Connected by 25:

FINANCING
Workforce Development Programs
FOR YOUTH TRANSITIONING
OUT OF FOSTER CARE
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This publication is one of a series of briefs exploring strategies for financing supports and services that help youth in foster care make successful transitions to adulthood. The Finance Project produced this brief with support from the Foster Care Work Group. The Foster Care Work Group (FCWG) is one of three work groups of the Youth Transition Funders Group (YTFG), a collaboration of foundation leaders dedicated to improving the lives of the nation’s most vulnerable young people. Foundation leaders participating in the YTFG are committed to achieving a common vision—ensuring that vulnerable youth are connected by age 25 to institutions and support systems that will enable them to succeed throughout adulthood. The FCWG brings together foundation leaders with a shared interest in preparing youth in foster care for their transition out of the child welfare system and providing them pathways to lifelong economic well-being.

In March 2004, the FCWG, with assistance from The Finance Project, created Connected by 25: A Plan for Investing in Successful Futures for Foster Youth. Connected by 25 made the case for and outlined a bold agenda for foundation and government investment in helping youth in foster care become successful adults. An important premise of Connected by 25 is that as public child welfare systems grapple with their mandate to provide protection for all children in their care, preparation for independence and adulthood is often given too little attention. FCWG members chose to focus specifically on preparation for economic success, recognizing that youth aging out of foster care are faced with the economic realities of self-support at a much younger age than other young adults and that economic success is associated with a number of positive life outcomes. Connected by 25 outlined five strategies to connect youth in foster care to resources that would prepare them for economic success: advocating and supporting educational achievement, facilitating and creating access to workforce development opportunities, providing financial literacy education, encouraging savings and asset accumulation, and creating entrepreneurship opportunities. FCWG members recognize that an important foundation for success in all five strategy areas is connections to caring adults who can offer ongoing support and guidance to youth. Briefs in this series explore funding sources and financial strategies to support each of these critical resources.

Based on the recommendations presented in Connected by 25, FCWG members launched an ambitious demonstration initiative to build the capacity of communities to effectively support young people in transition from foster care. This collaborative effort includes sites in Indianapolis, Indiana; Tampa, Florida; and five counties in California—Stanislaus, San Francisco, Alameda, Fresno, and Santa Clara. In each of these sites, funders, child welfare administrators, and community leaders are coming together around the Connected by 25 vision and crafting efforts to prepare youth in foster care for successful adulthood, based on the unique needs and resources in their community. This brief explores the range of partners and resources that community leaders and program developers can engage to support workforce development opportunities for youth transitioning from foster care. It draws on the experiences of the field as well as the FCWG demonstration sites and aims to further inform those efforts.
The White House Task Force for Disadvantaged Youth identified youth currently in and those aging out of foster care as one of the most vulnerable populations in the nation. With more than 500,000 children and youth in foster care in the United States, an estimated 20,000 youth between the ages of 18 and 21 emancipate every year with few resources and very little support. Youth in foster care are more likely than other youth to experience poor educational and employment outcomes. These young people are also more likely to change schools during the year and to repeat a grade in school. Youth who have aged out of the system are more likely to drop out of high school, be unemployed, and be dependent on public assistance. One study of alumni of foster care, revealed that, at an average age of 24, only one of five alumni was employed, only 2 percent had a college degree, and less than half had participated in employment training before leaving care. Moreover, one-third of youth who age out of care are living at or below the poverty level and one of five has been homeless within a year of leaving care.

Workforce development programs provide critical support to help youth in foster care become successfully employed and move toward self-sufficiency. These programs build various workforce skills and knowledge through mentoring, internships, apprenticeships, job shadowing, career exploration, on-the-job and customized training, resume writing and interviewing, and subsidized and unsubsidized work experiences. Given employers’ concerns about youth acquiring “soft skills,” many workforce development programs also focus on professional communication skills, teamwork, positive attitude, critical thinking, problem solving, and strong work ethic. Workforce development programs prepare youth for postsecondary education and a job market that increasingly requires and rewards skills and education.

Youth workforce development programs take place within various types of settings, helping young people develop a combination of skills, education, technical training, professional connections and real-life work experiences. They include programs in education, community and work-based settings.

- **Education Settings**—Workforce development programs occur within high schools and post secondary institutions such as community colleges and technical and trade schools. Within high schools, programs may combine a college preparatory curriculum with a career theme enabling students to see relationships

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1. For more information on the task force and the final report, see www.acf.hhs.gov/programs/fysb/content/docs/white_house_task_force.pdf.
4. P. J. Pecora et al., Improving Family Foster Care: Findings from the Northwest Foster Care Alumni Study (Seattle, Wash.: Casey Family Programs, 2005).
among subjects, and their application to a broad field of work. Some schools have a small learning community of students within the larger high school that engages in work experiences with local business employers, government agencies and community organizations, such as school-to-career programming. Other schools have been specifically designed to provide a joint curriculum in college and careers for the entire student body. Postsecondary institutions, such as community colleges and technical and trade schools are increasingly becoming major workforce development partners providing youth with essential skills, education and training, offering valuable degrees, certificates and credentialing and serving as an integral pathway by which youth can transition as an experienced professional into occupations and opportunities within high-growth industries.

- **Community Settings**—Programs also take place within community settings and provide a range of services to youth to prepare them for the workforce, including academics as a pathway to earning a high school diploma or General Educational Development (G.E.D.) certificate, life skills, financial management and workforce development training, internships and subsidized and unsubsidized work experiences. Programs may also provide tutoring, coaching and mentoring, and serve in an intermediary role between youth and employers to ensure job retention.

- **Work-based Settings**—Programs within work-based environments provide youth with on-the-job training and experiences including opportunities to strengthen problem-solving, decision-making, interpersonal communication, collaboration and teambuilding skills. Partnering businesses, government agencies and non-profit organizations help youth acquire these skills through job shadowing, informational interviews, internships, and subsidized and unsubsidized jobs and community service. Some work-based programs may be connected to relevant educational curricula at high schools, community colleges, technical and trade schools and may also provide pathways to obtaining a high-school diploma, G.E.D. or post-secondary education as well as providing workplace coaching and mentoring with business professionals.

Numerous national and local initiatives across the country help to prepare youth for the workforce by providing a range of workforce development services with some combination of academic and career planning experiences and opportunities. A few of these initiatives focus specifically on providing services to youth in care or those transitioning from foster care; others serve youth more generally. These programs represent important models as well as partnership opportunities for program developers and community leaders seeking to support this population.

Despite the need for youth workforce development services, program leaders face several financing and sustainability challenges. Funding for youth employment and training has been scaled back during the past few decades and securing adequate investment is particularly difficult given tight economic conditions and budgetary shortfalls. In addition, funding for workforce development services is spread among multiple programs and agencies. This results in a fragmented funding and programming environment. Few sources are dedicated to supporting the workforce development needs of youth in care. Program developers and community leaders must often combine funding from multiple sources, each with varying eligibility and service criteria and different administrative and reporting requirements.
This brief focuses on six financing strategies that program developers and community leaders can use to support workforce development programs and services for youth currently in foster care or transitioning from the foster care system:

1. Maximize workforce development resources;
2. Maximize child welfare resources;
3. Access community development resources;
4. Connect with education resources;
5. Build partnerships with employers; and
6. Improve coordination across systems.

For each strategy, the brief highlights funding sources to pursue, partners to engage, and considerations for implementation. The brief also includes examples of these strategies in practice. The financing strategies encourage program leaders to look beyond traditional workforce development funds to explore and coordinate funding from myriad sources—federal, state, and local governments as well as private groups.
Strategies to Finance Workforce Development Programs for Youth Transitioning from Foster Care

Strategy 1: Maximize Workforce Development Resources

Not surprisingly, workforce development resources are the major funding streams to finance work-readiness training and education and afford important opportunities for program developers supporting youth in care. This strategy entails identifying relevant funding sources, understanding how the various funding streams flow, and drawing down the maximum amount that can be obtained from each source. Importantly, it involves learning which decisionmakers control the allocation of funds in the state or community and developing relationships with them to access these funds and make the best use of this revenue. Although workforce development funding is an important source of support for career and technical education and job market preparation, few of these funding resources focus on services for youth currently in or aging out of care.

Some states and localities provide funding for workforce development programs, but most public support comes from federal funding sources. Major federal sources include the Workforce Investment Act (WIA), Temporary Assistance for Needy Families (TANF), Job Corps and YouthBuild.6

**Workforce Investment Act**

Enacted in 1998 and administered through the U.S. Department of Labor (DOL), the Workforce Investment Act aims to improve coordination among federally funded workforce development programs and create a more market-driven workforce system. Funding is provided to states via statutory formula to support services for youth, adults, and dislocated workers. WIA requires states and local areas to establish workforce investment boards (WIBs) to conduct planning and oversight of workforce development activities. In addition, WIA requires local WIBs to establish subgroups, called youth councils, to coordinate and oversee WIA-funded youth activities.

