referrals, also helped grantees monitor collaboration. The One-Stop centers in Cambridge received grant funds to pay a staff person to coordinate the referral process. While the Cambridge One-Stop centers described the additional funding as critical for their successful involvement in the collaboration grant, the One-Stop centers in Hartford facilitated the referral process without grant funding.

#### **D. MONITORING FBCOs**

As a condition of receiving grants, DOL required that WIBs submit quarterly reports on the implementation of activities and services planned under the grant, as well as their progress toward achieving the goals. To meet these requirements, the WIBs, either directly or in conjunction with intermediary or One-Stop partners, established formal systems for monitoring FBCOs and systematically tracking enrollment, service provision, and participant outcomes. In this section, we describe the purpose of the monitoring, the types and amount of monitoring that took place, the people who had responsibility for monitoring FBCOs'

performance, the reporting requirements for FBCOs, and the ways WIB grantees monitored compliance with restrictions on religious activities.

### **1. Purpose of Monitoring**

Monitoring and tracking activities served four purposes. First, WIBs used information gathered by FBCOs to complete federal reporting requirements.<sup>2</sup> Each quarter, grantees submitted a progress report to DOL documenting the services provided, client characteristics and outcomes, and implementation challenges and successes. Second, the WIBs used monitoring activities to hold FBCOs accountable for providing services and motivate them to improve their performance if necessary. Through audits, site visits, reviews of program data, and other monitoring activities, grantees identified FBCOs' strengths and weaknesses, as well as some cases where FBCOs used subaward funds for non-grant-related purchases. In a couple of sites, the WIBs used monitoring information to put low-performing FBCOs on notice that they had to improve to avoid risking the loss of the remaining subaward funds. Third, monitoring reports and on-site visits revealed areas in which FBCOs needed further guidance and support. Grantees used this information to provide individualized technical assistance and group training to build the capacities of FBCOs in the areas where they needed it most. Finally, WIB grantees used monitoring activities to document the success of grant activities over time. Monitoring gave grantees a baseline, or starting point, to measure the amount and types of progress FBCOs made during the grant period. It also allowed grantees to measure their progress toward meeting goals.

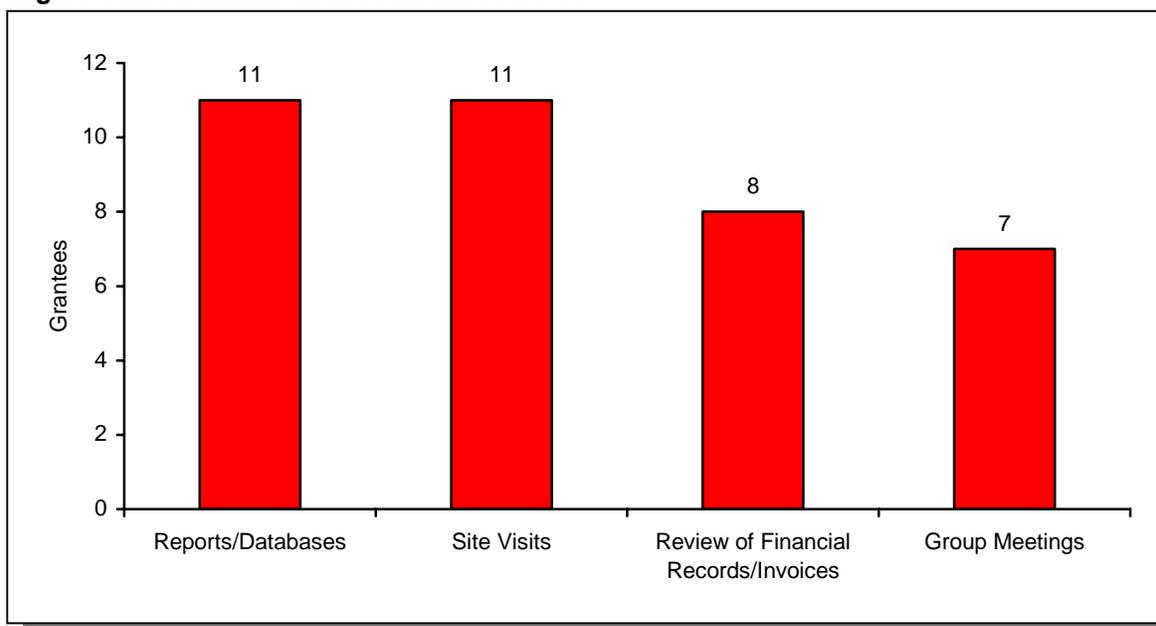
### **2. Monitoring Activities**

Early on, grantees put into place mechanisms for monitoring FBCOs. The intensity of these monitoring activities ranges from fairly limited to quite extensive. At a minimum, grantees required that FBCOs submit monthly or quarterly reports or maintain records that could be reviewed periodically. Nearly all grantees also conducted on-site monitoring visits, although the frequency of the visits varied considerably across grants—from monthly to only once during the grant period. Other monitoring efforts included reviewing financial records and invoices and checking in with FBCOs during regular group meetings.

**Reports/Databases.** WIB grantees required that FBCOs keep detailed records about the characteristics of program participants, the services they provided, and participants' employment outcomes. WIBs used these data to quantify FBCOs' progress toward achieving outcome goals and to complete quarterly reports to DOL. To monitor FBCOs, WIBs reviewed FBCO reports that were submitted either monthly or quarterly (Figure V.2). In some sites, WIBs also reviewed client data that FBCOs entered directly into the One-Stop center's management information system.

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<sup>2</sup> One site, Cambridge, relied on One-Stop center staff rather than FBCOs to gather this information.

**Figure V.2. Activities Used to Monitor FBCOs**

Source: Interviews with WIB grantees.

**Site Visits.** Nearly all the grantees conducted announced or unannounced site visits to FBCOs to observe service delivery directly. These visits helped grantees to determine whether FBCOs were implementing services as described in their grant applications and to assess their strengths and weaknesses.

On-site monitoring activities included staff discussions, case reviews, and informal interviews with clients and staff. While on site, half the grantees conducted case reviews of client files. For example, in Anne Arundel, the program manager reviewed at least 25 case files each quarter to determine whether FBCO staff had documented services correctly and whether clients were making progress toward employment. Ottawa County also conducted quarterly case reviews in which the monitor used a 23-item checklist to examine a random sample of cases.<sup>3</sup> In Cumberland County, after each monitoring visit, One-Stop center staff compiled a one-page report summarizing areas of compliance and noncompliance based on a list of requirements defined by the grantee and made recommendations for improvement. The WIB's grant manager in Houma interviewed FBCO staff and program participants during site visits to ask about their satisfaction with the program.

**Reviews of Financial Records and Invoices.** Grantees reviewed FBCOs' financial records and invoices and conducted on-site audits to hold FBCOs accountable for how they

<sup>3</sup> The 23-item checklist included progress toward key outcomes, referrals, frequency of follow-up with clients after employment, existence of a written grievance policy/procedure, and outcome measures, among others.

spent grant funds. Two-thirds of the sites said that they regularly reviewed FBCOs' financial information as part of formal monitoring activities. Some sites required that FBCOs submit periodic financial reports and invoices to the WIB. In other sites, specialized staff with formal training and experience with financial accounting conducted on-site financial audits. For example, in San Diego, where FBCO subawards exceeded \$100,000, a WIB financial manager conducted a detailed, on-site financial audit of each FBCO. In Lansing, an independent accounting firm, the auditor for all One-Stop partners, audited FBCOs.

Financial monitoring of FBCOs ensured that grant funds were being used properly. Most FBCOs were not used to the level of accounting required for federal grants. As a result, they sometimes used grant funds for items not specified in their subaward applications. For example, in one site, the WIB director intervened when an FBCO wanted to spend a portion of the subaward on a new roof for the church. Other common mistakes made by FBCOs were failure to record all expenditures or keep all purchase receipts to substantiate reimbursement requests submitted to grantees.

**Group Meetings.** Seven sites held ongoing group meetings to check in with FBCOs. Meetings were usually held monthly, but some sites met quarterly. Meetings gave FBCOs an opportunity to talk about their grant projects. Grantees said that they used these meetings to gauge FBCOs' progress with implementing a staffing structure and service delivery system. Grantees would sometimes identify potential problem areas that they would explore further during on-site visits.

### **3. Responsibility for Monitoring FBCOs**

The grant partners—whether WIBs, intermediaries, or One-Stop centers—who worked most closely with FBCOs were typically responsible for monitoring their activities (Table V.4). In most sites, the WIB, being ultimately accountable to DOL, had primary responsibility for such monitoring. However, monitoring was sometimes a joint effort. One-third of the sites relied on staff from the intermediary or One-Stop center, in addition to the WIB, to monitor FBCOs. For example, in Hartford, the WIB monitored FBCOs' financial records and produced quarterly reports for DOL, while the intermediary conducted monthly meetings and on-site visits. In three sites, the intermediary carried out all monitoring activities. One site, Cumberland County, delegated sole responsibility for monitoring FBCOs to the local One-Stop center. The advantage of relying on intermediaries and One-Stop centers for monitoring was that they typically worked closely with FBCOs and understood their programs.

### **4. Reporting Requirements**

WIB grantees used one of three main approaches to develop reporting requirements for FBCOs: (1) FBCOs submitted monthly reports that included all variables for DOL quarterly reporting; (2) FBCOs submitted weekly reports or client progress notes to intermediaries that handled monitoring and reporting; or (3) FBCOs entered data directly into state management information systems. Seven WIB grantees required that FBCOs

**Table V.4. Agencies Responsible for Monitoring FBCOs**

Grantees	WIB	Intermediaries	One-Stop Center Directors or Staff
Anne Arundel County, Maryland	X		
Cambridge, Massachusetts	X		X
Cumberland County, New Jersey			X
Denver, Colorado		X	
Hartford, Connecticut	X	X	
Houma, Louisiana	X		
Lansing, Michigan	X		
Manchester, New Hampshire	X	X	
Ottawa County, Michigan		X	
Pinellas County, Florida		X	
San Diego, California	X		
Washington, DC	X		X
<b>Total</b>	<b>8</b>	<b>5</b>	<b>3</b>

Source: Interviews with WIB grantees.

submit, to the WIB or intermediary, monthly paper or electronic forms or reports that summarized client and program data. Two sites, Manchester and Pinellas, took another approach: the WIB required that FBCOs submit weekly reports or client progress notes to the intermediary, who then entered the data into a tracking system to be used by the WIB for reporting purposes. Finally, in two sites (Lansing and San Diego) FBCOs entered data directly into state management information systems instead of compiling a monthly report.

In Cambridge, One-Stop center staff prepared reports on services provided through the partnership and client outcomes. Few FBCO staff had any experience preparing accountability reports for a funder or were accustomed to keeping detailed records, and this arrangement freed them to focus on providing services. Giving the One-Stop center lead responsibility for reporting relieved FBCOs of this burden and probably improved the quality of the reports, since the centers had well-tested documentation and reporting systems in place.

FBCOs within sites typically expressed varying opinions about the reporting requirements. Some found them to be manageable; others said that they were time-consuming, difficult to understand, and “paper heavy.” In most cases, previous experience managing grants put FBCOs further ahead with monitoring and tracking than those without experience. In sites where the subaward amount was low, FBCOs questioned whether subawards were worth the extensive reporting requirements. Changes in reporting requirements made during the grant period also created challenges for some FBCOs. For

example, one site added an employment and activities log to the grant requirements several months into the grant period. In this site, the WIB required that FBCOs make the procedural changes retroactive and re-enter information on previous clients served, a process that was burdensome for staff.

## **5. Monitoring Compliance with Restrictions on Religious Activities**

All the WIB grantees reported informing FBOs of restrictions on use of subaward funds for religious activities. One grantee that did not discuss the restrictions with FBOs included guidelines in the subaward contracts. Half the grantees indicated that they monitored compliance with such restrictions. In practice, however, monitoring was limited in each of these sites. None of the grantees reported detecting or addressing violations of the limits, although as described in Chapter IV, FBCO staff reported some activities that might be interpreted as violations.

## **E. BUILDING FBCO CAPACITY**

FBCOs were typically small, grassroots organizations that in some cases had little or no experience providing employment, or even social services, directly. As described in Chapter II, DOL's funding criteria limited the pool of FBCOs to very small organizations. In many cases, FBCOs needed extensive support and resources to build their organizational capacity. Some needed a great deal of assistance to build a basic staffing infrastructure for providing services and managing grant funds. This section describes the capacities of FBCOs prior to receipt of subawards and the challenges they faced in carrying out grant activities. It also describes the efforts of FBCOs to build their capacity to manage, provide, and sustain subaward activities.

