

Special Fund for Poverty Alleviation **Proposed Grants Docket for March 14th, 2011**

The Special Fund for Poverty Alleviation (SFPA) is proposing the following grants totaling \$19 million for consideration on U.S. Programs docket scheduled for March 14, 2011. All investments represent new grants.

- **Benefits Access**
 - The Urban Institute for the Work Support Strategies Initiative
- **Education**
 - Jobs for the Future for the Adult Basic Education (ABE) to Credential Initiative
 - TASC School model in Newark, NYC, NOLA
 - Public Allies
 - MDC, Inc. for the North Carolina Jobs Now Employment & Training Project
- **Employment**
 - Z. Smith Reynolds Foundation, Inc. (as fiscal agent) for the North Carolina JobBoost program
- **Social Innovation Fund**
 - Sea Change Capital Partners for New Profit, Inc.'s Pathways Fund
 - Jobs for the Future for the National Fund for Workforce Solutions
 - Local Initiatives Support Corporation (LISC) for their Financial Opportunities Centers
 - Potential additional grants to SIF subgrantees including: Latin American Youth Center; select subgrantees within Edna McConnell Clark's SIF; select subgrantees within REDF's SIF.

Benefits Access

The Urban Institute for the Work Supports Strategy Initiative

\$2 million; 1/1/11 – 12/31/12 (new; project support)

To provide a select group of states with the opportunity to design, test, and implement 21st century public benefits systems, with the goal of increasing the share of eligible families who receive and retain a full package of work support benefits for which they qualify. Core work support programs including Medicaid, the Supplemental Nutrition Assistance Program (food stamps) and child care subsidies help families avoid hardships, receive essential goods and services, stabilize employment and children's wellbeing, and support local and state economies. Numerous studies confirm that a family's receipt of a package of medical and child care supports improves work stability and reduces the likelihood that a worker will return to welfare. Yet many low-income working families do not receive nor keep the full package of benefits for which they qualify while working in low-wage jobs. Further, complex, burdensome and sometimes overlapping or contradictory eligibility and redetermination systems too often hamper states as well as families, creating extra work for caseworkers and stretching already-squeezed state budgets. This Initiative will result in far more low and moderate income working families being able to secure a wide range of public work supports and benefits, keep those benefits for as long as they qualify, connect smoothly to different benefits as their circumstances change, and as

a result, be more likely to meet their basic needs and succeed in the workforce. At the same time, the Initiative will support states in seeking to achieve other closely related goals, including enhancing system efficiency and effectiveness, reducing eligibility errors, improving accuracy and customer service, eliminating unnecessary paperwork for both families and caseworkers, serving more families with fewer burdens on caseworkers, and reducing churning. SFPA will leverage the Ford Foundation's investment of \$3 million each year for five years, as well as leverage the capacity of the Urban Institute and the Center on Budget and Policy Priorities to deliver excellent technical assistance to states as they redesign their benefits access systems and reform their business processes. The Initiative will support comprehensive reforms in up to 5 states. Ten finalists from among the following list will be selected by the first quarter of 2011: CO, ID, IL, KY, MD, NC, NY, OR, RI, SC, VT (NM, FL, and WI pending discussions with the states' new governors).

Education

Jobs for the Future for the Adult Basic Education (ABE) to Credential Initiative

\$3 million for 4/1/11 – 12/31/12 (new; project support)

To design, implement and scale cost-effective Adult Basic Education (ABE) to Credentials pathways. JFF is working currently with 14 states in a planning phase and OSF's invest will support the implementation phase of the project in up to 5 states. These grants will serve approximately 30% of colleges in implementation states (a minimum of 8 colleges in each state). At least 25% of the population served, over 18,000 students most with skills below the 8th grade levels will participate in programs that accelerate learning leading to marketable, stackable credentials as well as college credits. These students will then be ready to enter college level programs without the need to enroll into developmental education courses where 3 out of 4 students dropout.

This effort complements the evidence generated from the federally-funded Innovative Strategies for Increasing Self-Sufficiency (ISIS) study of the replication of Washington State's I-BEST model in Maryland and Wisconsin, in which the Special Fund is investing. SFPA's investment will be matched on at least a 1:1 basis by the Bill and Melinda Gates Foundation, with the Joyce Foundation and the Kresge Foundation providing additional programmatic funding.

The After-School Corporation (TASC) for their Expanded Learning Time model in Newark, New York City, and New Orleans

\$3.5 million for 3/2011 through 12/2012 (new; project support)