- **WIA Youth Activities.** WIA consolidated year-round and summer youth programs into a single formula-funded program that supports services primarily for low-income youth who are between the ages of 14 and 21 and who face barriers to employment. WIA requires program developers to address up to 10 program elements for eligible youth: academic enhancement, alternative secondary school services, summer employment opportunities, work experience, occupational skills training, leadership development, supportive services, adult mentoring, guidance and counseling, and follow-up services. The DOL allocates WIA youth funds to state agencies, which are required to pass through 85 percent of these funds to local workforce investment boards and youth councils which oversee the distribution of funds, in the form of contracts, to local service providers, which can be community-based and nonprofit organizations, local public agencies, and other entities. At least 30 percent of local youth funds must help those youth not in school.

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6 For more information on federal programs that can support job skills training, see The Finance Project’s Guide to Federal Sources for Workforce Development Initiatives at www.financeproject.org/Publications/workforcefunding.pdf.
- **WIA Adult and Dislocated Worker Employment and Training Activities.** Activities support various education and employment services including job search and placement, assessments and career planning, basic and occupational training, and support services. As with WIA Youth funds, states pass through 85 percent of adult funds to local areas to be used to provide services through the one-stop center, a centrally located employment and training facility with on-site workforce development program providers. Adults 18 and over are eligible for services. Older youth, ages 18 to 21, may be eligible for dual enrollment in the WIA Adult and Youth Programs.

- **State and Local WIBs.** State workforce investment boards include the Governor, state policymakers, business members, labor organizations, individuals and organizations which develop a 5-year workforce investment strategic plan outlining workforce development activities from which the DOL bases its state funding. Local WIBs, in partnership with local elected officials, are responsible for planning and overseeing the local program and include business representatives, education providers, labor organizations, community-based organizations, economic development agencies, and one-stop partners. Local WIBs are responsible for developing the local plan to be submitted to the Governor for approval, designating local one-stop operators and eligible providers of training services, negotiating performance measures, and assisting in developing a statewide employment statistics system. WIA also requires local areas to establish local one-stop career centers, for adults ages 18 and over, through which individuals access services provided by federally funded employment, training, and education programs that are mandatory one-stop system partners.

- **Youth Councils.** A required subgroup of the local WIB partnership, members are appointed by the local board and include members of the local board, youth service agencies, local public housing authorities, parents, youth, Job Corps representatives and others. The youth council develops portions of the local plan relating to youth, recommends providers of youth activities to be awarded grants by the local board, and coordinates youth activities in the local area. It is important that workforce development service providers build relationships with local youth councils and local and state investment boards to inform them of the workforce development needs of youth transitioning from care and to gain recognition as an employment and training service provider.

WIA funds several types of services and programs that have successful employment as their ultimate goal. For example, WIA can support summer employment and internships; such programs afford youth opportunities to experience work while helping workforce development programs deal with staffing shortages, especially during summer months when enrollments increase and youth are not in school. WIA funds can be used to subsidize the wages of eligible youth who work, if the work experience includes a training and development component. Workforce development program leaders can also use WIA funds to expand academic programming. Linking learning to earning is a primary goal for youth programs funded by WIA and improves older youth interest and commitment to programs by supporting learning that has a practical, work-based focus. Moreover, community service and leadership development can be funded through WIA. These hands-on learning experiences can include helping teens to explore careers and empowering them to design solutions to community problems.
Tips for Accessing Workforce Investment Act Funds

- **Consider dual enrollment for older youth.** Program developers should consider dually enrolling older youth (i.e., youth ages 18 and older) in WIA activities for adults and for youth. Older youth, for example, could participate in summer employment, work experience, and educational and leadership opportunities through funding under WIA Youth Activities for which they might otherwise not be eligible under WIA Adult and Dislocated Worker Activities. Dual enrollment enables managers to diversify program offerings and maintain sustainability by maximizing both funding streams.

- **Participate in local WIB meetings.** Participation in local workforce investment board meetings helps program developers build relationships with employers, private foundations, school district representatives, and economic and community development agencies. These meetings also provide access to information on local workforce, community and economic development issues and investments, and opportunities to shape the direction of future funding and to gain recognition as an employment and training service provider.

- **Encourage youth to join the local youth council.** Program developers should seek opportunities for youth in care to become members of the local youth council. Participation strengthens youth leadership and decision-making skills, skills that are needed for work readiness. Participation also raises their awareness of important policy, economic, and community development issues that youth in care and alumni can uniquely influence, based on their perspectives and experiences navigating multiple agencies and systems.

- **Work with the local and state WIBs.** In consultation with youth councils, local workforce investment boards must use a competitive process to distribute funds to service providers. Typically, local WIBs will issue an annual request for proposals, outlining their local priorities and establishing their reporting requirements. Program developers are urged to contact their local WIB to learn more about the funding process in their community. Contact information is available at www.nawb.org/asp/wibdir.asp. Although statewide youth councils are not required, youth policy coordination and planning often occurs at the state-level in which youth serving programs may contribute their input. Program developers may also explore the use of state level set-aside funding such as discretionary WIA funds, and work with coalitions and community groups to influence the allocation of these for youth workforce development.

Temporary Assistance for Needy Families

Workforce development program developers can also consider funding services for youth through TANF, a formula block grant program administered by the U.S. Department of Health and Human Services. State human services agencies annually receive $16.5 billion in TANF funding and under federal regulations, all TANF-funded activities must meet one of the four purposes:

1. assisting needy families so children can be cared for in their own homes;
2. reducing the dependency of needy parents by promoting job preparation, work, and marriage;
3. preventing out-of-wedlock pregnancies; and
4. encouraging the formation and maintenance of two-parent families.

To receive TANF funding, states develop plans to provide assistance to needy families and individuals.
TANF block grants have an annual cost-sharing requirement, based on a formula, known as maintenance of effort (MOE), which varies from state to state. The four purposes of TANF are broad and allow for states to use TANF funding for a range of supports, services and activities. They can use funds not allocated for cash assistance to fund various work supports, including education, transportation, child care, job training, work experience, and housing and wage supplements; these could include youth employment and training services and other youth programming. With considerable discretion

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**Tips for Accessing Temporary Assistance for Needy Families Funds**

- **Build key relationships with state or county human services agency officials who administer TANF.** Program developers should meet with key officials and introduce them to the program they are advocating, add them to the program’s mailing list, and keep them informed of program developments and successes. Some states have also recognized the crossover of clients between the state welfare and child welfare systems and are coordinating resources to streamline administrative processes and service delivery. Since federal welfare reform, 13 states have collocated TANF and child welfare staff. To learn more about these innovations and determine whether the state has investigated these options, program developers should talk with agency officials.

- **Be familiar with the state TANF planning process.** Each state is required to have a TANF plan that defines how TANF will be implemented including state and federal requirements and income and resource standards for eligibility. Selected provisions of state TANF plans are available at www.acf.hhs.gov/programs/ofa/PROVIS.HTM. States are required to renew their plans biennially in consultation with local governments and private-sector organizations. In addition, states may submit amendments to completed two-year plans.

- **Find out how TANF dollars are allocated.** The flexibility that state agencies have to allocate TANF varies from state to state. For example, in some states, the agency responsible for TANF is able to contract for services without additional legislative authority; while in others, additional legislative authority is needed. State officials administering TANF can provide information to program developers on how TANF dollars are allocated. Local advocacy organizations may also serve as an additional information source that focuses on supports for low-income families.

- **Find out about current TANF spending.** State-specific information on unspent TANF dollars, TANF transfers, and TANF spending on child care is available on the federal Administration for Children and Families’ website at www.acf.dhhs.gov/programs/of/f/data/, and maintenance-of-effort spending for fiscal 2005 is available at www.clasp.org/publications/state_moe_fy05.htm. State and county administrators for TANF can provide additional information on whether and how TANF dollars are supporting workforce development programs.

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7 Adapted from Prevent Child Abuse America, *Temporary Assistance for Needy Families and Healthy Families America: Accessing a New Funding Source* (Chicago, Ill.: Prevent Child Abuse America, 1999).

in program implementation, states also decide what categories of needy families and individuals to help, setting penalties and rewards, asset limits, and benefit levels. Since welfare reform, there is a history of TANF agencies contracting out for employment and training and many other services. In light of TANF reauthorization through the Deficit Reduction Act, there may be changes in priorities and spending for TANF funds. Program developers should consider state TANF spending, including how funding allocations are made, their state’s MOE requirements and other welfare reform policies and may want to partner with local community-based and advocacy organizations, other workforce development service providers and child welfare agencies, to influence spending for workforce development services for youth transitioning from care.