### **1. Capacities of FBCOs Prior to Subawards**

Most FBCOs had little or no experience managing government grants before receiving the subawards. These grassroots FBCOs often relied on a combination of funding sources such as private donations, proceeds from fundraising events, and in some cases grants. FBCOs that had been awarded grants in the past understood the need for financial accountability, as well as the monitoring and reporting requirements that were a condition of their subaward. Those that relied exclusively on other funds or that had no funding prior to the subawards typically did not have adequate systems in place to meet financial, monitoring, or reporting requirements. Of all the FBCOs receiving subawards, less than half had experience in grant management. (Because information about FBCOs is not complete, this does not include Denver or Ottawa County.) In 3 of the 10 sites for which adequate data were available, most of the FBCOs had experience managing a grant (Table V.5). FBCOs without such experience had to develop, early in the grant period, systems for meeting financial and program reporting requirements.

FBCOs in two sites had gained federal grant management experience under previous DOL intermediary grants. Four FBCOs in Ottawa and the same number in Hartford had

**Table V.5. Grant Management, Funding, and Staffing Capacities of FBCOs Prior to Subawards**

Grantee	Percentage of FBCOs with Grant Management Experience	Percentage of FBCOs with Pre-grant Social Services Budgets More than Average Subaward	Percentage of FBCOs with Full-Time Staff Prior to Subaward
Anne Arundel County, Maryland	33	33	67
Cambridge, Massachusetts	50	75	100
Cumberland County, New Jersey	33	55	55
Denver, Colorado	n/a <sup>a</sup>	n/a	n/a
Hartford, Connecticut	57		71
Houma, Louisiana	40	40	40
Lansing, Michigan	50	50	75
Manchester, New Hampshire	50	50 <sup>b</sup>	50
Ottawa County, Michigan	n/a <sup>a</sup>	38 <sup>c</sup>	60
Pinellas County, Florida	0	0	0
San Diego, California	100	100	100
Washington, DC	100	67	67

Source: Interviews with WIB grantees and FBCOs.

<sup>a</sup>Not enough information on all FBCOs.

<sup>b</sup>One additional site had an agency budget of larger than the average amount of the subaward.

<sup>c</sup>Four additional sites had an agency budget of larger than the average amount of the subaward.

received funds under both intermediary and WIB grants, and their experience prepared them to meet the federal reporting requirements. No FBCOs funded under the WIB grants operated under 2002 DOL State grants.

In most sites, funding from subawards more than doubled FBCOs' social services operating budgets, which for roughly half the FBCOs had been less than \$50,000; some had no budget. As a result, many FBCOs did not already have the staffing infrastructure or service delivery systems in place to provide services under the grant.

FBCOs that implemented the comprehensive services model described in Chapter III—Anne Arundel County, Lansing, Pinellas County, and San Diego—needed extensive capacity-building support to manage their grants and provide services. FBCOs in these sites had the most challenging subaward tasks. One WIB (San Diego) made subawards to FBCOs with experience managing grants, but in the other sites, the subaward was the first grant most of the FBCOs had ever received, and they had limited or no experience

providing employment and training services. Only 3 in 10 FBCOs in these sites had a previous social services budget greater than the subaward amount. The pre-subaward budget of 4 in 10 had been under \$2,000.

## **2. FBCOs' Primary Capacity-Building Needs**

Grantees reported that many FBCOs needed extensive capacity-building support in three areas: (1) grant management, (2) hiring and personnel management, and (3) delivery of employment services. Nine grantees indicated that FBCOs had problems with managing their subawards: they submitted inaccurate or incomplete progress reports, made mistakes in financial reports and reimbursement requests, and had difficulty submitting reports on time. As discussed previously, the inexperience and lack of formal internal monitoring systems of many FBCOs left them unprepared to meet federal reporting requirements. In addition, many had never been required to document how they spent funds or report on outcomes. According to grantees, some FBCO needed extensive "hand holding" to meet subaward reporting requirements.

Three grantees did not report problems with FBCOs' ability to manage grants. One of these sites, Cambridge, relied on One-Stop center staff for monitoring and outcome reporting. In the other two (San Diego and Washington, DC), all FBCOs had experience with grant management.

Grantees also reported that FBCOs sometime made poor staffing decisions that resulted either in inadequate staffing for the grant projects or in high staff turnover. Most FBCOs (61 percent) had at least one full-time worker on staff prior to the grant (Table V.5). Nevertheless, FBCOs typically needed additional staff to carry out subaward activities. According to grantees, common mistakes FBCOs made were failing to hire enough staff or hiring staff without the right qualifications. In several sites, delays in hiring full-time staff dedicated to the subaward delayed service delivery well into the grant period. In some cases, FBCOs thought they could carry out grant activities with existing staff rather than hire more workers. In one site (Anne Arundel), poor staffing decisions, in most cases hiring staff with the wrong set of skills for the job, resulted in a complete turnover of program managers at all participating FBCOs. As described in Chapter IV, at least one FBCO in 8 of the 12 grant sites experienced staff turnover during the grant period. Turnover limited the value of grantees' investments in training and technical assistance for FBCO staff and required new investments when replacements were hired.

Finally, the inexperience of some FBCOs in delivering employment services limited their ability to provide effective employment services. As noted earlier, WIB grantees required that some FBCOs implement specialized job readiness curricula or provide comprehensive services despite their having little or no understanding of the workforce investment system. These inexperienced FBCOs had to implement new procedures to monitor and report on grant activities and expenditures, and at the same time learn how to provide new services.

### 3. Capacity-Building Activities

In keeping with the explicit goals of the WIB grants, grantees designed capacity-building activities to strengthen FBCOs in four key ways. First, they developed activities to help FBCOs meet the financial and client outcome reporting requirements of their subawards. Second, they helped FBCOs create the service delivery systems needed to compete successfully for future workforce investment contracts. Third, they conducted activities designed to cultivate relationships between FBCOs and workforce investment partners. Finally, grantees set out to help FBCOs sustain grant activities after the end of the grant period. During site visit interviews, most grantees reported that while they had planned to provide capacity-building support to FBCOs, they did not anticipate the extent of the need for this support or the level of intensity at which they would have to provide it.

Help with grant management proved to be the most pressing need for most FBCOs. Grantees had hoped to get beyond such issues much more quickly, but due to staff turnover at many FBCOs and a lack of grant management experience, most were unable to dedicate as much time as planned to other topics, such as helping FBCOs with service delivery. For example, one WIB spent three full days training a new program manager hired several months into the grant period. At another site, WIB staff, to deal with turnover, individually retrained replacement program managers of all FBCO subawardees. Moreover, FBCOs that lacked experience with grant management often had capacity-building needs that continued well into the grant period. In most sites, grantees said that providers of capacity-building activities spent most of the time with FBCOs struggling with grant management. While grantees touched on other areas (such as service provision, sustainability, and cultivating partnerships), their attention to grant management interfered with their ability to address other areas in any depth.

In the rest of this section we describe the types of capacity-building activities grantees provided to FBCOs on grant management, service delivery, cultivating partnerships, and sustaining subaward activities.

#### a. Grant Management

WIB grantees set out to help FBCOs become proficient in grant management by helping them design systems for monitoring and tracking participant outcomes, maintaining financial records, and fulfilling reporting requirements. As mentioned, the vast majority of capacity-building activities focused on grant management. Specifically, grantees provided the following types of support:

- ***Initial Orientation and Training.*** After announcing subawards, WIBs held orientation meetings for FBCOs, typically in a group setting, that covered expectations and reporting requirements (Table V.6). Training covered topics specific to the grant, such as budget management, reimbursement requests, and monitoring and tracking of service receipt and outcome data. The group setting allowed all FBCOs to receive the same information at once.

**Table V.6. Activities to Build FBCOs' Capacities to Manage Subawards**

Grantee	Orientation/Training on Grant Management	Technical Assistance on Grant Management	Clarification During Monthly Meetings	Structural Supports for Grant Management	Written Materials for Grant Management
Anne Arundel County, Maryland	X	X	X		X
Cambridge, Massachusetts	X	X			
Cumberland County, New Jersey	X	X	X		
Denver, Colorado	X	X	X		X
Hartford, Connecticut	X	X	X		
Houma, Louisiana	X	X		X	
Lansing, Michigan	X	X			
Manchester, New Hampshire	X	X		X	
Ottawa County, Michigan	X	X	X		
Pinellas County, Florida	X	X		X	
San Diego, California	X	X	X		
Washington, DC	X	X			
<b>Total</b>	<b>12</b>	<b>12</b>	<b>6</b>	<b>3</b>	<b>2</b>

Source: Interviews with WIB grantees.

- **Technical Assistance on Grant Management.** After the initial training was completed, WIBs and intermediaries provided individual technical assistance customized to the specific needs of the FBCO. In each site, grantees and/or intermediaries responded to FBCOs' questions by email, over the telephone, or during on-site visits. Grantees in all sites reported that at least one FBCO had extensive technical assistance needs related to grant management.

- ***Clarification on Grant Management Issues During Monthly Meetings with FBCOs.*** Half the sites held monthly meetings in which WIBs and intermediaries responded to questions about grant management and clarified policies and procedures. They also addressed problem areas, such as inadequate documentation for financial reimbursement requests, inaccuracies in monitoring and tracking client service data, or late reports—problems typically identified during monitoring activities.
- ***Structural Supports to Help Monitor and Track Financial Reporting and Grant Outcomes.*** Three grantees (Houma, Manchester, and Pinellas County) provided grantees with structural support, mostly computer software, for grant management activities. For example, the WIB in Pinellas County purchased an accounting program for FBCOs to use to document and report subaward expenditures. They also supplied FBCOs with a template for tracking customer outcomes using progress notes.
- ***Written Materials Describing Grant Management.*** Two sites (Anne Arundel County and Denver) compiled written materials for FBCOs on managing their grants. Anne Arundel County created a program manual that included grant forms and documents with definitions and explanations for grant reporting and management.

## **b. Service Delivery**

Grantees invested in helping FBCOs develop the skills to become viable providers of employment and training services. Many FBCOs had strong connections to the target population but no experience providing employment and training services. Areas of capacity building for FBCOs included outreach and recruiting, case management, job readiness curriculum training, and job placement assistance. Specific activities included:

- ***Technical Assistance to Strengthen Service Delivery.*** WIBs, intermediaries, and One-Stop centers all provided technical assistance to FBCOs to improve their ability to recruit clients and provide One-Stop center services (Table V.7). In most sites, technical assistance was available on an as-needed basis. For example, in Pinellas, the intermediary spent an entire week with staff at one FBCO to teach them how to provide case management services. In Cambridge, the WIB paired each FBCO with a local One-Stop center. Every four to six weeks, the WIB and the intermediary would meet for several hours with the FBCO partner to discuss service delivery.
- ***Structural Supports for Service Delivery.*** To provide workforce investment services, most FBCOs needed structural resources such as computers, facsimile machines, Internet access, furniture, and office space. Grantees provided at least some of these resources in all but two sites. In many sites, FBCOs continued to use these items for service delivery after the grant period ended.

**Table V.7. Capacity-Building Activities to Strengthen Service Delivery**

Grantee	Technical Assistance for Service Provision	Structural Supports for Providing Services	Training on Nonprofit Management	Curriculum/Job Readiness Training and Written Materials
Anne Arundel County, Maryland	X	X	X	
Cambridge, Massachusetts	X	X	X	
Cumberland County, New Jersey	X	X	X	
Denver, Colorado		X	X	
Hartford, Connecticut	X	X	X	
Houma, Louisiana	X	X		X
Lansing, Michigan	X	X		
Manchester, New Hampshire	X	X		
Ottawa County, Michigan	X		X	X
Pinellas County, Florida	X	X	X	
San Diego, California	X			
Washington, DC		X		
<b>Total</b>	<b>10</b>	<b>10</b>	<b>7</b>	<b>2</b>

Source: Interviews with WIB grantees.

For example, in Pinellas, each FBCO received, at the end of the grant period, eight computers they were allowed to keep. The Cumberland County WIB allowed FBCOs to keep their computers for at least a year after the end of the grant period if they kept the One-Stop access labs open.

- ***Training on Nonprofit Management.*** Seven sites provided training on nonprofit management during monthly meetings or periodically during the grant period. Activities were designed to strengthen the internal operations of FBCOs to make them competitive for future grants. Capacity-building topics on nonprofit management included program staffing, monitoring and tracking, budgeting, reporting, contract management, and leveraging of resources.

Information was typically presented during group training or as part of a workshop series. For example, in Lansing, FBCOs were trained on tax issues for nonprofit agencies. In Ottawa County, Good Samaritan Ministries, the intermediary, and Western Michigan University conducted six “best practice” seminars on nonprofit management.