### Job Corps

Job Corps is another common source of federal funding for workforce development programs serving youth transitioning from care. A national residential education and employment training program, Job Corps centers address the multiple barriers to employment faced by disadvantaged youth ages 16 through 24. The U.S. Department of Labor (DOL) awards and administers contracts to these centers for the recruitment and screening of new students, center operations, and placement of students leaving Job Corps. With more than 100 centers in nearly every state, youth access integrated academic, vocational, and social skills training to help further their education, obtain quality long-term employment, and gain independence. The national Job Corps office recently disseminated a program directive to the Job Corps community around the country instructing center directors, service providers and outreach staff to assist youth in care with career transition services and opportunities; it also provided information and resources to connect youth with federal independent living programs and other financial supports. Centers are operated nationally by private companies and nonprofit organizations and may also have contracting opportunities to provide job placements for graduates. As well, the U.S. Departments of Agriculture and Interior also operate Job Corps centers, referred to as Civilian Conservation Centers, under interagency agreements with the DOL. Workforce development leaders may consider building relationships with their local Job Corps outreach and admissions office, local child welfare agency and area employers to maximize opportunities for youth transitioning from care.

### YouthBuild

Under recommendation of the White House Task Force Report on Disadvantaged Youth, the YouthBuild Transfer Act, in September 2006, transferred the YouthBuild program from the Department of Housing and Urban Development to the Department of Labor (DOL). The DOL will run its first YouthBuild competition for funds appropriated in Fiscal Year 2007. In administering the YouthBuild program, DOL expects to: increase coordination between YouthBuild sites and the workforce investment system; align the program with the Federal Shared Youth Vision which emphasizes strong educational and employment outcomes; and promote the YouthBuild model for other youth programs. YouthBuild provides school dropouts between the ages of 16 and 24 with education, employment skills, and real-life work experiences in the construction trade. The model is complex and demanding, providing participants with classroom training, income as construction site trainees, and the ability to help their community by building or rehabilitating affordable housing. Grants are available to public and private nonprofit organizations, public housing authorities, state and local government agencies, and organizations providing employment and training.

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9 To obtain more information on Job Corps programs and locate centers nationwide, visit: http://jobcorps.dol.gov.
10 For more information on the Federal Shared Youth Vision, see www.doleta.gov/ryfi.
services under federal employment and training programs. Program developers should review the current legislation on the transfer of the program to understand application requirements for new grants and the administration of existing funding.¹²

For more information on YouthBuild, see www.youthbuild.org/site/c.htRI3PIKoG/b.1223921/k.BD3C/ Home.htm (or http://tinyurl.com/2nek8y).

Youth in foster care, and alumni of care, are also disproportionately represented in the juvenile justice and adult corrections systems than those young people not involved in the child welfare system. In addition to the funding sources described above, the Department of Labor is investing significant resources to assist youth offenders improve their connections to the workforce, and many discretionary grants target youth in foster care.¹³

Considerations

- Although various federal programs could support youth employment and training services, program developers need to evaluate the fit between potential funding sources and a program’s mission and services. In addition, they should weigh the costs and benefits of applying for and participating in federal programs. For example, some federal workforce grants have extensive application and reporting requirements. For WIA and TANF funding, in particular, program developers should understand required performance measures and build the capacity to track and report progress toward achievement.

- Building partnerships can open valuable avenues to access federal workforce development funds—resources that might otherwise not be available to individual organizations. Some funding opportunities may even require collaboration. Workforce development providers should build relationships with local workforce investment boards and youth councils, businesses, social services agencies, local government agencies that support community and economic development efforts,
Nonprofit Expands Programs by Maximizing Workforce Development Resources

Youth Employment Partnership, Inc. (YEP) started out more than 30 years ago as a summer jobs program for youth and is now the largest employment agency in California’s Bay Area. YEP serves hundreds of foster and adjudicated youth every year; it works to help youth ages 14 to 24 overcome barriers to economic independence and move toward a life of self-sufficiency. Youth can earn their G.E.D. certificate or high school diploma, access a tutor or mentor, improve their computer literacy, explore careers and look for jobs, get paid training, learn job survival skills, and gain work experiences.

YEP’s growth can be attributed to its ability to maximize federal workforce development resources. With a reputation for improving employment and training outcomes for high-risk youth, including youth in foster care, YEP has had success in accessing funds to develop innovative programs. In 2004, YEP and other service providers partnering with the Oakland Workforce Investment Board were awarded a competitive $1.2 million U.S. Department of Labor demonstration grant. These funds support YEP’s Oakland Youth Self-Sufficiency Program, which provides employment and support services tailored specifically to meet the needs of youth in care, court-involved youth and youth with disabilities. YEP also regularly accesses funding through WIA Adult and Dislocated Worker Activities for training and internships for young adults ages 19 to 21 and funding through WIA Youth Activities for training and support services for youth ages 16 to 18. In addition, in 2004, YEP was awarded a highly competitive Hope VI federal grant for predevelopment of mixed-use affordable housing on a 20,000-square-foot lot it owned. The partnership then secured a Youth-Build grant to train youth in construction skills when building began on the lot in late 2005. YEP has also led a city-wide effort to implement performance-based contracting for job training, providing funds to organizations based on the steps each client takes through a work-readiness program. These contracts consider the many barriers that high-risk clients experience in obtaining employment and provide incentives for community-based organizations to serve this population.

YEP’s extensive partnerships have also enabled the organization to leverage a wide array of state and local funds. Youth receive on-the-job training in landscaping, mural painting, urban gardening, and litter abatement through a program called Team Oakland, which is funded by the city’s public works agency, and through a partnership with the College of Natural Resources of University of California–Berkeley. Youth can also try a career through paid internships in the Career Try-Out Program funded by the Oakland Fund for Children and Youth, a voter initiative and city-administered fund that sets aside 2.5 percent of the city’s unrestricted general purpose fund for direct services to children and youth who are younger than age 21. Additional funding through the mayor’s Summer Jobs Program helps YEP prepare youth for summer employment in the community. YEP also receives a grant from the Annie E. Casey Foundation to support a School-To-Career Partnership for youth in foster care and numerous other foundation and corporate grants that fund programs, supportive services, and the rehabilitation of buildings. For more information contact Michele Clark, executive director, Youth Employment Partnership, Inc., 510.533.3447 or mcc@yep.org.
and job training and other community-based organizations. Participating in planning councils with different community leaders provides a venue to strategize for inclusion of youth employment and training supports in the local plan. Program developers also have an opportunity to learn about the RFP contracting process for obtaining WIA youth funding and for recognition as a workforce development program provider.

Program developers should consider federal programs that are focused on both youth and adults. Young adults, 18 and older, who are transitioning from the foster care system may qualify for adult services at one-stop career centers. Workforce development leaders should work closely with WIBs, one-stop career centers, economic development agencies, Job Corps and YouthBuild directors to learn about and access services for older youth. Program developers and child welfare agencies also need to work together to refer youth to programs and opportunities.

The recent TANF reauthorization has brought a stronger focus on work requirements, which may increase state flexibility to fund innovative and effective workforce development programs that link education and training to specific jobs; allow participation in mental health, substance abuse, and other rehabilitation services to count under the job search/job readiness work category; and allow work experience and community service to be counted in the work participation rates. Program developers should work closely with state and local welfare agencies to press for funding for workforce development programs for youth in foster care in state plans as well as to ensure they understand program requirements, including new state accountability measures and allowable uses of funds for youth employment and training.
Strategy 2: Maximize Child Welfare Resources

Program developers should seriously consider federal child welfare funding, as some of these resources are targeted to youth currently in or transitioning from care. Two important funding sources are the Chafee Foster Care Independence Program (CFCIP) and the Chafee Education and Training Vouchers (ETV) program.

Chafee Foster Care Independence Program
CFCIP funds services and activities that help older youth currently in care and youth ages 18 to 21 who have aged out of care access the services and supports they need to transition to adulthood. Under the formula grant, program funds are awarded to state child welfare agencies for distribution to local public or private child welfare agencies and then contracted out to local service providers. The program also offers states the option of allowing youth in care to remain eligible for Medicaid up to age 21. Allowable activities include education and training; employment and housing assistance; and counseling, mentoring, tutoring, and other services that connect youth to dedicated adults and enable youth to make better choices and accept greater responsibility for their own lives. Workforce development providers and child welfare agencies can be effective partners in ensuring that funds are available to support employment and job training activities for youth.

Chafee Education and Training Vouchers Program
The ETV program provides funding specifically to meet the employment training and higher education needs of youth who are aging out of foster care and those who have been adopted, up to age 23. The federal government allocates up to $60 million annually in ETV funds, with awards to states based on the state’s percentage of youth in foster care nationally. Vouchers, of up to $5,000 per year, may be applied toward the cost of education and training activities in a qualifying institution of higher education, defined by the Higher Education Act, including two-year and four-year colleges and universities, and training and vocational or trade schools. This funding source may also be disregarded in determining eligibility for other federally supported education assistance, so long as the total assistance does not exceed the total cost of attendance and benefits are not duplicative. This funding flexibility enables youth to access a wide range of resources to support postsecondary education and training activities while remaining eligible for loans, scholarships, need-based grants, and other educational programs. States decide the purposes for which ETVs can be used and the amount awarded to each student. Allowable expenses include tuition, transportation, health insurance, application fees, books and supplies, room and board, and dependent child care. Workforce development providers can help youth apply directly for these resources through partnerships with child welfare agencies and independent living program coordinators who have access to these funds on behalf of youth.  

Considerations
- The Chafee program encourages states to collaborate with a diverse set of state and local stakeholders, including child welfare agencies, WIA one-stops and WIBs, transitional housing and public health agencies, community-based and nonprofit organizations, and private business employers. Collaboration provides opportunities to maximize local, state and federal resources for

workforce development as well as offer comprehensive independent living services for youth.

- Federal child welfare funds flow directly to state agencies for distribution locally. Program developers and state and local child welfare agencies need to work together to share information and resources to improve work-readiness services for youth.

- Program developers should consider partnering with postsecondary career and technical training schools, community colleges, and institutions of higher education to build academic opportunities into workforce development programming and to connect skills and training gained within the classroom with available jobs and career opportunities within partnering businesses and high growth industries. Program developers can also work with local child welfare agencies and independent living program coordinators to help youth access Chafee ETVs to cover the costs of postsecondary education and training.

- Program developers should be strategic in their use of the few sources of funding targeted specifically to youth in foster care. Chafee funds, in particular, represent relatively flexible funding for services for youth exiting care, and they can be used to fill gaps other funding sources cannot support. Also, when accessing Chafee resources, program developers should work closely with child welfare agencies to understand the process by which funding flows to service providers in order to ensure proper planning and timing of the receipt of funds.

Local One-Stop Created with Child Welfare Resources

The Achieving Independence Center (AIC) is an innovative one-stop for youth in care and those transitioning from the system in Philadelphia, Pennsylvania. The center provides youth with employment and job training opportunities as well as other necessary services. Unlike most one-stops that serve adults through the Workforce Investment Act, AIC is supported primarily through Chafee Foster Care Independence Program funding. Youth benefit from AIC’s partnership of nearly 14 businesses and nonprofit organizations that are working closely with city agencies to provide independent living supports tailored to meet their diverse needs. With the goal of helping youth move toward self-sufficiency, the city’s Department of Human Services (DHS) collaborated with the Philadelphia Workforce Development Corporation (the local WIB) and Arbor Education & Training, L.L.C. (a local workforce development service provider) to open AIC’s doors in 2002, serving 500 youth in foster care each year.

DHS contracts with providers for health, housing, education, case management, employment training, and work experiences. Collaborative partners are collocated at one-site to coordinate services for youth in foster care ages 16 to 21. Youth are self-referred, referred by youth services agencies, or referred by DHS or provider agency social workers, family courts, or foster parents. Arbor Education & Training, a nationally recognized PEP-Net awardee for education and training, is the lead partner, providing management, job coaches, and workforce-readiness and life-skills training. The Philadelphia Youth Network, a workforce development intermediary, provides youth in foster care with job training and placements, and Goodwill Industries of Southern NJ and
Quaker City provides subsidized employment and skills-building opportunities for youth. AIC also partners with institutions of higher education to provide youth with education services, including computer literacy training, high school support, and G.E.D. preparation. The Pennsylvania Higher Education Assistance Agency, a nonprofit organization helping youth gain access to affordable higher education, provides assistance to youth in applying for financial aid and accessing Chafee ETV funds. Other partner organizations provide mentoring services, leadership opportunities, and connections to housing. In addition, the Independence Café, which the AIC owns, is open to the public for breakfast and lunch and provides youth with hands-on culinary and customer service experience.

One key to AIC’s success is its collaborative management structure. The leadership team is composed of more than 40 human service and workforce development professionals, field placement students, and tutors who work with members. The team meets weekly with the AIC director and Arbor Education & Training regional director to assess members’ progress and discuss ways to improve the system and services for youth. Youth in foster care develop leadership skills and actively help with programming and administration. AIC considers youth as members who elect to accept these services and take ownership over their transition from care while supported by case managers, referred to as coaches. Youth provide feedback on program effectiveness through focus groups and surveys and are involved in hiring processes to determine partner and staff qualifications. For more information, contact Ronald Spangler, regional director, Arbor Education & Training, 610.891.5509 or rspanglar@arboret.com; and Evelyn Jones Busby, executive director, Achieving Independence Center, 215.574.9194 or ebusby@aicenter.us.
Strategy 3: Access Community Development Resources

Community leaders and program developers should also consider pursuing community development resources to finance employment and training programs for youth. These resources typically focus on developing or rebuilding economically distressed communities and supporting various services, including employment and training, community service programs, and programs providing work experience. Relevant federal funding sources include the Community Development Block Grant (CDBG), the Community Services Block Grant (CSBG), the Community Reinvestment Act (CRA), and several smaller discretionary grant programs.

Community Development Block Grant
CDBG seeks to develop viable communities by promoting decent housing and suitable living environments and by expanding economic opportunities for low- and moderate-income families and individuals. Each CDBG-funded activity must meet one of the following national objectives: benefit persons of low and moderate income, aid in the prevention or elimination of slums or blight, or meet other community development needs of particular urgency.

Administered by the U.S. Department of Housing and Urban Development (HUD), CDBG funds flow directly to larger cities with populations of at least 50,000 and to qualified urban counties with populations of at least 200,000. HUD determines the amount of each entitlement grant based on a formula that takes into account the community’s population, housing conditions, and degree of poverty. CDBG funds are also awarded on a formula basis to states; states then pass through the funds, typically through annual funding competitions, to smaller communities and rural areas that do not receive entitlement grants.

CDBG funds support community development activities that relate to the construction and rehabilitation of housing and infrastructure in low-income communities. Allowable uses include property acquisition; construction of public facilities, such as neighborhood centers; and assistance to profit-motivated businesses to carry out economic development and job creation/retention activities. At least 51 percent of participants served with CDBG funds have to be of low or moderate income. In addition, 15 percent of CDBG funds are permitted to support public service needs; competition for these funds tends be very high. Public services include projects to provide youth employment training within community economic development initiatives. Program developers can access funds to provide youth in care with work experience and job training by including public services in a broader community development plan.

Community Services Block Grant
The Community Services Block Grant aims to ameliorate the causes and conditions of poverty; provide activities to help participants achieve employment and self-sufficiency as well as health, housing, and education; and promote participation in community service. Administered by the U.S. Department of Health and Human Services, CSBG provides funds to states, most of which are passed to local community action agencies to address employment and other needs of low-income families and individuals. CSBG funds can be used to support community service activities that provide youth with education, training, and job placement opportunities. These funds can also be used to promote positive youth development, including initiatives that provide youth mentoring, life-skills training, job creation, and entrepreneurship programs. Program developers may succeed in accessing funds by coordinating with community action agencies and pressing for inclu-

17 For more information on CSBG, visit www.acf.hhs.gov/programs/ocs/csbg/documents/modst.htm.
sion of youth workforce development initiatives in the state plan.

Community Reinvestment Act
The Community Reinvestment Act encourages banks to meet the financial credit and service needs of low- and moderate-income neighborhoods. CRA does not appropriate public funds, but it requires banks to use their private-sector resources to meet the financing needs of all communities in which lenders conduct business. Incentives are strong for banks to participate in community partnerships, because examiners from federal regulatory agencies assess and “grade” lending institutions’ activities in low- and moderate-income neighborhoods. Examinations take place every two years for large banks and less frequently for smaller banks. These scores are used to determine a bank’s overall CRA rating. These ratings are important, because a poor CRA rating can result in a regulatory agency delaying or denying a lender’s application to merge, open branches, or expand services. Positive and negative CRA ratings can have powerful impacts on a lender’s image and, consequently, its long-term business performance. Program developers can frame partnerships in the context of helping banks meet their rating needs and developing a public relations plan to boost the banks’ visibility in the community.

Workforce development leaders can persuade banks to support financial and economic development programs for youth, including job shadowing, financial literacy training, and career advising in banking and money management. Banks can also provide direct grants; startup loans and low-cost financing to create or expand facilities or services; in-kind donations such as computer hardware and software; and technical assistance and leadership by serving on an organization’s board.  

Tips on Accessing Community Development Resources

- **Build relationships with local departments.** In many cases, block grant dollars allocated for youth services are administered through a city department of recreation or family and youth services, which then uses the funds to support community programs. Relationships with officials from these departments should increase program developers’ chances of accessing funding.

- **Participate in planning processes.** Local decisionmakers are required to involve community members in decisions about all block grant dollars. Becoming involved in CDBG and CSBG planning processes can help ensure that policymakers consider how youth in care can benefit from the various community development projects supported by block grants.