- ***Job Readiness or Specialized Curriculum Training and Written Materials.*** Two sites provided job readiness curricula or written materials about service provision. In Houma, FBCOs were trained on the job-readiness/life skills curriculum they would be providing to participants. The intermediary in Ottawa County provided FBCOs with in-depth training on the curriculum developed for the grant and used by FBCOs in their Career Academies. Parts of the curriculum were based on Ruby Payne’s *Hidden Rules of Class at War* (Payne and Karbill 2002).

### c. **Build Collaborative Partnerships**

Grantees wanted FBCOs to understand and collaborate with the local workforce investment system. Most capacity-building activities in this area focused on informing FBCOs about the workforce investment system and introducing them to One-Stop center directors and staff. Some sites took additional steps to cultivate strong collaborative partnerships by co-locating staff or establishing systems that encouraged people to work closely together.

- ***Informing FBCOs About the Workforce Investment System.*** All the sites offered orientation and training for FBCOs on the local workforce investment system (Table V.8). Understanding this system was key to helping FBCOs become active partners in referring and serving hard-to-reach job seekers. Training focused on the location of full-service and satellite One-Stop centers, the types of WIA services available and how they were provided, and the referral process. In addition, FBCOs often received written materials and brochures describing One-Stop center services.
- ***Organized Tours of One-Stop Centers.*** Half the sites organized tours of One-Stop centers so that FBCOs could see firsthand the services available to job seekers. In Anne Arundel County, WIB and One-Stop center staff gave FBCOs extensive training that included a tour of the One-Stop center as well as written information and recruiting materials.
- ***Providing Access to One-Stop Center Resources.*** In nearly half the sites, One-Stop centers allowed FBCOs to use their physical resources, such as office space, computer equipment, mobile One-Stop centers, and workshop instructors. Providing space within the One-Stop center allowed FBCOs to tap into One-Stop services. For example, in Lansing, where three of the four FBCOs were co-located at the One-Stop center, FBCOs had access to the

**Table V.8. Capacity-Building Activities to Cultivate Partnerships with Workforce Investment Partners**

Grantee	Informing FBCOs About the Workforce Investment System	Organized Tours of One-Stop Centers	Direct Use of One-Stop Center Resources	Opportunities to Shadow or Work Closely with One-Stop Center Staff
Anne Arundel County, Maryland	X	X	X	
Cambridge, Massachusetts	X	X	X	X
Cumberland County, New Jersey	X	X		X
Denver, Colorado	X			
Hartford, Connecticut	X	X		
Houma, Louisiana	X		X	
Lansing, Michigan	X	X	X	X
Manchester, New Hampshire	X			
Ottawa County, Michigan	X			
Pinellas County, Florida	X	X		
San Diego, California	X			X
Washington, DC	X		X	
<b>Total</b>	<b>12</b>	<b>6</b>	<b>5</b>	<b>4</b>

Source: Interviews with WIB grantees.

One-Stop center computer lab. To improve access to One-Stop center resources, Washington, DC, permitted FBCOs that organized a job fair to use the District's mobile One-Stop center and staff to register clients.

- ***Opportunities to Shadow or Work Closely with One-Stop Center Staff***  
San Diego offered FBCOs the opportunity to shadow One-Stop center staff to learn how to determine eligibility and enroll clients in the workforce investment system. In Cumberland County, One-Stop center staff dedicated to the grant visited center labs frequently and were available by phone to answer questions and provide technical assistance.

#### d. Sustainability

To continue providing services, most FBCOs needed to identify and apply for additional grant funding. In nearly all the sites, grantees made some effort to help FBCOs sustain subaward activities. They informed FBCOs about grant opportunities, trained them to prepare grant applications, and sometimes even reviewed the applications. In nearly half the sites, these activities began during the procurement process.

- ***Formal Training on Grant Writing.*** During the grant period, half the sites provided training on grant writing (Table V.9). In Cumberland County, the WIB required that FBCOs complete an eight-week grant-writing course at Cumberland County Community College. The grantee also required that each FBCO apply for at least one grant to sustain subaward activities. Pinellas County held two grant-writing workshops, one during the procurement process and another several months into the grant period.
- ***Help with Grant Writing During Procurement.*** Efforts to help FBCOs develop grant-writing skills began during the procurement process in nearly half the grant sites. For example, intermediaries in Ottawa County and

**Table V.9. Capacity-Building Activities to Sustain Subaward Services**

Grantee	Formal Training on Grant Writing	Grant-Writing Assistance During Procurement	Reviewed Grant Applications to Sustain Subaward Activities
Anne Arundel County, Maryland	X		
Cambridge, Massachusetts	X	X	X
Cumberland County, New Jersey	X		
Denver, Colorado			X
Hartford, Connecticut	X		X
Houma, Louisiana			
Lansing, Michigan			
Manchester, New Hampshire		X	X
Ottawa County, Michigan	X	X	
Pinellas County, Florida	X	X	
San Diego, California		X	
Washington, DC			
<b>Total</b>	<b>6</b>	<b>5</b>	<b>4</b>

Source: Interviews with WIB grantees.

Cambridge reviewed drafts of subaward applications, in some cases providing extensive support to FBCOs. During procurement, San Diego held a three-hour orientation and training session in which WIB staff shared strategies for grant writing. Grant-writing support offered during the procurement process was available to all FBCO applicants in the sites that offered them.

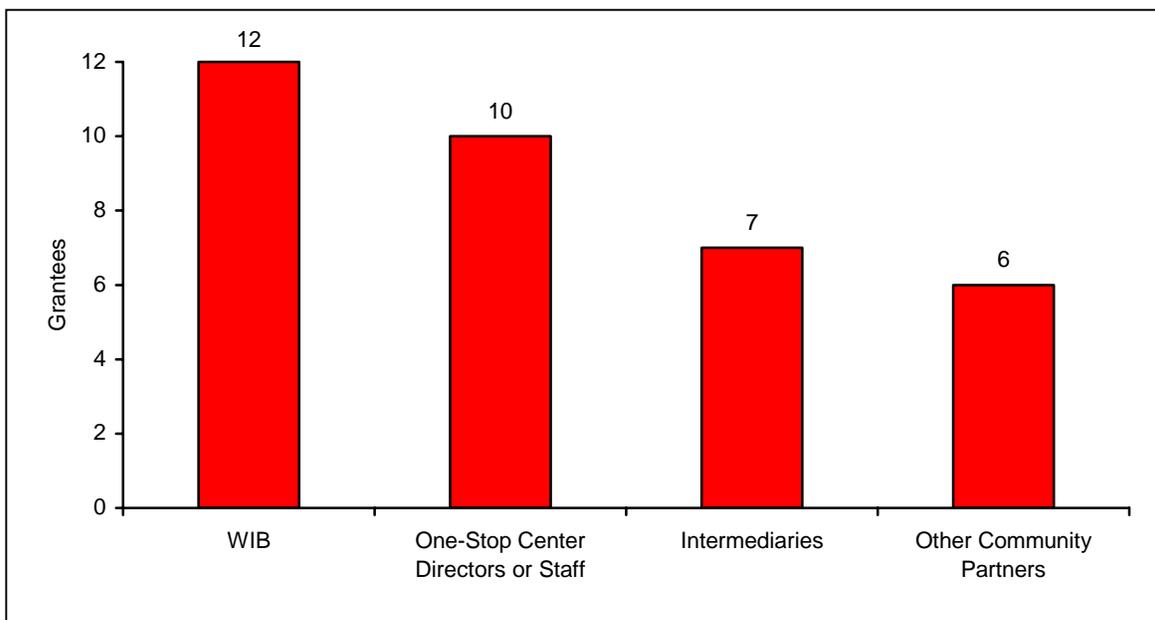
- ***Help Preparing Grant Applications.*** In four sites—Cambridge, Denver, Hartford, and Manchester—WIBs or intermediaries informed FBCOs about grant opportunities, assisted FBCOs in writing grant proposals, and reviewed grant applications.

#### 4. Providers of Capacity-Building Services

Grantees tapped into the experience and expertise of other providers, notably intermediaries and One-Stop centers, by partnering with them to provide capacity-building support to FBCOs. In most sites, multiple partners carried out the activities. In five grant sites, the WIB, the intermediary, and the One-Stop centers all carried out capacity-building activities.

**WIB.** In most sites, WIBs helped with grant management and provided information on restrictions on religious activities (Figure V.3). However, in some sites, WIBs provided comprehensive support. For example, Anne Arundel County and Ottawa County hired full-time staff to work intensively with FBCOs to build their organizational capacity. In most

Figure V.3. Providers of Capacity-Building Activities



Source: Interviews with WIB grantees.

cases, WIBs did not provide technical assistance or training on direct service provision but relied on intermediaries and One-Stop centers for it.

**One-Stop Centers.** One-Stop center directors and staff exposed FBCOs to the structure of the workforce investment system and the service delivery process. They held formal training, organized tours of the One-Stop centers, and allowed FBCOs to attend orientations and shadow case managers. The One-Stop center in Cumberland County hired two full-time staff to work directly with FBCOs—one to provide technical support for the computer labs set up as part of the grant, the other to assist FBCOs with service delivery.

**Intermediaries.** More than half the sites used intermediaries to work individually with FBCOs; three of these had previously been DOL intermediary grantees. Intermediaries typically worked closely with FBCOs that requested their help. Intermediaries provided training; shared information about community resources, upcoming conferences, innovative service strategies, and workforce investment services; and helped FBCOs establish relationships with other community partners and employers. Intermediaries relied primarily on existing staff to work with FBCOs but in a few sites hired full-time staff exclusively for these activities.

**Other Community Partners.** In half the sites, other community partners provided capacity-building support. For example, the Leadership Institute at Cumberland County Community College trained FBCO subawardees in nonprofit management. In Hartford, staff from Connecticut Works (a local community-based program) discussed existing youth programs with FBCOs during their monthly grant meeting. In Anne Arundel County, the local housing authority and Department of Corrections provided office space and other support to FBCOs.

## 5. Perceived Usefulness of Capacity-Building Activities

Overall, FBCOs found capacity-building activities, especially the individualized technical assistance, to be informative and useful. One FBCO described the intermediary that provided such assistance as “knowledgeable, accessible, helpful, and resourceful.” Another FBCO talked about how the intermediary was aware of their capacity-building needs. In Cumberland County, FBCOs described the two full-time One-Stop center staff assigned to the grant as helpful, responsive, and willing to put in extra effort to help.

While FBCOs appreciated the support available, many expressed a need to learn more than just the most basic elements of grant management and service provision, which were the focus of most activities. Experienced FBCOs wanted more help with case management, identifying and addressing barriers to employment, selecting job readiness/life skills curricula, and job coaching.

Despite challenges, capacity-building providers that worked directly with FBCOs said that most gradually increased their organizational capacity over time. In Hartford, where more than half the FBCOs provided services funded by intermediaries and WIB grants, the intermediary project director said that FBCOs had “moved past being struggling nonprofits” as a result of experience gained from implementing subaward activities.

## V. SUMMARY OF KEY FINDINGS

### Identifying FBCOs

- Despite the use of a variety of strategies to encourage FBCOs to apply for subawards, competition was generally less than grantees had hoped for. Several factors may have discouraged FBCOs from applying, including a lack of resources and experience, the narrow definition of grassroots FBCO for the grant, and limited capacity to implement the grant.

### Recruiting and Contracting with FBCOs

- Two factors appear to positively influence the success of the procurement process: (1) recruiting FBCOs in urban rather than rural areas, and (2) involving organizations familiar with FBCOs. Personal contact from an organization or agency that had an existing relationship with FBCOs appeared to be a successful strategy for informing FBCOs of subaward opportunities.
- Providing timely reimbursements, and where possible, startup funds, helped FBCOs offset the financial strain of cost-reimbursement contracts. Nearly a fourth of grantees disbursed funds up front to help FBCOs meet initial costs of setting up and implementing grant activities.

### Building Collaborative Relationships

- Early involvement of the One-Stop centers in the grant process appeared to increase their commitment to the collaborations.
- Strategies that encouraged frequent interaction, such as co-location of staffs, helped build collaborative partnerships. Co-location also facilitated communication and the sharing of resources between FBCOs and One-Stop centers.
- Designating a One-Stop liaison to work directly with FBCOs increased interaction and service coordination, and helped FBCO staff and clients navigate the system. Establishing a formal process for referral of job seekers from FBCOs to One-Stop centers made it easier for One-Stop centers to serve and track referred clients.