- **Work with others to reach agreement on funding priorities.** Keep in mind that only 15 percent of CDBG funding can be allocated for public services and that competition for these funds is typically strong. Employment training providers should consider working in coalition with residents, service providers, and community leaders to achieve consensus on the employment, educational and supportive needs of especially vulnerable youth, such as those in the foster care system and alumni. This may reduce competition for funds and build a more inclusive and diverse initiative to address these needs through CDBG funding.

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Additional Community Development Funding Sources for Youth Workforce Development Initiatives

- **AmeriCorps (VISTA).** Through a competitive grant from the Corporation for National and Community Service (CNCS), this program provides funds to promote volunteer service. Local governments, community-based organizations, colleges and universities, and churches and other faith-based organizations with antipoverty programs are eligible to apply to CNCS state offices for these resources. More than three-quarters of AmeriCorps’ grant funding goes to governor-appointed state commissions, which in turn distribute and monitor grants to local nonprofit agencies and organizations. The other quarter goes to nonprofit entities that operate in more than one state. Nonprofit workforce development providers can apply to the state commissions to have AmeriCorps volunteers within their organization to help provide workforce development services and activities for youth in care. As well, youth, ages 17 and older, may apply to become an AmeriCorps volunteer, earning a modest stipend to cover living costs while working within an eligible poverty-related organization for one year. Participants receive an education award worth $4,725 upon completion of service. For a listing of state commission contacts, visit www.nationalservice.org/about/family/commissions_pick.html.

- **Learn & Serve America: School and Community-Based Programs.** Learn & Serve America grants are used to encourage elementary and secondary schools and community-based agencies to develop and offer service-learning opportunities for school-age youth. Individual and consortia of institutions of higher education and nonprofit organizations or public agencies are eligible to apply directly to the Corporation for National and Community Service through an annual grant cycle. Funds can be used to introduce youth to different careers and encourage them to pursue further education and training. Program developers should consider developing relationships with schools, community colleges, and local education agencies to develop programs that integrate education and civic responsibility with hands-on work experiences and career exploration. For more information, visit www.learnandserve.org.

- **National Association of Service and Conservation Corps (NASCC).** A descendent of the federally funded Civilian Conservation Corps (CCC), the NASCC is comprised of 106 state and local corps that engage vulnerable youth and young adults, ages 16–25, in community service, training and educational activities. The Corps operates in multiple communities across 37 states and the District of Columbia, and corpsmembers are guided by adult leaders, who serve as mentors and role models as well as technical trainers and supervisors. Corpsmembers carry out a wide range of conservation, urban infrastructure improvement and human service projects. In return for their efforts to restore and strengthen their communities, youth receive a living allowance; classroom training to improve basic competencies and, if necessary, to secure a G.E.D. or high school diploma; experiential and environmental service-learning based education; technical skills training; supportive services; and in many cases, an AmeriCorps post-service educational award. Unlike the original CCC, corps are state and local programs which are supported by a diverse array of federal, state and local funding sources. Program developers may seek to link youth with opportunities through NASCC by contacting their local corps offices. For more information, visit www.nascc.org for locations.
Involving Youth in the Development of Housing in Iowa City

In Iowa City, Iowa, federal community development resources support an innovative program that affords high school students an opportunity to attain new skills and earn scholarships while developing low-income housing. The project is a partnership among Iowa City, The Housing Fellowship (THP), the Iowa City Community School District, the Iowa City Homebuilder’s Association, and local lenders. With funds from HUD’s HOME Investment Partnerships formula grant, THP purchases an empty lot, on which students from the Iowa Community School District vocational program then build a house during the school year. Local lenders also provide low-cost financing to support project development. At the end of the year, The Housing Fellowship purchases the home the students have built and, with support from the Association of Realtors, sells the house to an income-qualified buyer as part of the Community Land Trust program. Funds from the purchase of the home are used to buy equipment and supplies for the vocational program as well as provide scholarships for postsecondary education for students involved in the project. Students not attending postsecondary education are provided gift certificates for the purchase of tools to encourage them to continue a career in the building trades. In addition to the HOME grant, the partnership is supported through an array of community development resources, including a previous grant through CDBG as well as private resources through local lenders. The partnership has garnered public recognition for its work, receiving the 2001 Community Development Award from Iowa City and the Housing and Community Development Commission. For more information, contact Mary Ann Dennis, executive director, The Housing Fellowship, 319.358.9212 or thf@avalon.net.

Considerations

- Workforce development leaders can benefit from partnering with community development intermediaries such as the Local Initiatives Support Corporation, Enterprise Community Partners, and community development financial institutions. These intermediaries play a useful role by pooling resources from public and private sources and developing loans, investments, or services to meet special community development needs.

- Successfully accessing community development dollars depends on developing strong partnerships with schools, employers, government agencies, nonprofit organizations, and community and faith-based organizations. Partnerships can develop work, civic, and service-learning opportunities for youth as well as contribute in-kind and financial resources and leadership.

- To successfully access these funds, program developers will need to demonstrate that youth workforce development programs address the broader community development objectives of revitalizing distressed areas or meeting other urgent community development needs. Although this is not a difficult connection to make, it may require using language that appeals to those working within community and economic development agencies.
Strategy 4: Connect with Education Resources

Support for educational attainment is critical to the success of any workforce development initiative. Connecting with education resources is yet another strategy for community leaders and program developers seeking to prepare youth transitioning from foster care for the world of work. Various education programs administered by the federal government, as well as by states and localities, can be used to support workforce programs for this population.

Federal education programs aim to meet the basic, career and technical education, and postsecondary academic needs of youth. Some of these funding sources provide literacy services or help youth and young adults earn their high school diploma or G.E.D. certificate. Others focus on supporting employment training and education to help youth and adults develop knowledge and technical skills relevant to labor market demands. Federal education programs

Engaging Education Partners to Maximize Workforce Development Opportunities for Youth

The Walter S. Johnson Foundation’s California Gateway Initiative seeks to link transitioning foster youth and young adults to postsecondary education and high-wage, high-growth career pathways. Currently operating in six California counties—Alameda, Contra Costa, Fresno, San Mateo, Santa Clara, and Stanislaus—the foundation is serving as a catalyst for better coordination of education, workforce development, and supportive services for youth transitioning from foster care. Higher education helps transitioning youth gain the necessary skills, experiences, and professional networks that contribute to long-term self-sufficiency, but this environment may be difficult to navigate without a support system. The initiative is designed to connect education partners with workforce investment boards and social service agencies to ensure that youth succeed in obtaining a quality education, real linkages to the world of work and the necessary supports to thrive.

The foundation engaged education partners as critical stakeholders in developing the program curriculum and for leveraging state education funding to ensure sustainability. Recognizing how challenging college can be for young people, the foundation provided a grant to the Career Ladders Project to support its role in encouraging community colleges to develop educational and career advancement opportunities for youth transitioning from the foster care system. The foundation also provided grants to community colleges to design a specialized curriculum focused on helping youth succeed. During a 14- to 18-week semester, foster youth earn 12 credits by taking classes centered on college orientation, career counseling, and English and math skills. In the first semester, the cohort stays together as a learning community, benefiting from peer and faculty support and developing a sense of belonging. College faculty work together to integrate the courses while making them relevant to various career options and occupations. Youth later matriculate into high-growth industries such as allied health, biotechnology manufacturing, construction and other skilled trades, energy and petrochemicals, and financial services or continue to pursue a college certificate or degree. By offering credited classes for students, community colleges receive state education funding referred to as Full-Time-Equivalency Student (FTES) dollars, per student enrolled, providing a stable base of financial support necessary to sustain the initiative. Moreover, because youth attend

\[19\] The Carl D. Perkins Vocational-Technical Education Act funds vocational education and training at both the secondary and postsecondary levels, with the bulk of funding at the high school level, and attempts to articulate improvements in the quality and availability of vocational programs. See U.S. Code, title 20, sec. 2355 (2001) for a list of allowable uses of the funds.
programs are also a significant resource for direct financial aid to students as well as for activities that prepare youth for postsecondary education and help them succeed in academic settings. Higher Education Act programs, for example, provide the lion’s share of federal financial assistance, including the Pell Grant program, the largest source of grant aid for postsecondary education for low-income students. Federal funds can also support activities to help youth stay in school, such as tutoring, study skills training, and dropout prevention services.  

State and local education resources, which surpass federal funding sources in size and scope, can provide a stable source of funding for youth workforce development programs. State and local education dollars may support alternative education, charter schools that serve at-risk youth, school-to-career activities, or other types of programming for youth. Most postsecondary institutions receiving state and local funding do so based on average daily attendance (or the number of full-time equivalent students). The unit of measure, cal-

classes full time, they are eligible for financial aid and many receive Pell grants. Low-income and disadvantaged youth also qualify for enrollment fee waivers through the California Community Colleges Board of Governors’ Fee Waiver Program, and they may receive additional academic support, counseling, financial aid, and other services through California Community Colleges’ Extended Opportunity Programs and Services. Faculty and counselors also help youth access Chafee grants to cover additional education-related costs.