### Monitoring FBCOs

- Monitoring activities were designed to meet federal reporting requirements, hold FBCOs accountable, identify FBCOs' capacity-building needs, and document grant successes. Efforts to monitor FBCOs included reports and databases, on-site visits, financial records and invoices, and monthly "check-in" meetings.
- FBCOs were generally unprepared to monitor and track financial expenditures and client outcomes. FBCOs with no grant management experience generally required more assistance to meet reporting requirements. Giving the One-Stop center responsibility for reporting relieved FBCOs of this burden and may have improved the quality of reports.
- While all of the grantees informed FBOs of restrictions on religious activities, monitoring of religious activity was limited in most sites. Given that some FBOs reported incorporating religious activities into grant services, FBOs may require more ongoing monitoring of religious activities and additional training on the restrictions on those activities.

#### Building FBCO Capacity

- In general, grantees did not anticipate FBCOs' extensive capacity-building needs. Many FBCO subawardees, because they were new and inexperienced in providing services, needed extensive assistance to build basic infrastructure, including identifying facilities and hiring staff.
- Capacity-building activities provided to FBCOs focused on grant management but also included help with providing services, developing partnerships, and sustaining grant activities.
- Even though FBCOs made considerable progress during the grant period, most needed additional capacity building to make them competitive contracted service providers.



## CHAPTER VI

### GRANT OUTCOMES

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**D**OL and the WIB grantees set several goals for the collaboration projects with FBCOs. As described in Chapter II, grantees established three primary goals for their grant projects:

1. Increase access to the workforce investment system among underserved populations
2. Provide new or enhanced services to job seekers
3. Build the organizational capacity of FBCOs and enable their ongoing participation in the workforce investment system

In this chapter, we assess the outcomes of the grant projects against these multiple aims. Specifically, we examine outcomes of the grant projects in six areas. First, we examine changes in access to workforce investment services. Second, we explore the extent to which new services became available to job seekers or existing services were enhanced. Third, we describe the employment outcomes of grant participants. Fourth, we examine grant expenditures per placement and explore the extent to which FBCOs leveraged community resources to supplement DOL grant resources to provide services to job seekers. Fifth, we examine changes in FBCOs' organizational capacity. Finally, we assess the potential for sustaining the collaboration projects beyond the end of the grant period.

We base our assessment of these outcomes on several data sources. We consider impressions shared by WIB and FBCO staff during site visit interviews regarding the results of the grants, as well as reports from FBCOs on the resources they used to provide services. We also consider total grant expenditures by grantee. In addition, we examine data that grantees collected on participant enrollment, demographic characteristics, services received, and employment outcomes, but these data, though useful, are limited for several reasons. First, in nearly all the sites, FBCOs reported data in aggregate to the WIB or intermediary, who in turn aggregated across FBCOs and submitted quarterly grantee-level data to DOL. Without individual-level data, we cannot examine service use or employment outcomes for subgroups of participants, such as racial/ethnic groups or job seekers with specific barriers to employment. In addition, aggregate reporting limits our ability to assess the quality of the data. We examined the data reported by each site and checked them for internal consistency

across indicators. As a result of these checks, we dropped some indicators for specific sites. A second limitation is that we have only partial data on some indicators, such as average wage at placement, because not all grantees reported on them. Finally, outcomes reported for grant participants are limited to the short time between enrollment and the end of the grant period—one year or less, depending on when clients enrolled. Some job seekers might have found employment after the grant period ended, but grantees were not able to track and report on those outcomes.

As noted in Chapter I, this study is descriptive and lacks a comparison group. Therefore, we cannot know whether similar outcomes would have been achieved in the absence of the grant projects. Nevertheless, a careful examination of these data can provide useful information about the types of outcomes that can be achieved by grassroots FBCOs in collaboration with the workforce investment system and point to strategies that merit further examination.

## **A. CHANGES IN ACCESS TO WORKFORCE INVESTMENT SERVICES**

We consider two questions in assessing the extent to which the collaboration projects improved access to the workforce investment system. First, did FBCOs serve job seekers who were not otherwise likely to receive assistance through the workforce system? Second, did FBCOs help link participants with existing providers of workforce investment services, such as One-Stop centers? The first question addresses whether grant projects helped expand the reach of workforce investment services. The second focuses on whether and how grant projects helped participants establish relationships with existing workforce agencies, which might continue after the end of the grant period.

### **1. Expanding the Reach of the Workforce Investment System**

As a first step to expanding access to services, FBCOs needed to reach out to and enroll job seekers. Across all 12 grantees, the FBCOs enrolled more than 7,000 participants (Table VI.1). Overall enrollment levels varied widely across grantees, however. For example, Manchester enrolled the fewest (92), while Hartford enrolled nearly 1,500. Grantee models account for some of the variation, with grantees implementing the recruit-and-referral model—which is the least intensive—enrolling the most participants on average. Grantees implementing the specialized job readiness training model—likely the most intensive—enrolled the fewest. Even within these groups, however, enrollment levels vary considerably.

WIB or One-Stop center staff in all sites reported that FBCOs recruited and provided services to job seekers from populations typically underserved by the workforce investment systems in their communities. Staff commonly cited increased access by ex-offenders, immigrants and others with limited English proficiency, and people who needed intensive assistance to deal with multiple barriers. But FBCOs did not always succeed in reaching all target populations. For example, FBCOs in Pinellas conducted fruitful outreach to ex-offenders and homeless people but were less effective in recruiting participants with limited English proficiency.

**Table VI.1. Total Enrollment and Percentage of Grant Participants with Specific Demographic Characteristics, by Grantee**

Grantee	Total Enrollment	Race/Ethnicity							
		Veterans	Youth	Female	Hispanic/Latino	American Indian/Alaska Native	Asian	Black/African American	White
<b>Recruit and Refer Model</b>									
Cambridge, MA	306	NA	NA	NA	NA	NA	NA	NA	NA
Cumberland, NJ	1,209	6	28	49	29	12	0	44	15
Denver, CO	143	NA	NA	NA	NA	NA	NA	NA	NA
Hartford, CT	1,468	1	8	57	26	0	3	32	39
<b>Specialized Job Readiness Training Model</b>									
Houma, LA	287	6	0	68	1	0	0	94	5
Manchester, NH	92	5	2	49	10	2	1	47	40
Ottawa, MI	659	3	NA	50	42	1	3	8	46
Washington, DC	564	NA	NA	NA	NA	NA	NA	NA	NA
<b>Comprehensive Services Model</b>									
Anne Arundel, MD	717	3	3	48	2	1	2	64	32
Lansing, MI	323	NA	NA	NA	NA	NA	NA	NA	NA
Pinellas, FL	1,321	0	2	41	1	1	0	49	49
San Diego, CA	95	1	0	72	20	0	4	69	7
<b>Total/Average</b>	<b>7,184</b>	<b>3</b>	<b>5</b>	<b>54</b>	<b>16</b>	<b>2</b>	<b>2</b>	<b>51</b>	<b>29</b>

Source: Grantee quarterly reports.

NA = not available.

Respondents in every site, however, noted that FBCOs did reach at least some of the targeted populations, expanding the reach of the workforce investment system to include these previously underserved groups. In some cases, FBCOs receiving subawards had existing links to underserved communities. The Cambridge WIB, for example, highlighted the improvements to access that seemed to result from FBCOs' connections with the local Ethiopian and Latino communities and the fact that FBCO staff spoke the languages and understood the cultures of their clients. In others, FBCOs expanded their outreach to include the target populations and neighborhoods defined by the grant project.

Grantee-reported data on participant characteristics support this view. In terms of demographic characteristics, the FBCOs recruited and served a diverse group of participants. Across all sites that reported data, more than two-thirds of participants were from racial/ethnic minorities, and more than half were women (Table VI.1). Moreover, grantee reports suggest that FBCOs recruited substantial numbers of participants with significant barriers to employment. For example, nearly a third of participants were ex-offenders, nearly a quarter had limited English proficiency, and more than a fifth were receiving public assistance at enrollment (Table VI.2).

The data suggest that grantees implementing the specialized job readiness training and comprehensive services models recruited larger proportions of these hard-to-serve job seekers than those implementing the recruit-and-refer model. This may have occurred in

**Table VI.2. Percentage of Grant Participants with Barriers to Employment, by Grantee**

Grantee	Ex-offender	Homeless	Receiving Public Assistance	Limited English Proficiency	Living with a Disability
<b>Recruit-and-Refer Model</b>					
Cambridge, MA	NA	NA	NA	NA	NA
Cumberland, NJ	6	6	18	17	3
Denver, CO	NA	NA	NA	NA	NA
Hartford, CT	3	3	24	51	4
<b>Specialized Job Readiness Training Model</b>					
Houma, LA	9	2	0	1	3
Manchester, NH	NA	NA	NA	NA	NA
Ottawa, MI	19	6	30	NA	NA
Washington, DC	34	12	18	30	33
<b>Comprehensive Services Model</b>					
Anne Arundel, MD	59	7	31	0	8
Lansing, MI	78	2	NA	5	32
Pinellas, FL	67	28	20	3	3
San Diego, CA	1	1	28	88	6
<b>Grantee Average</b>	<b>31</b>	<b>7</b>	<b>21</b>	<b>24</b>	<b>12</b>

Source: Grantee Quarterly Reports.

NA = not available.

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part because grantees targeting specific hard-to-serve populations designed their projects to provide specialized services tailored to address the specific barriers they faced.

## **2. Helping Participants Establish Links with Existing Workforce Investment Agencies**

While WIB staff agreed that FBCOs helped improve the outreach efforts of the workforce investment system, FBCOs did not appear to be uniformly successful in connecting target populations with other providers of workforce services, including One-Stop centers. In most sites that implemented the recruit-and-refer or specialized job readiness training models, connections between the FBCOs and One-Stop centers were relatively robust, as reflected in the frequency of referrals and communication between FBCO and One-Stop center staff (Table VI.3). In sites implementing the job readiness training model, FBCOs referred 45 percent of participants to the One-Stop centers, while FBCOs in sites implementing the recruit and refer model referred 36 percent of participants. Such factors as the co-location of FBCOs at the centers or the presence of a designated liaison on the One-Stop center staff seemed to help bring about this result. However, staff in several sites, especially those implementing the comprehensive services model, reported that FBCOs and One-Stop centers did not work closely together, and that FBCO clients tended not to access services at the One-Stop centers. In sites implementing the comprehensive services model, only 16 percent of participants were referred to One-Stop centers. Grantees in these sites designed their collaboration projects so that FBCOs provided most services to participants directly, rather than make referrals to One-Stop centers. We describe employment outcomes for each grantee approach in Section C of this chapter.

### **B. CHANGES IN TYPES OF SERVICES OFFERED THROUGH THE WORKFORCE INVESTMENT SYSTEM**

Collaboration with FBCOs had the potential to help produce changes in the mix of services offered through the workforce investment system. One potential change was to enhance the quality of services by, for example, making them more personalized or intensive. Another possibility was to expand the range of assistance available through the workforce system by having FBCOs deliver new types of services.

Staff at most WIB grantees reported that FBCOs intensified the workforce investment services available. In providing an overall assessment of FBCO services, WIB staff tended to highlight the ability of FBCOs to provide individualized services to job seekers, in contrast to the self-service environment of One-Stop centers. For example, across all sites reporting data on service use, nearly three-fourths of participants received job search assistance directly from an FBCO (Table VI.4). As described during site visit interviews, FBCOs often tailored their job search services to the needs of participants, such as by directing ex-offenders to employers willing to hire people with criminal records. WIB staff also noted that staff at some FBCOs were willing to spend extra time with clients. For example, the Lansing WIB director commented that one staff member at an FBCO made

**Table VI.3. Percentage of Grant Participants Referred to and from One-Stop Centers, by Grantee**

Grantee	Participants Referred to One-Stop Centers		Participants Referred from One-Stop Centers		Total Participants in Contact with One-Stop Centers	
	Number	Percent	Number	Percent	Number	Percent
<b>Recruit-and-Refer Model</b>						
Cambridge, MA	280	92%	1	0%	281	92%
Cumberland, NJ	196	17%	141	12%	337	29%
Denver, CO	36	25%	76	51%	112	76%
Hartford, CT	598	41%	72	5%	670	46%
<b>Specialized Job Readiness Training Model</b>						
Houma, LA	NA	NA	NA	NA	NA	NA
Manchester, NH	NA	NA	NA	NA	NA	NA
Ottawa, MI	258	39%	152	23%	410	62%
Washington, DC	297	53%	10	2%	307	55%
<b>Comprehensive Services Model</b>						
Anne Arundel, MD	8	1%	16	2%	24	3%
Lansing, MI	255	79%	0	0%	255	79%
Pinellas, FL	97	7%	18	1%	115	8%
San Diego, CA	35	37%	8	8%	43	45%
<b>All Grantees</b>	<b>2,060</b>	<b>39%</b>	<b>494</b>	<b>10%</b>	<b>2,554</b>	<b>49%</b>

Source: Grantee quarterly reports.