The initiative encourages resource and service coordination for youth through system-level collaboration and in-kind supports. The foundation provides grants to county workforce investment boards, which are then matched with funding from other investors and local WIA formula funding. Funds are then contracted to community colleges to cover the costs of faculty stipends as well as classroom-based counselors who assist youth with personal, academic, and social challenges they face. The initiative requires youth to be co-enrolled in WIA to receive case management and employment services while attending college classes. In some counties, WIBs are providing additional funds to cover other supports, such as food, books, and transportation, to eliminate barriers to success. Youth also receive supports through the partnering social services agencies, including outreach, enrollment, case management, and referrals to the community colleges. The Career Ladders Project provides ongoing technical assistance to the six counties to help them address challenges and share promising practices that will build their capacity to assist youth achievement in their classes, strive for higher education, and gain positions in high-wage, high-growth industries. Based in part on the initiative’s program model and results, the California Community Colleges Chancellor’s Office developed Career Advancement Academies—a new $15 million state demonstration project in northern, southern and central California—to replicate workforce development opportunities that will create a bridge for disadvantaged young adults, including transitioning foster youth to college and real world career opportunities. For more information, contact Linda Collins, executive director, Career Ladders Project, 510.268.0566, lcollins@careerladdersproject.org or visit http://careerladdersproject.epcservices.com/projects/career.php.

Selected Federal Education Resources

Carl D. Perkins Vocational and Technical Education Programs

- **Vocational Education Basic Grants to States.** This program provides formula grants to states to support their five-year state plan for vocational education. Grants are used to more fully develop the academic, vocational, and technical skills of secondary and postsecondary students, including young adults and nontraditional students such as single parents, who elect to enroll in vocational and technical programs. Local education agencies and postsecondary institutions are eligible recipients for subgrants. States use funds for the priorities they establish in their approved state plan for vocational-technical education. Program developers should consider partnering with local education agencies, institutions of higher education, and other providers of vocational and technical education to help ensure their input and their program’s inclusion in the state vocational-technical education plan and to learn more about matching fund requirements. For more information, visit www.ed.gov/about/offices/list/ovae/pi/cte/index.html.

- **Vocational Education: Occupational and Employment Information State Grants.** A discretionary grant under the Perkins Act, this program provides support directly to grantees for career guidance and academic counseling programs. Grant recipients are designated jointly by the governor and the state board for vocational and technical education. Program developers should consider partnering with high schools, community colleges, postsecondary institutions, workforce agencies, and state education agencies to coordinate resources, services, and opportunities for youth; to increase public awareness of programs; and to have their program considered for eligibility as a grantee. For more information, visit www.ed.gov/about/offices/list/ovae/pi/cte/index.html.

Adult Education: State Grant Program

A program under the Adult Education and Family Literacy Act, this formula grant is administered by the Office of Vocational and Adult Education and requires eligible state education agencies to submit a five-year plan laying out program priorities, objectives, and activities. State agencies provide funds to libraries, local education agencies, community-based organizations, higher education institutions, volunteer literacy organizations, public housing authorities, and public or private nonprofit agencies. States must provide matching funds. Eligible activities include programs that provide basic, English, and workplace literacy services to adults and out-of-school youth ages 16 and older. Program developers should develop relationships with community partners to get their program included in the state plan and to access funding. For more information, visit www.ed.gov/offices/OVAE/AdultEd/.

Calculation and reimbursement process varies by state. For programs located at postsecondary institutions, such as community colleges, accessing state education dollars (based on average daily attendance) can serve as a very reliable revenue source. Across the country, states and localities have developed innovative workforce development programming in collaboration with school districts, community providers and community colleges while leveraging per-pupil funding and other WIA, foundation and social service funds. Community colleges, for example, partnering with the California Gateway Initiative (described in more detail on page 24), design specialized, credited academic courses for youth transi-
Vocational Rehabilitation Services Program

This program provides formula grants to state vocational rehabilitation agencies for training and job placement for individuals with disabilities. State vocational rehabilitation agencies must submit a five-year plan for vocational rehabilitation services and must contribute 21.3 percent of program funds to receive the federal dollars. States may contract with local service providers, so long as these sub-grantees comply with all federal statutory, regulatory, and policy requirements. Qualifying individuals must have a physical or mental impairment that is a substantial impediment to employment and must be able to benefit from services to achieve employment. The most likely workforce development initiatives to qualify for this funding source are those serving individuals with learning disabilities. Activities are designed to help individuals prepare for, enter, engage in, or retain employment including work evaluations, assessments and provision of supportive technology, opportunities for self-employment, job counseling, job search assistance, as well as medical, case management and supportive services. Program developers should consider partnering with community rehabilitation providers, training providers, and other organizations serving individuals with disabilities and build relationships with the state vocational rehabilitation agency for more information on the state planning process and program requirements. For information on state vocational rehabilitation agencies, visit www.jan.wvu.edu/SBSES/VOCREHAB.htm.

Special Education: Grants to States

Authorized under the Individuals with Disabilities Education Act, this block grant is awarded to states to help provide free public education for youth with disabilities. Funds can be used for salaries of teachers and other personnel, education materials, and related services such as transportation or occupational therapy that enable children with disabilities to access education services. State education agencies are eligible to apply by submitting a three-year plan describing the purposes and activities for which funds will be used. Public hearings on the plan must be held, and local education agencies submit their applications for subgrants to state education agencies for approval. Although there are no matching requirements, these funds cannot be used to replace existing funding and other requirements apply. Program developers should consider partnering with local education agencies, community-based organizations, and other organizations that serve youth with special needs. For more information, visit www.ed.gov/offices/OSERS/OSEP/Funding.

Opportunities to obtain stable education funding, such as this source, provide a strong incentive for program developers to partner with postsecondary institutions to pioneer effective youth workforce development services and for leveraging state education dollars for sustainability.

For more information on the California Gateway Initiative, see http://careerladdersproject.epcservices.com/projects/gateway.php.
Whether accessing education funding at the federal, state, or local levels, partnering with state and local education agencies and school districts is important to identify potential resources, to understand how funds flow from federal programs, and to determine eligibility and reporting requirements for each source. Partnerships should also extend to employers, community colleges, trade and technical schools, chambers of commerce, child welfare agencies, local workforce investment boards and youth councils, to ensure sustainability through diverse funding resources.22

**Considerations**

- Program developers need to understand the flow of state and local education dollars into communities and take steps to build partnerships with local education institutions, such as high schools, community providers of alternative education, school districts, community colleges, technical and trade schools to access education funds, especially per-pupil funding (ADA and FTES) to serve youth program participants and provide opportunities to better connect and sustain education and workforce services.

- In building partnerships with local education institutions, youth program leaders need to frame their workforce development activities in ways that can support the needs and goals of these institutions. Schools and school districts, for example, face strong pressures to improve student performance. Creating partnership opportunities to support youth programs that offer tutoring, mentoring, and study skills training can help meet this objective. Youth programs engaged in school dropout recovery may be able to help schools recapture per-pupil funding. Program developers need to think creatively about how to promote their services to education and other community organizations.

- State and local policies often shape how federal education funds can be used for youth workforce development services. Program developers need to keep abreast of policy and regulatory developments affecting federal programs of interest to them. For example, in some cases, the U.S. Department of Education has afforded states the flexibility to waive Perkins requirements and align their outcomes with other education and workforce development programs. Program developers should consult with state education and workforce development partners to learn more about reporting options.23

- Applications for education resources can be complex and challenging for youth to complete. Program developers should also consider having a dedicated staff person (e.g., an education specialist) on site to help youth identify and access the full range of postsecondary financing options, including scholarships, federal financial aid, and grants and loans.

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23 The U.S. Department of Education has developed a matrix that provides workforce development program leaders with a crosswalk of performance measures required for the Workforce Investment Act (Title I), the Adult Education and Family Literacy Act, and the Perkins Vocational and Technical Education Act at www.ed.gov/policy/adulted/guid/accoutcross.doc.
Strategy 5: Build Partnerships with Employers

Workforce development programs can also access valuable in-kind and financial resources through partnerships with employers. Employers have a vested interest in preparing and retaining their future workforce. They can provide youth with work experiences that build their soft and technical skills as well as contribute leadership, financial and technical assistance. Employer partnerships can also help ensure that training is relevant to industry needs and is tied to available job opportunities.

Partnerships with employers build needed connections for youth to the world of work by affording opportunities for internships, apprenticeships, work experience, work-based learning, and other activities that develop their technical and professional skills. Employers can serve as mentors and job coaches to reinforce good decisionmaking, technical skills development, and a strong work ethic, providing youth with timely and critical feedback for job retention and advancement. Employer partnerships also build the base of funding and leverage additional resources for school-to-work activities and workforce development programs through business networks. Partnerships with employers help support, strengthen, and expand programs and services by engaging their expertise and leadership through advisory councils, coordinating bodies, and curriculum development.