NA = not available.

Table VI.4. Percentage of Participants Who Received Specific Services, by Grantee

Grantee	Skills Assessment	GED Preparation	ESL Classes	Basic Education	Computer Training	Job Readiness/ Soft Skills	Job Search	Mentoring	Supportive Services	
<b>Recruit-and-Refer Model</b>										
Cambridge, MA	19	0	0	0	11	14	86	21	27	
Cumberland, NJ	37	4	5	12	64	29	NA	17	42	
Denver, CO	0	0	15	1	0	44	90	27	100	
Hartford, CT	36	6	40	7	24	43	52	5	42	
<b>Specialized Job Readiness Training Model</b>										
Houma, LA	0	0	0	0	0	94	94	78	0	
Manchester, NH	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Ottawa, MI	34	22	18	6	22	34	41	24	41	
Washington, DC	60	1	0	10	10	69	73	16	53	
<b>Comprehensive Services Model</b>										
Anne Arundel, MD	17	1	0	0	25	16	28	24	25	
Lansing, MI	89	17	1	27	20	76	81	31	39	
Pinellas, FL	0	0	0	0	0	3	89	0	1	
San Diego, CA	92	0	9	0	59	0	100	0	7	
<b>Total/Average</b>	<b>35</b>	<b>5</b>	<b>8</b>	<b>6</b>	<b>21</b>	<b>38</b>	<b>73</b>	<b>22</b>	<b>34</b>	

Source: Grantee quarterly reports.

NA = not available.

herself available on evenings and weekends and that clients contacted FBCO staff when they encountered such personal problems as eviction.

In several sites, FBCOs delivered services that were otherwise unlikely to have been available through the workforce system. For example, grantees implementing the specialized job readiness training model provided courses designed to meet the specific needs of the targeted populations, often followed by individualized job search assistance. In addition, more than 20 percent of participants received mentoring, a service not typically available from a One-Stop center (Table VI.4). One-third of participants received supportive services, including food, clothing for work, transportation, and help accessing a wide range of other services.

While grantees reported that FBCOs provided enhanced and individualized services to the job seekers they recruited, it is unclear whether job seekers who sought services directly from a One-Stop center, rather than from an FBCO, could access these services. Across all sites reporting data, only 10 percent of grant participants were referred from One-Stop centers to FBCOs; in half the sites, no more than 5 percent of participants were referred by One-Stop centers (Table VI.3). In grant sites that did not establish liaisons or referral systems between One-Stop centers and FBCOs, it is unclear whether One-Stop staff knew that they could refer job seekers to the FBCOs for services.

While most grantee staff reported that FBCOs provided enhanced services, staff in several sites reported that services offered through FBCOs did not do much to improve the assistance already available through the workforce system, or that only a subset of FBCO subawardees were able to perform well enough actually to provide enhanced services. For example, in Hartford—where FBCOs prepared customers for employment and either provided job search services or linked clients to the One-Stop Centers—some One-Stop center staff felt that the services provided by FBCOs generally duplicated those of the workforce investment system. In other locations, such as Denver, the quality of services varied widely among FBCO subawardees, with some FBCOs delivering enhanced and individualized services and others engaging clients only briefly. Similarly, WIB staff in Cumberland County noted that the performance of FBCOs varied widely, and that the WIB would be willing to work again with about a third of organizations that received subawards.

### **C. EMPLOYMENT OUTCOMES OF GRANT PARTICIPANTS**

In addition to increased access to the workforce system and enhancement of services, the employment outcomes of grant participants are an important indicator of the grant projects' success. Nearly 2,000 grant participants (39 percent, on average, across sites) were placed in jobs during the grant period (Table VI.5). Another 367 participants (6 percent, on average, across sites) were placed in postsecondary education or advanced training. These outcomes are substantially lower than those expected for the general population of job seekers who receive One-Stop center services. However, because of differences in the general population of One-Stop customers and grant participants, such comparisons are not appropriate. As noted previously, the FBCOs enrolled high proportions of job seekers from

**Table VI.5. Employment and Training Outcomes, by Grantee**

Grantee	Placed in Postsecondary Education or Advanced Training		Placed in Employment		Average Hourly Wage at Placement <sup>a</sup>
	Number of Participants	Percentage of Participants	Number of Participants	Percentage of Participants	
<b>Recruit-and-Refer Model</b>					
Cambridge, MA	17	6	125	41	\$9.94
Cumberland, NJ	24	2	305	25	\$6.94
Denver, CO	0	0	110	77	NA
Hartford, CT	52	4	234	16	\$10.37
<b>Specialized Job Readiness Training Model</b>					
Houma, LA	0	0	138	48	NA
Manchester, NH	0	0	17	18	NA
Ottawa, MI	16	2	144	22	NA
Washington, DC	3	1	262	46	\$10.05
<b>Comprehensive Services Model</b>					
Anne Arundel, MD	196	27	72	10	NA
Lansing, MI	43	13	170	53	\$7.68
Pinellas, FL	0	0	326	25	\$7.29
San Diego, CA	16	17	87	86	NA
<b>Total/Average</b>	<b>367</b>	<b>6</b>	<b>1,990</b>	<b>39</b>	<b>\$8.71</b>

Source: Grantee quarterly reports.

<sup>a</sup>The average hourly wages in this table are imprecise estimates that must be used with caution. Grantees reported an average hourly wage each quarter, rounded to the nearest dollar. We calculated the average hourly wages reported in this table by multiplying the average wage reported each quarter by the number of placements reported in the quarter, summing across quarters, and dividing by the total number of placements.

populations that typically were not able to access One-Stop services on their own and had to overcome substantial barriers to employment. Moreover, because of the short duration of the grant projects and follow-up period, the outcomes reported by grantees may underestimate the actual employment outcomes of enrolled job seekers. Additional participants may have obtained employment after the end of the grant period, but these outcomes were not captured by the reporting system.

Like overall enrollment levels, the number and percentage of participants placed in jobs varied widely across grantees. For example, Hartford placed 234 (16 percent of its participants) in jobs, while Denver placed 110 (77 percent of its much smaller caseload). As noted earlier, because this study is descriptive in nature, we cannot attribute differences in employment outcomes across grantees to the effectiveness of their grant projects. While some differences may well be the result of services provided, others could be due to other factors, such as variation in client characteristics and barriers to employment and differences in local job markets and other community factors. The percentage of participants placed in

jobs is based on all participants, including those enrolled in training activities or supportive services at the end of the grant, and those who did not complete grant activities.

The employment outcomes reported by grantees demonstrate that carefully selected grassroots FBCOs have the potential to support hard-to-serve job seekers in finding employment. However, because this study does not have a comparison group, we cannot know how many of the job seekers enrolled in the grant projects would have found employment without help from the FBCOs. Nevertheless, it is notable that even in sites serving high levels of hard-to-serve job seekers, substantial proportions of participants were placed in jobs. For example, in grantees with caseloads with 20 percent or more ex-offenders (Ann Arundel; Lansing; Pinellas; Washington, DC; see Table VI.1), one-third of participants, on average, were placed in jobs (not shown). Likewise, in sites with 20 percent or more limited-English-proficient enrollees, 49 percent, on average, obtained employment during the grant period (not shown).

Six of the 12 WIB grantees reported on hourly starting wages for clients who were placed in jobs. The average across these six sites was about \$8.70, ranging from \$6.94 in Cumberland to \$10.37 in Hartford. While these figures shed some light on the quality of jobs obtained by FBCOs and their workforce investment partners in communities that reported data, they should be interpreted with caution. DOL's reporting system for the WIB grantees rounded the average wages to the nearest dollar; thus, the figures are only rough estimates of actual wages. In addition, as noted earlier, without a comparison group it is impossible to determine how these wages compared with those that participants would have obtained on their own in the absence of the collaboration projects.

In addition to placing clients in jobs, many WIBs initially planned to have FBCOs provide services to support employment retention for at least six months after job placement. As noted in Chapter IV, however, in practice most FBCOs did not place high priority on providing employment retention services. Nearly all grantees reported that such assistance was available to clients who needed it, but most FBCOs did not provide it systematically, for several reasons. First, as a result of delayed startup in several sites and the short duration of the grant projects (typically 12 months or less after WIBs made subawards to FBCOs), most FBCOs focused on preparing job seekers for employment and placing them in jobs. Second, as already mentioned, many FBCOs did not have experience providing employment services. As a result, they focused on learning how to develop jobs and work with the One-Stop centers to place their clients rather than on job retention. Third, FBCO staff reported that because of the transient nature of many clients, it was often difficult to maintain regular contact with them after job placement. DOL required that grantees report on the rate of employment retention six months after job placement. Most job seekers, however, were placed within the last six months of the grant period. Thus, grantees were unable to report on six-month retention outcomes for the majority of their caseloads.

#### D. GRANT EXPENDITURES PER PLACEMENT IN EMPLOYMENT, POSTSECONDARY EDUCATION, OR ADVANCED TRAINING

On average, grantees spent \$2,318 in grant funds for each client placed in employment or postsecondary education/advanced training. (Table VI.6). Like enrollment levels and placements, grant expenditures per placement varied widely across grantees. With the exception of one grantee, grant expenditures per placement ranged from \$1,259 in Anne Arundel, Maryland, to \$4,854 in Washington, DC. The grantee in Manchester, New Hampshire, targeted youth for enrollment and did not focus its grant activities on job placement. Consequently, 17 participants were placed in jobs at a cost of \$22,707 per placement.

**Table VI.6. Grant Expenditure Per Placement, by Grantee**

Grantee	Total Grant Expenditures	Number of Placements in Employment or Postsecondary Education/Advanced Training	Grant Expenditures per Placement
<b>Recruit-and-Refer Model</b>			
Cambridge, MA	\$490,916	142	\$3,457
Cumberland, NJ	\$493,856	329	\$1,501
Denver, CO	\$483,494	110	\$4,395
Hartford, CT	\$500,000	286	\$1,748
<b>Specialized Job Readiness Training Model</b>			
Houma, LA	\$459,600	138	\$3,330
Manchester, NH	\$386,013	17	\$22,707
Ottawa, MI	\$497,703	160	\$3,111
Washington, DC	\$494,308	265	\$1,865
<b>Comprehensive Services Model</b>			
Anne Arundel, MD	\$337,537	268	\$1,259
Lansing, MI	\$350,000	213	\$1,643
Pinellas, FL	\$471,191	326	\$1,445
San Diego, CA	\$499,948	103	\$4,854
<b>Total/Average</b>	<b>\$5,464,565</b>	<b>2,357</b>	<b>\$2,318</b>

Source: Grantee quarterly reports.

These estimates of grant expenditures per placement should be interpreted with caution. They include all expenditures of grant funds reported by grantees, including subawards made to FBCOs, intermediaries, and One-Stop centers, as well as grant funds spent directly by WIB grantees. There are no clear patterns in grant expenditures across the three collaboration models. In addition, as noted previously, because of the short duration of the grant period, outcomes reported by grantees may underestimate actual employment outcomes of enrolled job seekers and thus overestimate grant expenditures per placement. Additional participants may have obtained employment after the end of the grant period, but these outcomes were not captured by the reporting system. Finally, these estimates include

only expenditures of federal grant funds. As noted below in section E, FBCOs leveraged considerable community resources to support grant activities.

#### **E. RESOURCES LEVERAGED BY FBCOs TO SUPPORT GRANT ACTIVITIES**

One potential benefit of collaborating with FBCOs is that local workforce investment systems may be able to leverage their grant funds by taking advantage of the volunteers and other donated resources that FBCOs often use to provide services. While we did not conduct a thorough cost study as part of this evaluation, during site visits researchers collected some basic information about FBCOs' contributions to the grant projects. Indeed, all WIB grantees that reported data on volunteer hours and other contributions to the grant projects leveraged significant community resources through their subawards to FBCOs. All grantees reporting data cited volunteer hours ranging from about 5 to more than 300 in a typical week (Table VI.7). Cumberland reported the most volunteer hours; this WIB also made the most subawards among grantees that reported data. Volunteers typically served as mentors, staffed computer labs operated by the FBCOs, provided transportation to clients, and helped with office work. Grantees also reported that most FBCOs contributed in-kind resources to the grant projects, including office space, computers, office furniture, supplies, and transportation.

In addition, all grantees reporting data collaborated with at least one FBCO that contributed funds from other sources to the grant projects, from small amounts contributed by congregations to pay for clients' emergency needs to substantial grant funds. For example, in Washington, DC, FBCOs leveraged grant funds from other sources to provide job readiness training, commercial driver's license training, transportation, meals for clients, and other supportive services. All these FBCOs provided employment or job readiness services prior to beginning the collaboration project, so they were well positioned to draw on existing funding sources and in-kind resources.

#### **F. CHANGES IN FBCO CAPACITY**

As with the outcomes described above, the collaboration grants may have affected the capacity of FBCO subawardees in several ways. Some FBCOs gained experience providing employment services or expanded the scope of existing services. Others became more adept at applying for and managing government grants. Finally, some FBCOs developed, with the workforce investment system and other FBCOs, links that could continue beyond the end of the grant period. These changes for FBCOs could be the result of increased financial resources, technical assistance and training received during the grant period, or simply the opportunity to connect with the workforce system and other organizations for the first time.

Reports from WIB and FBCO staff present a mixed picture of changes in FBCOs' service delivery capacity. In at least four sites, respondents commented that subawardees with experience offering employment services and an existing infrastructure saw less marked changes in capacity than other FBCOs. As noted in Chapter V, because of the need for grant management support, most capacity-building efforts focused on managing the grants

**Table VI.7. Resources Leveraged by FBCOs, by Grantee**

Grantee	Number of FBCOs	Volunteer Hours per Week	Number of FBCOs That Donated Other Resources to the Grant Projects							Number of FBCOs That Used Other Funding Sources	Total Amount of Funding Contributed
			Office Space	Computers	Furniture	Office Supplies	Transportation				
<b>Recruit-and-Refer Model</b>											
Cambridge, MA	4	12	3	2	2	2	2	1	1	NA	
Cumberland, NJ	9	336	6	4	5	7	6	6	4	\$18,000	
Denver, CO	35	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Hartford, CT	7	NA	NA	NA	NA	NA	NA	NA	NA	NA	
<b>Specialized Job Readiness Training Model</b>											
Houma, LA	5	22	2	2	3	3	3	3	2	\$1,000	
Manchester, NH	4	5	3	2	2	2	2	1	2	\$6,000	
Ottawa, MI	3	198	1	2	2	2	2	3	2	\$6,700	
Washington, DC	6	36	6	6	6	4	4	3	4	\$216,000 <sup>a</sup>	
<b>Comprehensive Services Model</b>											
Anne Arundel, MD	3	44	3	3	3	1	1	0	1	\$200	
Lansing, MI	4	22	4	4	3	3	3	3	2	\$5,000	
Pinellas, FL	3	36	1	2	2	2	2	3	2	\$13,400	
San Diego, CA	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	

Source: Interviews with WIB grantees and FBCOs.

NA = not available.

<sup>a</sup>The Washington, DC, WIB made subawards to experienced FBCOs that leveraged their existing funding sources and services for the grant. This amount represents the funding used by some of the FBCOs to support other programs and services that were available to grant participants.

rather than on service delivery. Nevertheless, even agencies that had provided services previously tended to see an increase in the number of people they were capable of serving. In San Diego, for instance, both FBCOs that received subawards reported that they could serve a larger number of people as a result. The two agencies had very different starting points, however: one had no experience providing employment services and almost no paid staff, while the other was well established and fully staffed and had previously delivered employment assistance.

WIBs and FBCOs in many sites reported that they became more familiar with how to implement a grant and meet its requirements. Often, this administrative capacity was built with intensive assistance from the WIB or an intermediary. For instance, while FBCOs in Cambridge needed considerable capacity building and “hand holding,” WIB staff commented that all subawardees had a better understanding of how to use public funds and manage grants as a result. In Pinellas, all three subawardees were reported to have changed over time because all began with little or no staff and minimal budgets. One subawardee commented that the collaboration grant helped them “mature” as an organization by learning the importance of tracking customers and managing grant finances. All three FBCOs applied for at least one additional grant, and one organization was successful in receiving funding, through the Access to Recovery program.

Changes in administrative capacity were not necessarily evidence of the suitability of an FBCO as a recipient of future grants, however. In Anne Arundel, the administrative capacity of all FBCOs reportedly improved over time, and FBCO staff commented that participating in the collaboration project made them more confident that they could provide services under a government grant. Yet WIB staff commented that only one of three FBCOs could realistically be considered a potential future partner. Similarly, despite intensive efforts to build FBCOs’ organizational capacity, staff at the Cumberland WIB thought that only three of the nine subawardees would be able to manage government grant funds without ongoing technical support.

Most FBCOs interviewed during site visits noted increased awareness of the workforce investment system and of other FBCOs in the community as a particularly positive result of the collaboration. This sentiment was expressed, for example, by staff from several FBCOs in Denver who especially valued the chance to learn about and establish links with other subawardees.

FBOs’ full understanding of restrictions on religious activity in government-funded services could be considered additional evidence of growth in their capacity to provide services using government grants. It appears that most subawardees did receive information on these restrictions, and many expressed awareness of the restrictions during site visits. In a limited number of cases as described in Chapter IV, however, FBOs described incorporating religious activities, such as prayers, into the services they provided. These instances suggest that some subaward recipients may not have been fully educated on the limits they faced as recipients of government funding.

## **G. SUSTAINABILITY OF GRANT ACTIVITIES**

Related to the FBCOs' capacity to administer grant funds and deliver services to job seekers is their capacity to sustain grant activities after the grant period ends. Sustainability can be measured in terms of both the degree to which the services provided to job seekers continue and the significance of the collaborative partnerships that were formed during the grant period. WIBs and FBCOs used several strategies in their efforts to sustain the grant projects, achieving mixed results by the end of the grant period. While a number of FBCOs strengthened their organizational capacity and obtained additional grant funds, none of the grant projects had plans in place to continue their activities at the level of intensity they achieved during the grant period. Staff from many WIBs and FBCOs expressed an intention to maintain communication and make referrals on a scaled-back basis, but few had concrete plans for how they would continue working together to serve job seekers.

### **1. Grantees' Efforts to Sustain Grant Activities**

As noted previously, WIBs and intermediaries provided a wide variety of capacity-building support to FBCOs, including help to seek ongoing sources of funding for grant activities. Five of the grantees provided FBCOs with training on grant writing and fundraising. For example, the Cambridge WIB and intermediary provided a seven-part training series on sustainability that included topics such as state funding opportunities, grant writing, and using volunteers. Half the WIBs reported providing FBCOs with information about funding opportunities for grants from state and local agencies, DOL, and foundations.

Two grantees (Ottawa and Pinellas) developed plans to secure funds to continue the collaboration with FBCOs beyond the grant period. In Ottawa, project planners attempted to secure employer investments in the project and sought state and foundation funds to continue the project in the short term while fundraising efforts proceeded. By the time of the second site visit, however, no additional funding had been secured. In Pinellas, the WIB and intermediary applied for a state grant to continue a scaled-back version of the project under a performance-based contract. At the time of the site visit, the WIB had not received a response to its application.

The Cumberland WIB implemented perhaps the most comprehensive strategy to promote sustainability of FBCO grant activities and services. As a condition of receiving the subaward, the WIB required that all FBCOs apply for at least one additional grant and provided letters of support for these applications. The WIB also required that a staff member from each FBCO participate on at least one economic development, workforce, or community board during the grant period to establish new ties to other organizations in the community. In addition, the WIB paid for all FBCOs to attend an eight-week community college course on grant writing. Finally, the WIB established computer labs at each FBCO site for use during the grant period. As long as FBCOs agreed to keep the labs open for at least a year after the grant ended, the WIB allowed them to keep all the lab equipment.

## **2. FBCO Efforts to Obtain Continued Funding for Grant Services**

FBCOs in nine sites reported having applied for additional grants before the end of the grant period. In seven sites, at least one FBCO reported obtaining a grant; other applications had not yet been decided at the time of the site visits. FBCOs in Cumberland, which implemented the most intensive strategy to help FBCOs obtain additional funds, reported the largest number of successful applications; four FBCOs had received grants and another had an application pending. Across all sites, FBCOs received grants to provide a wide range of services. Most were related to the collaboration grant activities or the target population, but only a portion of these grants targeted employment services or collaboration with the local workforce system. Three FBCOs reporting receiving funds—from the state, DOL, and a foundation—to provide services to ex-offenders. Another four received funds to provide youth services; two planned to provide school-based services and the another mentoring and case management. Other grants obtained by FBCOs included a planning grant from DOL, a March of Dimes grant to provide awareness education about prenatal care to Spanish speakers, and a state Department of Children and Families grant.

In addition to FBCOs that obtained additional grant funds, FBCOs in four sites reported plans to continue offering some services provided under the grant on a voluntary basis or with existing funds. For example, one FBCO planned to continue offering ESL classes, another providing counseling, and a third supplying scaled-back employment services.

## **3. Efforts to Sustain Collaborative Relationships**

Although none of the grantees planned to continue their grant projects as they operated them during the grant period, a number of grantees and FBCOs reported having planned efforts to sustain the new relationships they formed through the grant projects. Nearly all the grantees expressed interest in continuing the collaboration with at least a subset of FBCOs, but they were unclear about the form these collaborations might take without ongoing funding. Staff in about half the grantees said that FBCOs would be welcome to apply for WIA contracts when the WIB offered them again, although the FBCOs would have to compete with service providers that already had WIA grants from the WIB. Two grantees reported that they planned to continue convening quarterly meetings with interested FBCOs and to provide basic technical assistance if requested. In Lansing, where FBCOs were co-located with the One-Stop center, the WIB offered to continue renting space to FBCOs for a dollar a month. Staff in a number of FBCOs said they planned to continue referring clients to the One-Stop center for employment services as needed, although formal referral systems would no longer be in place.

Several inter-related factors could contribute to the sustainability of different collaboration models implemented by grantees. One factor is the resources required to sustain the role of FBCOs in the One-Stop system. For example, FBCOs in sites implementing the specialized job readiness training model may require additional funding to sustain the staff and resources needed to conduct the training. Alternatively, referring clients to the One-Stop center, especially for FBCOs that already provide other services to the target population, may require fewer resources for FBCOs. However, FBCOs may be

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unwilling to refer clients if funding is not available to support a formal referral process or a liaison at the One-Stop center to enroll and assist referred clients. A second factor related to sustainability is the amount of resources required to continue the One-Stop centers' investment in the collaboration. The strength of partnerships between FBCOs and One-Stop centers is also important. For example, some FBCOs planned to continue making referrals after the grant ended because they had a strong relationship with a One-Stop center. Regardless of these factors, FBCOs that relied on grant funds as their major source of funding were not likely to continue providing services without additional resources. The sustainability of all three collaboration models depends in part on whether FBCOs can sustain operations without the grant funding from DOL.

## VI. SUMMARY OF KEY FINDINGS

### Changes in Access to Workforce Investment Services

- Collaborations with FBCOs expanded access to workforce investment services among job seekers from underserved populations. Nearly a third of those served were ex-offenders, almost a fourth had limited English proficiency, and more than a fifth were receiving public assistance at enrollment.
- Grantees implementing the specialized job readiness training and comprehensive services models recruited larger proportions of hard-to-serve job seekers than those implementing the recruit-and-refer model. This may have occurred because grantees targeting specific hard-to-serve populations had FBCOs provide services tailored to address the specific barriers they faced.
- FBCOs' success in connecting target populations with other providers of workforce services was mixed; the percentage of participants referred to the One-Stop center varied across grantee approaches: 45 percent in sites implementing the job readiness training model, 36 percent in sites implementing the recruit and refer model, and 16 percent in sites using the comprehensive services model.
- Factors such as the co-location of FBCOs at the centers or the presence of a designated liaison on the One-Stop center staff may have contributed to the successful referral of participants from FBCOs to One-Stop centers in sites that implemented the recruit-and-refer or specialized job readiness training models.

### Changes in Types of Services Offered Through the Workforce Investment System

- Most FBCOs enhanced the workforce services available by providing more intensive services, more individualized services, or services (such as specialized job readiness training or mentoring) that had not been offered before. In contrast to the self-service environment of the One-Stop centers, FBCOs often tailored their job search services to the needs of participants.
- One-Stop centers referred 9 percent of grant participants in sites implementing the recruit and refer model, 13 percent in sites implementing the specialized job readiness training model, and 2 percent in sites using the comprehensive services model.
- More than 20 percent of grant participants received mentoring, a service not typically available from a One-Stop center.

### Employment Outcomes of Grant Participants

- Employment outcomes reported by grantees demonstrate that carefully selected grassroots FBCOs can help hard-to-serve job seekers find employment. On average across sites, 39 percent of participants were placed in jobs; 6 percent were placed in postsecondary education or advanced training.
- WIBs leveraged substantial community resources through their subawards to FBCOs, including volunteer hours, office space and equipment, computers, furniture, supplies, transportation, and grant funds from other sources.

#### Grant Expenditures Per Placement

- On average, grantees spent \$2,318 in grant funds for each client placed in employment or postsecondary education/advanced training. Grant expenditures per placement varied widely across grantees, ranging from \$1,259 to \$4,854 (with the exception of one grantee that spent \$22,707 per placement).