Businesses benefit in numerous ways from their involvement as partners. Increased public visibility for their efforts to address the educational, technical, and supportive needs of their employees builds community trust and respect and is a good way to attract and retain qualified workers. An investment in developmental activities, such as job-related and soft-skills training and technical education, is an investment in the workforce of the future. Although many employers are enthusiastic partners in efforts to create and improve youth workforce development activities, their resources are limited and they, too, seek the benefit of networking and sharing resources (e.g., dollars, ideas, and expertise) with other employers and public-sector partners. In recent years, business leaders have also begun exploring partnerships with post secondary institutions such as community colleges, trade and technical schools in preparing youth for high-growth industries. Many of these partnership have focused on developing career pathways within certain industries and partnering with postsecondary institutions to lay out the steps youth should take to acquire specialized skills and training.

In addition to partnerships between employers and individual programs, policymakers and foundations can consider ways to create incentives for employer participation. In Connecticut, for example, the child welfare agency collaborated with business entrepreneurs, other state agencies, and nonprofit organizations to provide youth with opportunities to develop employment skills and apply independent living skills training through participation in community-based youth employment projects. While federal programs provide tax incentives for offering employer apprenticeship programs and credits for hiring within impoverished communities, states,

24 For more information, see the Workforce Strategy Center at www.workforcestrategy.org/ and Building a Career Pathways System at http://199.237.204.112/publications/promising_practices.pdf.
26 The U.S. Department of Labor’s Registered Apprenticeship and Other Training Program is a discretionary grant provided to employers, employer associations, and labor organizations to stimulate and assist industry in establishing quality apprenticeship programs and to facilitate the integration of these employers as partners in the Workforce Investment Act. Employers in empowerment zones are eligible for wage tax credits through the HUD Renewal Communities, Empowerment Zones, and Enterprise Communities Initiative.
Employers as Key Partners in Sustaining Youth Work Experience

In Portland, Maine, First Jobs Maine engages employers to provide summer jobs for youth in care and also to build employers’ commitment to the initiative’s broader vision. With a $95,000 grant from the Annie E. Casey Foundation, Youth Alternatives, Inc., developed the initiative’s workforce development model in summer 2004. Two area grocery chains, Anderson Brothers and Hannaford Brothers, hired youth in care in positions within the stores’ seafood, bakery, and produce departments as retail associates and front-end customer service personnel. Serving in a role similar to a temporary employment agency, Youth Alternatives pays for youth wages, collecting reimbursements from employers several dollars above this amount to cover its administrative costs. Youth Alternatives prepares, places, and supports youth in retaining these jobs while also helping employers address challenges as they arise.

Youth transition to permanent positions after an initial period of two to three months, and employers then assume their wages. Youth earn between $6.75 per hour and $8.00 per hour, well above Maine’s minimum wage. The foundation grant covers the costs of an on-site job coach to support young people in strengthening their work ethic and building their communication, decisionmaking, and customer service skills. Employers also participate on the initiative’s leadership advisory team and meet monthly with caseworkers and First Jobs staff to review youths’ progress in skills building. In addition, line supervisors and managers at the grocery stores participate in training, referred to as First Jobs 101, which gives them an understanding of the context in which youth in foster care are living, including the severe trauma of being separated from their families. As a result, this sensitivity training has become incorporated into Hannaford Brothers’ internal corporate system, and company officials have increased their investment to set their up their own staff as coaches.

First Job’s partnership with employers also helps increase awareness and support for the initiative among other area businesses, enabling the expansion of services to more youth and helping ensure future sustainability. In summer 2005, First Jobs held a marketing event and invited six companies to learn more about Hannaford Brothers’ experience as a partner within the initiative. Both youth and managers shared their stories, including successes and challenges, opening up the possibility for other employers to participate in the initiative. After this event, First Job’s staff followed up with interested companies. These efforts resulted in a doubling of jobs available for youth in summer 2006. Other private donors have taken an interest in the initiative’s success; the Charles Stewart Mott Foundation is now providing funding to increase the number of youth participating in the program. For more information, contact Rob Franciose, Youth Alternatives, Inc., 207.874.1175 or rfranciose@youthalternatives.org.
too, are developing innovative programs to attract businesses. A state program in Iowa, administered by community colleges, stimulates business participation by defraying hiring and training costs for employers who create new positions and support the development of custom training packages for existing employees. Private foundations also provide grants to organizations to facilitate outreach to employers to support collaborative work.

Considerations

- Program developers, particularly those with limited experience in engaging employers, may want to partner with local workforce intermediaries to build their capacity to reach out to employers and respond to business needs. Workforce intermediaries include workforce investment boards, nonprofit organizations, and employer associations such as chambers of commerce, some of which have taken on intermediary functions.

- As the business community becomes increasingly concerned about youth preparation for the workforce, program developers may find partnering a viable avenue in discussing ways to structure career ladder programs that will help youth acquire specialized skills and training and to transition into career opportunities. Community colleges, in particular, have the capacity to develop specialized course offerings for youth transitioning from care while accessing reliable state education per-pupil funding to ensure sustainability.

- Employers are valuable partners in hosting jobs for youth in care; however, program developers should consider taking steps to reduce employer risks by screening youth for their career interests and qualifications, providing relevant job-readiness and basic skills training to youth participants, and providing frontline support to both youth participants and employers to address problems at the worksite. Programs that are accountable to employers for the youth who are placed in private-sector work experience are more likely to maintain a successful partnership over time.

- Program developers should recognize that employers can bring more than dollars to the table. For example, employer support for youth workforce development services can come in the form of technical assistance, leadership capacity, and the donation of supplies. By engaging employers’ expertise and leadership in youth workforce development programs, providers may be better able to offer services that are relevant to business needs and to access opportunities in the labor market.

Strategy 6: Improve Coordination Across Systems

To make a successful transition to adulthood, youth in care need access to multiple supports and services. Depending on the administrative structure, youth could work with several caseworkers who determine eligibility and benefits for each program. Forced to navigate this fragmented system, youth can find it difficult to access the information and resources they need to make the transition to adulthood.

In addition to the financing strategies described earlier, community leaders and program developers should pursue a strategy to improve coordination across the various systems that provide support for youth transitioning from foster care. Through improved referral practices, joint planning efforts, and streamlined eligibility processes, for example, efforts to improve coordination across public systems can contribute to a community’s ability to meet not only the employment needs of youth in care, but also other related needs essential to improving outcomes for this population.

State-Level Coordination Strategies

State and local community leaders can use a variety of approaches at the state level to enhance coordination among systems that serve vulnerable youth in order to better address their short- and long-term needs. Joint agency planning councils and task forces can coordinate programs and resources to

Utah State Agencies Collaborate to Revamp Independent Living Services

In 2003, Utah Governor Olene Smith Walker, seeking lasting improvements in the state’s foster care system, required collaboration and coordination across agencies serving youth in care. During the next 14 months, a broad group of stakeholders, including the departments of health, housing, education, human services, and workforce services, as well as youth currently and formerly in care, businesses, and community groups, met to develop a vision for moving youth successfully toward adulthood while taking stock of existing services, duplicative efforts, and gaps across agencies. Now referred to as the Transition to Adult Living State Action Council, this team is chaired by the directors of the Department of Child and Family Services and the Department of Workforce Services. Its five goals include helping youth gain a positive sense of self; develop supportive and enduring relationships; gain access to physical and mental health care; reach educational goals and maintain stable employment; and obtain safe, stable, and affordable housing.

Strong interagency collaboration and partnerships with youth and service providers resulted in an overhaul of Utah’s independent living services, including better access to information and services, improved and expanded services, new leadership and advisory councils, systems accountability, and enhanced communication. Youth in foster care advocated for better access to information and services influencing the development of a youth-friendly website that now serves this purpose. Moreover, ongoing youth involvement culminated in organized leadership opportunities, formalizing youth representation on five regional councils and one state council with significant authority to shape state policies and practices. The Transition Support Fund, a new policy and dedicated state fund, now addresses the short- and long-term financial needs of youth in foster care in the five goal
improve policies and practices that meet the workforce development needs of youth in care. State youth councils or committees can help align programs and resources as well as support local youth workforce development systems. State workforce investment boards and board committees provide mechanisms under the WIA framework to coordinate youth programs and resources. Several states have established state youth councils to plan and coordinate youth activities and support local youth councils. In addition, several states have established coordinating bodies such as children’s cabinets, legislative committees, and interagency councils to align various programs for children and youth. Coordinating activities include, for example, supporting information sharing at the state and local levels, enhancing state planning efforts, and taking steps to align financial and technical assistance resources provided to communities. State-level coordinating bodies can also address barriers to program coordination, such as divergent policy goals, conflicting program regulations, and turf issues among agencies.