#### Resources Leveraged by FBCOs to Support Grant Activities

- WIBs leveraged substantial community resources through their subawards to FBCOs, including volunteer hours, office space and equipment, computers, furniture, supplies, transportation, and grant funds from other sources.

#### Changes in FBCO Capacity

- Nearly all grantees reported improvements in FBCOs' organizational capacity by the end of the grant period but felt that only a subset would be able to manage grant funds and deliver services without ongoing technical assistance.

#### Sustainability of Grant Activities

- None of the grant projects had plans in place to continue service delivery at the level of intensity achieved during the grant period. Staff from many WIBs and FBCOs expressed an intention to maintain communication and exchange referrals on a scaled-back basis, but few had concrete plans for how they would continue to do so.
- FBCOs in seven sites obtained grants to continue work related to grant activities or target populations, but only some of these grants targeted employment services or collaboration with the workforce investment system.



## CHAPTER VII

### LESSONS LEARNED

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**A**n overarching objective of the WIB grants and this evaluation was to identify promising and sustainable models for developing productive partnerships between FBCOs and local workforce investment systems. Indeed, demonstration programs such as this one provide unique opportunities to learn about new approaches to service delivery—what worked, and what can be changed to improve implementation of similar strategies in the future.

The experiences of the WIB grantees and their partners did not yield a clear set of models for how to best implement partnerships with FBCOs. As is often the case, implementation strategies varied by necessity according to characteristics of the target populations, communities, and local workforce systems. Nevertheless, there is much to be learned from the experiences of each grantee—including both the successes and the shortcomings of their grant projects—about the potential for future partnerships between FBCOs and the workforce system.

In this chapter, we consider all the information collected about these grant projects to glean a set of lessons that can be useful to other WIBs that are considering forming partnerships with FBCOs, either within the context of a specific grant program or simply as part of their ongoing implementation of WIA services. The lessons we have identified focus on three main questions: (1) Why collaborate with FBCOs? (2) What are the main barriers to collaboration? and (3) What steps can be taken to build productive partnerships?

#### **A. WHY COLLABORATE WITH FBCOs?**

The 12 WIBs participating in this evaluation formed partnerships with FBCOs because they obtained grants from DOL specifically for this purpose. Some had experience partnering with FBCOs, but most did not. Outside the context of a specific grant opportunity, however, are there compelling reasons for WIBs to partner with FBCOs? The experiences of the 12 grantees suggest that carefully selected FBCOs can make unique contributions to help workforce investment systems achieve the goal of offering services designed to assist all job seekers in the community who need help finding employment. In particular, we focus on four contributions FBCOs can make: (1) extending the workforce system's reach to underserved populations, (2) providing services tailored to the needs of

hard-to-serve job seekers, (3) helping job seekers with significant barriers to employment find jobs, and (4) leveraging other community resources.

**Partnerships with FBCOs can extend the workforce system's reach to underserved populations.** In nearly all sites, FBCOs played a unique role in the workforce system by reaching out to, enrolling, and serving job seekers from populations typically underserved by local One-Stop systems. These job seekers were often unaware of the availability of workforce services or had language, transportation, or other barriers that prevented them from obtaining services from One-Stop centers. Thus, partnering with FBCOs may be a fruitful strategy for WIBs seeking to extend their reach to serve the neediest job seekers in their communities—people receiving public assistance, people with limited English skills, homeless people, and ex-offenders recently released from incarceration, as well as others with multiple needs.

**FBCOs can provide services tailored to meet the needs of hard-to-serve job seekers.** In addition to reaching out effectively to these job seekers, FBCOs in many communities were able to provide them with job search and other services tailored to their specific needs. For example, several FBCOs targeted recent immigrants. Because these organizations were rooted in the community, they were able to provide services that were culturally sensitive and addressed the unique barriers to employment faced by these populations. Similarly, FBCOs targeting ex-offenders focused on identifying employers willing to hire them and helping job seekers obtain identification, housing, and other services necessary to prepare them for employment. FBCOs implementing the specialized job readiness training model designed job readiness courses specifically for these target populations. In some sites, FBCOs arranged for volunteer or staff mentors to work one-on-one with job seekers facing multiple barriers, and they provided supportive services such as food, housing, clothing, and transportation. Partnering with FBCOs with strong community ties may help One-Stop centers address the unique needs of hard-to-serve job seekers.

**Carefully selected FBCOs can help job seekers with significant barriers to employment find jobs.** While job placement rates varied across grantees, the grant projects demonstrated that FBCOs have the potential to help job seekers with significant barriers to employment. While the average job placement rate across sites, about 39 percent of enrolled participants, is substantially below the performance goals for these WIBs, such comparisons are not appropriate, because the grantees' target populations faced substantially more barriers to employment than the general population of job seekers who typically use One-Stop services.

One-Stop centers that are struggling to serve even a small number of job seekers with significant barriers may be able to improve their ability to place such people in jobs through collaboration with FBCOs. As demonstrated by the grantees, FBCOs can play a variety of roles in this effort. They could focus on conducting outreach and providing supportive services, and then refer job seekers to the One-Stop center for placement (recruit-and-refer model). They could provide specialized job readiness training to prepare specific populations of job seekers for employment (specialized job readiness training model). With support from the One-Stop center, they could provide comprehensive employment and

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social services in a location accessible to the target population (comprehensive services model).

**FBCOs can leverage other community resources.** Assisting a job seeker with significant barriers to employment can require investment of more time and resources than One-Stop centers can typically devote to one person. One potential benefit of partnering with FBCOs is that local workforce systems can leverage their limited resources by taking advantage of the volunteers and other donated goods and services that FBCOs often use to provide services. Indeed, the WIB grantees reported that FBCOs made substantial contributions to the grant projects in the form of volunteer time; office space, furniture, equipment and supplies; transportation; and funds from other sources. For example, a congregational FBO may be able to provide a high-need job seeker with food and appropriate work clothing. In addition, a volunteer might be able to provide mentoring and transportation for job interviews. The congregation may also be able to draw on emergency funds to prevent an eviction or utilities shutoff that could lead to job loss. This type of individualized assistance might make the difference for some job seekers in whether they are able to obtain and keep employment.

## **B. WHAT ARE THE BARRIERS TO COLLABORATION?**

While there are potential benefits to collaborating with FBCOs, there are also potential barriers to forming successful collaborations. Some challenges experienced by the WIB grantees and their partners were related to specific requirements of the grant program or problems with the design of local grant projects or other community partners. However, nearly all grantees struggled to varying degrees with three barriers to collaboration: (1) FBCOs' reluctance to apply for collaboration grants, (2) differences in organizational culture, and (3) the extensive capacity-building needs of some FBCOs. Other WIBs considering partnerships with FBCOs should be cognizant of these barriers and design their partnerships such that they do not become roadblocks to successful collaboration.

**FBCOs may be reluctant to apply for grants to collaborate with the workforce investment system.** Grantees found recruiting FBCOs to be more difficult than expected, and competition for the subawards was generally not intense. On average, there were about one or two FBCO applicants for every subaward. Many grantees expressed disappointment with the number and quality of the applications they received. However, grantees in large, urban areas, and grantees that relied on organizations familiar with FBCOs in the targeted area had more success in recruiting FBCOs. Grantees cited several factors that may have discouraged FBCOs from applying for subawards, including insufficient resources or experience to apply, concerns about federal grant reporting requirements, or a lack of capacity to meet grant requirements. Additionally, DOL's definition of FBCOs made larger organizations in the community ineligible to participate because they did not meet the 'grassroots' definition.

**One-Stop centers and FBCOs have different organizational cultures.** In most of the grant sites, workforce investment systems and grassroots FBCOs had little or no experience working together. Differences in organizational culture, and an initial lack of

understanding of these differences, sometimes contributed to unrealistic expectations and frustration on both sides. FBCOs described themselves as small, nimble organizations in which staff handled multiple and varied responsibilities. On the other hand, One-Stop centers are subject to many rules and regulations and have specialized staff and clearly defined protocols for service delivery. For the collaboration grants, each initially expected the other to adapt to its way of doing things. WIBs and One-Stop centers wanted FBCOs to establish more internal structures and systems and provide better documentation. FBCOs, in turn, wanted grantees to streamline the eligibility determination process and increase the system's flexibility to provide timely access to services for their clients. For partners in the collaboration grant sites, frequent and ongoing communication between workforce and FBCO staff helped to ease this tension over time.

**FBCOs have extensive capacity-building needs.** Many FBCOs may be fairly new and inexperienced in grants management and direct service provision. Many lack a basic infrastructure to manage grant funds and deliver services. DOL's funding criteria for the collaboration initiative limited the pool of FBCOs in this study to very small organizations. Roughly half had social services operating budgets of less than \$50,000 before receiving their grant award; some had no budget at all. FBCOs typically needed capacity building in the areas of grant management, provision of employment services, knowledge of the workforce investment system, and procedures for hiring staff. Below we describe the most common capacity building needs of FBCOs.

- ***FBCOs require substantial assistance in managing grants.*** Most FBCOs in the study had little to no experience managing government grants before receiving the awards. As a result, a large majority of capacity building activities focused on developing FBCOs' ability to track participant outcomes, maintain financial records, and fulfill reporting requirements. WIBs, intermediaries, and One-Stop center staff spent more time than anticipated providing technical assistance to some of the FBCOs. Furthermore, FBCOs' limited capacity contributed to start-up delays, snags with service delivery, and problems with financial and programmatic reporting.
- ***FBCOs may face challenges in hiring and managing staff.*** Many FBCOs lacked experience in hiring and managing staff. This led to either inadequate staffing for the projects or in high staff turnover. In a third of sites, delays in hiring FBCO grant staff led to delays in beginning grant activities and eight grantees had at least one FBCO that experienced turnover in its grant staff position. In one site, for example, all four FBCOs experienced turnover in the project coordinator position. A common mistake was hiring staff with the wrong set of skills and experience. Staff turnover results in some disruptions in service delivery, but grantees noted some progress in this area over time. After FBCOs had a better sense of needed skills and experience, new hires were better matches than the original staff.
- ***Many FBCOs lack experience in providing employment services.*** FBCOs often had no experience delivering employment services such as job search

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assistance or job development. This lack of experience presented a challenge for grantees implementing the specialized job readiness training or comprehensive services models that required FBCOs to provide employment services. FBCOs often hired grant staff that had experience providing supportive services and serving the targeted population, but limited experience providing employment services. Grantees provided technical assistance to improve FBCOs' ability to provide employment services. One grantee addressed FBCOs' lack of employment services experience by pairing each FBCO with a local One-Stop center.

### C. WHAT STEPS CAN BE TAKEN TO BUILD PRODUCTIVE COLLABORATIONS?

Much can be learned from the experiences of the 12 WIB grantees about how to design and implement future partnerships between FBCOs and local workforce investment systems. In this section, we examine a set of implementation lessons derived from the grantees' experiences.

**Partner with organizations that have existing relationships with FBCOs to recruit FBCOs.** While grantees used a variety of strategies to inform FBCOs about subaward opportunities, personal contacts by staff at workforce agencies or intermediaries that already had relationships with FBCOs appeared to be an effective strategy. For example, one grantee relied on its connections with FBCOs from a previous DOL grant, and another grantee partnered with an intermediary that had extensive FBCO connections. Relying on organizations that have relationships with FBCOs can improve the ability of WIBs to reach existing networks of FBCOs in the targeted area.

**Select FBCOs with sufficient capacity to manage grants and provide services.** Most grantees felt that at least some of the FBCOs were too small and inexperienced to play the roles intended for them. Grantees found that some FBCOs did not have the staffing infrastructure or service delivery systems in place to provide services for the grant. As a result, many FBCOs needed extensive capacity building support in grant management, personnel management, and the delivery of employment services. Many grantees recommended that future initiatives seek FBCOs that had not only a grassroots orientation but also at least some organizational infrastructure and staff with service delivery experience. Several grantees suggested incorporating additional criteria in the subaward application process to assess FBCOs' experience managing grants and their internal capacity to provide services. This could include reference checks or information on payroll systems, staffing, and budget management capacities.

**Draw on FBCOs' strengths in conducting outreach.** Grantees consistently identified outreach to underserved populations as a strength of FBCOs. FBCOs were able to reach out to job seekers unlikely to access services at a One-Stop center and get them involved in activities designed to help them find employment. They recruited a broad range of hard-to-serve populations, including ex-offenders, disadvantaged youth, legal immigrants and refugees, people with limited English proficiency, and people with disabilities. FBCOs that were most successful in recruiting job seekers had strong connections with their

community, were located in the community they served, and had experience serving the target population. FBCOs that had difficulty recruiting were inexperienced in working with the target population, focused on an overly restrictive population or service area, or competed with too many FBCOs working in the same area. Thus, WIBs seeking to collaborate with FBCOs should consider their community ties to ensure that their strengths and experience are aligned with the needs of the target population.