Several federal programs promote coordination among state agencies to ensure youth have access to education, workforce development, and supportive services. The Foster Care Independence Act requires states to make efforts to coordinate their Chafee programs with other federal and state programs for youth, such as the Runaway and Homeless Youth Program, abstinence education programs, local housing programs, programs for disabled youth, and school-to-work programs offered by high

areas critical to helping youth move toward adulthood. Supports include funding for graduation expenses, job training, physical and mental health prevention programs, driving lessons, home furnishings, and rental deposits. State and regional government agencies work more efficiently through memoranda of understanding that signify agreements of collaboration at both levels. A new comprehensive data sharing system enables case managers to collect information on youth in foster care across multiple agencies without violating privacy laws. This also helps case managers gain a greater understanding of how other agencies operate, how funds flow, and what services these agencies could provide to youth. As a result, case managers more efficiently and effectively plan services and financial supports for youth and identify where gaps and duplication are occurring.

This interagency collaboration streamlined the way state agencies administer supports to youth in foster care. Recognizing that youth aging out of the system access services and opportunities through WIA funding for adult activities, the state child welfare agency contracted with the state workforce development system to manage the distribution of Chafee employment and training vouchers to local academic and employment training service providers so youth can access these funds and opportunities. Other policy changes now place youth as the lead facilitator of their child and family team once they turn age 16. The Transition to Adult Living State Action Council also extended Medicaid benefits for youth in foster care to age 21. For more information, contact Pam Russell, Utah Department of Human Services, Division of Child and Family Services, 801.538.4308 or pkrussel@utah.gov.

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Local Coordination Helps Expand Youth Workforce Development Services and Opportunities

The Youth Empowerment Services (YES) Transition Network in San Diego, California, coordinates resources to ensure youth in care get the workforce skills, training, and education they need to successfully transition to adulthood. Through collaboration with, and core funding from, the San Diego Workforce Partnership, Casey Family Programs, and Access, Inc. (a local workforce services provider), YES was established in 1999 to meet the needs of youth in care. At one centrally located site in San Diego, educational and career preparation specialists help youth get their G.E.D. certificate or high school diploma, take career interest tests, participate in work-readiness training classes, develop resumes, fill out job applications, conduct mock interviews, learn about professional attire, and access job and internship placements. Other partners, such as a social worker from the county Department of Child Protective Services and two public health nurses from the county health and human services agency, provide physical and mental health services to the transitioning youth.

The collaboration has financial benefits, because partners leverage their results, resources, and relationships to obtain additional funding and supports for youth in foster care. The San Diego Foster Youth Initiative, funded through the Jim Casey Youth Opportunities Initiative, provides financial literacy to youth in care. The San Diego Social Venture Partners, a local nonprofit of individuals with business, technology, and professional backgrounds, provides a grant for an employment-readiness and internship program for pregnant and parenting youth in care who live in the Salvation Army’s Door of Hope–Haven Program. The California Wellness Foundation awarded

In recent years, several federal agencies have worked to better coordinate federal funding programs for workforce development. In 2004, the U.S. Departments of Labor, Justice, Education, Health and Human Services jointly issued the New Strategic Vision for Youth Services under the Workforce Investment Act. The Federal Interagency Youth Collaborative convened regional meetings of state-level interagency teams in several cities to complete a facilitated planning process resulting in workplans focusing on cross-agency collaboration, information-sharing, and plans for joint-funded youth services. In 2006, the Department of Labor held a national grant competition for advanced level technical assistance with 16 states awarded additional training and tech-

YES a grant to provide physical and mental health services to youth in care. Casey Family Programs recently funded the network to extend its summer traineeship program for youth ages 13 to 15 to a year-round effort, and YES strengthened its internal capacity by hiring full-time development staff.

The YES Transition Network collaborates with other partners to coordinate resources and influence the way workforce development services are being administered in the county. The network director participates on the Youth Transition Action Team, an initiative coordinated through New Ways to Work; a diverse set of public and private partners work together to develop a county-wide transition system for youth in foster care. Partners take stock of services for youth, including assessing gaps and duplicative services to determine opportunities for greater coordination. With funding from Casey Family Programs, the network recently established a Youth Career One-Stop to provide job training workshops and other services to foster and other at-risk youth; the network’s WIB partner noted the benefits of having a youth-friendly center rather than requiring older youth to access services at area adult one-stops. In addition, with funding from the county of San Diego and the Child Abuse Prevention Foundation, the network hires alumni to mentor current foster and adjudicated youth who reside in emergency housing facilities. These youth advocates also staff the youth one-stop.

For more information, contact Marilyn Stewart, director, Youth Empowerment Services Transition Network, 858.560.0871 or mstewart@access2jobs.org.

Local-Level Coordination Strategies
Collaboration among public and private agencies at the local level can also help eliminate barriers to services and improve the alignment of resources to meet the needs of youth in care. Through joint planning councils and task forces, local leaders can create new policies and practices that improve the flow of information, case management, and youth access to services. Data sharing systems within and across communities give caseworkers access to information on youth who are eligible for multiple programs, making case management more effective and referrals to agencies and service providers seamless. Planning councils provide insight into what works in meeting the employment training and educational needs of youth in care and those transitioning from the system. Efforts to map existing resources in communities help identify gaps and duplication and inform the development of plans to ensure that youth are accessing the education, life-skills, and workforce development opportunities they need to become productive adults.

In many communities, coordination is leading to innovations in service delivery at the local level. Traditional adult one-stop career centers mandated and funded through WIA are now being adopted to provide comprehensive services to youth in care and those aging out of the system. Funded through child welfare agencies using Chafee dollars, through WIA, or through multiple state and private sources, these youth-focused one-stop centers are striving to help youth in care and those aging out of the system gain the independent living skills needed for adulthood. By collocating caseworkers, agency staff, and providers of health, housing, education, and employment services at accessible sites, youth visit one place for all their needs. Moreover, in several local areas, workforce consortia of business and trade organizations, community colleges, and other public and private organizations are connecting with small businesses to address current and future workforce needs and provide youth in care with access to workforce development activities.

Considerations

- Program developers participating in state- and local-level coordinating bodies can call for mechanisms to document current levels of investments in youth in foster care across different programs and systems. Mapping current funding can inform policymakers on the services available to support youth as well as provide guidance on how to fill in the gaps and better align investments.32
- Investments in research capacity can be critical to the success of efforts seeking to improve coordination. Taking stock of existing levels of service and service delivery mechanisms provides opportunities for providers, agencies, and employers to collect data on gaps and duplication of services, address barriers to navigating system eligibility and reporting requirements, and develop strategies for more effectively allocating resources and streamlining programs and resources to increase system effectiveness.
- State and local officials and program leaders should consider ways that youth can participate in efforts to align and coordinate resources. For example, some WIB youth councils have engaged youth in mapping existing services. Youth can also play an advocacy role before state or local youth policy bodies to lend an important voice as consumers of services. Moreover, engaging youth in coordination efforts creates opportunities for youth leadership development.

Conclusion

Workforce development services are more critical than ever to prepare youth transitioning from foster care for a competitive labor market. Operating within a tight fiscal environment requires program developers to be creative in examining the range of funding sources that can support their efforts. Community leaders and program developers should consider a variety of education, workforce, child welfare, and community and economic development resources, from both public and private sources, that could potentially meet their program’s fiscal needs. By cultivating strategic partnerships with diverse stakeholders in the community, such as banks, schools, colleges, employers, government agencies, and community and faith-based organizations, program developers can effectively position themselves to access diverse funding sources that can support their efforts to prepare youth transitioning from foster care for the world of work.
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Organizations

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Jobs for the Future
www.jff.org

Local Initiatives Support Corporation
www.lisc.org

The National Youth Employment Coalition
www.nyec.org

New Ways to Work
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The Partnership for 21st Century Skills
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Philadelphia Youth Network
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The Finance Project is an independent nonprofit research, consulting, technical assistance, and training firm for public- and private-sector leaders nationwide. It specializes in helping leaders plan and implement financing and sustainability strategies for initiatives that benefit children, families, and communities. Through a broad array of tools, products, and services, The Finance Project helps leaders make smart investment decisions, develop sound financing strategies, and build solid partnerships. To learn more, visit www.financeproject.org.

Financing and Sustaining Supports and Services for Youth Transitioning Out of Foster Care

This publication is part of a series of tools and technical assistance resources on financing and sustaining initiatives supporting youth transitioning from foster care developed by The Finance Project with support from the Foster Care Work Group. These tools and resources are intended to help policymakers, program developers, and community leaders develop innovative strategies for implementing, financing, and sustaining effective programs and policies. To access these resources and for more information on this project, visit www.financeproject.org/practice/risk.asp.