**Clearly define roles and responsibilities.** During site visits, WIB, One-Stop, and FBCO staff talked about the importance of defining partners' roles and responsibilities and aligning them with each partner's mission, culture, and strengths. Considering these factors makes the roles and responsibilities of each partner realistic and achievable. For example, FBCOs may be skilled in reaching out to hard-to-reach job seekers, but One-Stop centers may be better equipped to place them in jobs. It is also important to formalize expectations for partner agencies, including formal contracts and budgeted funds. This gives the WIB leverage to enforce project goals and outcomes. It is also advisable to avoid changing the roles and responsibilities of partners midway through operation of the initiative. FBCOs—often working hard to learn to navigate new systems, procedures, and requirements—struggled with midproject changes. Some reported that they felt as if they were “aiming for a moving target.”

**Consider the benefits and challenges of different approaches to collaborating with FBCOs.** Grantees generally applied three approaches to collaborating with FBCOs that each have their own advantages and drawbacks. In selecting an approach to collaborating with FBCOs, WIBs should consider the needs of the targeted population, the purpose of the collaboration, and the capacity of FBCOs and One-Stop centers. We discuss each approach along these dimensions below.

- ***Recruit and Refer.*** WIBs interested in raising awareness of the One-Stop system among underserved populations and creating a network of FBCO partners for the One-Stop system should consider this approach. To implement this model, FBCOs need the capacity to conduct outreach to hard-to-serve populations, and One-Stop centers need the capacity to provide services for the hard-to-serve population targeted for the collaboration. An effective referral process is needed so that One-Stop center staff can identify FBCO referrals and offer services tailored to the needs of the target population. This model improves the accessibility of One-Stop center services by using FBCOs to reach out to hard-to-serve populations that may not currently use the One-Stop system.
- ***Specialized Job Readiness Training.*** In this approach, FBCOs serve as providers of job readiness trainings tailored to the needs of the target population. This approach can be useful when a WIB is interested in targeting a hard-to-serve population that is unprepared to begin a job search and lacks the basic life skills needed to find and retain a job. FBCOs need the capacity to provide the job readiness training, and are likely to need training themselves to learn how to implement the curricula. Grantees differed in whether FBCOs or

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One-Stop centers ultimately provided job placement services for clients that completed the training.

- ***Comprehensive Services.*** The comprehensive services approach creates new locations where hard-to-serve populations can access One-Stop center services. FBCOs provide a combination of employment and social services for clients. WIBs who feel that hard-to-serve populations are more likely to seek services offered in their own community and by a familiar organization may be interested in this model. FBCOs need the capacity to provide employment services, including job placement and job development. Ideally, FBCOs are places where the target population already receives services or where they feel comfortable doing so. Another option is for FBCOs to establish new locations for services, although this creates challenges for identifying and securing space.

**Take steps to ensure that partners have the capacity to carry out their roles.** In addition to specifying roles for each partner, local workforce investment systems must ensure that both FBCOs and One-Stop centers have the ability to carry out their roles. For example, FBCOs with strong community connections but limited capacity to provide employment services might focus on outreach. WIBs must consider whether One-Stop centers have adequate capacity and resources to serve the target population after referral; they should also consider ways in which FBCOs might support them. For example, one grantee recognized that One-Stop centers did not have the capacity to provide the intensive employment services that ex-offenders needed. The grantee decided to partner with FBCOs that had experience serving ex-offenders and adequate capacity to provide employment and social services tailored to their needs. Instead of taking the lead on providing employment services, the One-Stop assisted FBCOs with resources and support. Likewise, for FBCOs that can provide employment services in accessible locations, the local workforce investment system should think about the support they may need to do so effectively. In several sites, One-Stop centers provided some services at FBCO offices. At FBCOs providing basic employment services, staff referred job seekers to the One-Stop center for training and in some cases received help with job development.

**Provide training and assistance to FBCOs responsible for job development.** Several WIBs expected FBCOs to develop jobs for the grant despite the FBCOs' lack of existing employer relationships or experience in this area. FBCOs relied on informal approaches to establishing employer relationships, most commonly phone calls and in-person visits to employers. The WIB grantees consistently cited FBCOs' lack of experience and training as a barrier to developing jobs for the grant. FBCO staff lacked relationships with employers and did not know how to approach them. As a result, many FBCOs did not form strong relationships with employers or develop jobs for the grant. However, none of the WIBs offered training in this area. WIBs should be prepared to provide training for FBCOs that lack the necessary background or experience to fulfill an assigned role or responsibility.

**Cultivate strong partnerships between FBCOs and One-Stop centers.** WIBs that decide to use FBCOs to recruit job seekers and then refer them to One-Stop centers must

ensure that all partners are invested in the referral process and understand their roles. Successful referral systems are built on buy-in and active communication from both parties. Below we list several strategies used by grantees to build collaborative relationships.

- ***Designate a liaison from the One-Stop center.*** Half of the grantees designated a One-Stop staff person to work directly with FBCOs for the collaboration. Establishing a liaison at the One-Stop center offered two benefits. First, it facilitated communication and coordination between FBCOs and One-Stop centers. Grantees had difficulty implementing referral systems when there was insufficient information about how the other partner functioned and communication was infrequent. Second, it provided referred clients with a point of contact at the One-Stop center who could enroll them and assist them in using One-Stop services. Some FBCOs were reluctant to refer clients to One-Stop centers without assurance that staff could adequately address clients' intensive needs and tailor services.
- ***Co-locate FBCO staff at the One-Stop center.*** Co-locating FBCO staff within One-Stop centers fostered efficient referral systems and communication between partners. In one site co-location helped to integrate FBCOs into the One-Stop system, allowing FBCOs to become One-Stop partners and access the resources of the center. Three of the twelve grantees had FBCOs co-locate within the One-Stop centers, although in two sites only one FBCO was co-located.
- ***Create an efficient and supportive process for referring clients to the One-Stop centers.*** The referral process should place minimal burden on the person being referred and make One-Stop center staff aware of the referral. Grantees formalized the referral process by having FBCOs send lists of referred clients to One-Stop centers with the date of their referral. One-Stop center staff were informed that these clients might need additional support. In one site, clients referred by FBCOs received the name and contact information for a One-Stop center liaison. A lengthy referral process or insufficient support from One-Stop center staff can discourage clients from accessing One-Stop services.

**Take steps to actively engage One-Stop centers in collaborations.** Assigning specific roles and responsibilities to One-Stop centers encouraged their participation and increased their involvement in collaborations with FBCOs. One-Stop centers provided a variety of services for the grant, including training and technical assistance for FBCOs, job placement services for job seekers, and in-kind resources. Some grantees strengthened One-Stop centers' investment in the collaboration by awarding them grant funds to hire dedicated staff to manage referrals or offer workshops for grant participants. Including One-Stop centers in grant planning also encouraged their engagement in collaboration activities.

**Conduct training and ongoing monitoring of restrictions on religious activity.** All of the WIBs made efforts to inform FBOs of the restrictions on religious activities. During the site visits, many FBCOs expressed an awareness of the restrictions. In a limited

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number of cases as described in Chapter IV, however, FBOs described incorporating religious activities, such as prayers, into the services they provided. These instances suggest that some subaward recipients may not have been fully educated on the limits they faced as recipients of government funding. Half the grantees reported monitoring compliance with religious restrictions; however, efforts to monitor these activities were limited in practice. To ensure adherence to restrictions on religion, WIBs should conduct initial training and ongoing monitoring of religious activities.

**Keep reporting requirements simple.** In nearly all sites, at least some of the FBCOs struggled with reporting requirements, and most reported a general feeling that there was “too much paperwork.” Although most FBCOs understood that documenting services and outcomes and maintaining adequate financial records was essential, staff often expressed frustration that these duties took time away from service provisions and at times overwhelmed them. Making record-keeping and reporting requirements as simple as possible can facilitate accurate documentation and ease frustration on all sides. One grantee assigned the task of tracking and reporting client outcomes to the One-Stop center involved in the partnership. This arrangement appeared to work smoothly, meeting the WIBs’ documentation needs and freeing the FBCO to focus on service delivery.

**Establish realistic expectations for how long it might take to implement partnerships.** At 18 months, the grant period for the collaboration projects was relatively short. In hindsight, grantees said they needed more time to design their initiative, recruit and establish contracts with FBCOs, develop FBCO capacity to provide services and manage funds, and build strong relationships between partners. Moreover, because of the time required to get partnerships up and running, grantees said they did not have time to consider strategies for securing funds to sustain partnerships after the grant period ended. Grantees needed at least six months—one-third of the grant period—before FBCOs began providing services. In general, FBCOs that had experience with managing grants and providing services took less time to get up and running than FBCOs without such experience. WIBs considering partnering with FBCOs should take into account the time needed to identify FBCOs, put systems in place, and assist the FBCOs in building their skills to deliver employment services.



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**Employment and Training Occasional Paper 2007-16**  
**Collaborating with Faith- and Community-Based Organizations:**  
**Lessons Learned from 12 Workforce Investment Boards,**  
**Final Report**

**Collaborating with Faith- and Community-Based Organizations: Lessons Learned from  
Twelve Workforce Investment Boards, Final Report**

**Summary and Implications\***

**Background**

In July 2004, ETA awarded demonstration grants to twelve Workforce Investment Boards to promote sustainable collaborations between faith-based and community organizations (FBCOs) and the workforce investment system. The grants were intended to: 1) increase access to the workforce investment system among underserved populations; 2) provide new or enhanced services to job seekers; and, 3) build FBCOs' capacity and enable their ongoing participation in the workforce investment system.

The final report describes three different models implemented by the WIBs for integrating FBCOs into the workforce investment system, each of which represents a different combination of possible FBCO roles. The three approaches are: a) *Recruit and Refer*, wherein FBCOs conduct outreach, provide supportive services, and then refer clients to One-Stop Career Centers for placement, b) *Provide Specialized Job Readiness Training*, wherein FBCOs provide training tailored to target populations and job placement or referral to the One-Stop Career Center after training completion; and, c) *Offer Comprehensive Services*, wherein FBCOs provide a range of employment and social services in an accessible location within the community.

The report describes the resources leveraged from the community by the FBCOs in order to meet the needs of their clients and also presents a limited amount of information on the employment outcomes of project participants. In conclusion, it provides the lessons learned from the demonstration according to the three main research questions: 1) Why should the workforce investment system collaborate with FBCOs? 2) What are the main barriers to collaboration? and 3) What steps can be taken to build productive partnerships between the workforce investment system and FBCOs?

**Final Report**

The lessons identified by the evaluators and presented in the report include:

1. Partnerships with FBCOs can extend the workforce investment system's reach to underserved populations.
2. FBCOs can provide services tailored to meet the needs of hard-to-serve job seekers.
3. Carefully selected FBCOs can help job seekers with significant barriers to employment.
4. FBCOs can successfully leverage other community resources for meeting client needs.



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5. FBCOs may be reluctant to collaborate with the workforce investment system for a variety of reasons, which requires more effort to bring them into the family of service providers.
6. One-Stop Career Centers and FBCOs have different organizational cultures, which must be bridged before successfully partnering for serving clients.
7. Partnering with intermediary organizations – which have experience with both One-Stop Career Centers and FBCOs, will facilitate successful relationships.
8. Selecting FBCOs with sufficient capacity to manage grants and provide services reduced the “learning curve” for both themselves and their workforce investment system partners.
9. Drawing on each partner’s strengths, particularly FBCOs’ ability to recruit clients, enabled the workforce investment system to successfully serve new populations.
10. Designating a liaison for client referrals at the One-Stop Career Center or co-locating FBCO staff at the Center were valuable tools in cultivating strong relationships between the workforce investment system and faith-based and community organizations.

### **Policy Implications**

The results of the WIB-FBCO Collaborations Project clearly demonstrate that successful partnerships require a bridging of the cultural gap between the two organizations. Approaches for achieving collaboration include using intermediary organizations that understand both entities and can facilitate communication and the development of working procedures. However, the use of intermediaries requires additional governance costs and limits the ability of One-Stop staff to directly promote, for all clients, access to a more comprehensive array of employment and training services. Thus, co-location of FBCOs at One-Stop Career Centers, or the designation of a liaison at the One-Stop Career Centers may prove to be more feasible steps for developing successful partnerships and, ultimately, both serving more clients through the workforce investment system and providing more services to those already receiving services.

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\* This Summary and Implications was prepared by the Employment and Training Administration and does not necessarily reflect the study authors’ opinions.