To leverage OSF's previous investment in TASC, to create a new concept of a school day and year based on the learning and experiences of the afterschool effort over the last 12 years. Over the next five years, The After-School Corporation (TASC) will deploy its resources and expertise to expand learning *time* and *opportunity* reaching over 43,000 students in 85 schools across three cities – New York, Newark and New Orleans. The proposed plan is an opportunity to bring sustainable reform to urban public schools where graduation rates for low-income, Black and Hispanic students continues to lag. Building from the evidence-base of high-quality after-school programs, specifically TASC-model after-school, and innovations found to be most effective by

educators, TASC is prepared to re-engineer school by expanding the day, year and ways students learn. TASC's vision for schools includes a blended labor force of both teachers and community staff, curriculum that contextualizes learning and the best resources of education and youth development. TASC will deliver technical assistance and training to Expanded Learning Time (ELT) teams and partner with leading organizations to provide joint professional development that supports co-instruction by community and teaching staff. TASC will work with universities to employ a "medical school model" of teacher training, where students of education are trained within ELT schools so that practice and theory meet. The goal is to produce teachers who are familiar with the challenges of urban school settings, are trained to educate the whole child and have experience with a broad set of engaging, project-based teaching strategies. TASC proposes to pilot an expanded learning strategy for high school students that applies proven college readiness technique. A catalytic grant of \$3.5 million from the Open Society Foundations will be matched 2 to 1 and support the expansion of learning time in 5 schools in NYC, 6 schools in Newark and 3 schools in New Orleans, reaching over 5,000 K-8 students over two years. TASC will measure progress through a two-part evaluation. Examination of the interim benchmarks for high school completion will provide critical information about the impact on student participants' trajectory for college success, workforce leadership and alleviation of poverty. Documentation of the process will help guide other jurisdictions in implementation, creating scale and redefining the school to compete in the global economy and support the basis of an open and democratic society.

The five year TASC budget of \$42 million to be raised will leverage an additional \$124.2 million in direct costs covered by existing, re-purposed and new public funds. The initiative would impact 43,000 students in 85 schools across the three cities. The budget to be raised will include matching funds from a variety of public and private sources including, Advantage After School, DYCD Out-of-School Time, Supplemental Educational Services (SES), Extended School Day/School Violence Prevention, 21st Century Community Learning Centers, Attendance Improvement Dropout Prevention, AmeriCorps, Title 1, Title 3 and school designated/tax levy funds. Early conversations with prospective foundation and corporate partners have included the Ford Foundation, Robert Sterling Clark Foundation, William Randolph Hearst Foundation, The Leona M. and Harry B. Helmsley Charitable Trust, C.S. Mott Foundation, The Prudential Foundation, The Rockefeller Foundation and The Wallace Foundation.

Public Allies

\$500,000 for 1/1/11 – 12/31/12 (new; project support)

To build the capacity of Public Allies to sustainably expand the leadership development of young people from 656 young people in 21 communities today, to 810 young people in 23 communities annually (with the goal of achieving 1,000 Allies by 2012 and at least doubling in size again by 2017). Public Allies' mission is to develop new leaders to strengthen nonprofits, communities and civic participation. Public Allies selects talented young adults who have wide skill ranges and are from diverse backgrounds within their home communities, who are also passionate about instigating change. The selected young adults – Allies – are placed in paid, full-time apprenticeships with nonprofit organizations where they create, improve and develop services to meet local needs. By partnering with universities and/or nonprofit organizations in each community, the Public Allies program is able to operate in an effective, franchise-like model,

which enhances its replicability and sustainability. In addition, the partnership with universities and colleges expands opportunities for Allies to secure both associate and bachelor degree credits and scholarship funds. With support from the Special Fund, Public Allies will develop and disseminate best practices for expanding the number of youth leaders from marginalized communities who get engaged with AmeriCorps. Public Allies' goal is to encourage the national service field to substantially increase the number of AmeriCorps members from disadvantaged backgrounds as the national service field continues to grow over the next six years. SFPA's investment will be matched on a 2:1 basis by Bain Capital co-founder Josh Bekenstein and make it possible for Public Allies to receive as much as \$6.9 million in new dollars from AmeriCorps over the next two years. (Note: Public Allies was funded by CBMA for \$250,000 in 2010).

MDC, Inc. for the North Carolina Jobs Now Employment & Training Project

\$1.5 million; 1/1/11 – 12/31/12 (new; project support)

To establish JobsNOW Employment and Training (E&T) Centers at three community colleges, to create a model that will broaden student financial aid in North Carolina by using an online service called The Benefit Bank® (TBB™) to connect low-income students with financial supports such as tax credits, public benefits, employment and training funds, and student financial aid (including Pell Grants). This investment will test whether this model increases low-income students' completion rates in education and training programs, thereby increasing their ability to secure gainful employment and move to self-sufficiency without the future need to receive public benefits. The three colleges will be selected from among the 20 North Carolina counties with the highest unemployment rates. Each JobsNOW E&T Center will be supported by two enrollment coordinators and a set of community-based organizations who will enroll 600 students per college in the Supplemental Nutritional Assistance Program's (SNAP) Employment and Training benefit program (1,800 students total). These Centers will also be staffed by four success coaches responsible for helping 1,500 low-income students enrolled in SNAP prepare individual education plans and connecting them with supports, including financial education, counseling, coaching, savings programs, and community-based services. Through their connection to the JobsNOW model and their participation in SNAP's Employment and Training program, as many as 1,500 low-income students across the Centers can be reimbursed up to half of their education costs leading to employment, including half of the costs of tuition, books, computers, supplies, transportation, and dependency care. The overarching goal is to test the efficacy of and replicate the JobsNOW model across other community colleges in North Carolina, connecting many more low-income students with supports. SFPA's investment will be matched on a 1:1 basis by federal dollars.

Employment

Z. Smith Reynolds Foundation, Inc. (as fiscal agent) for the North Carolina JobBoost program

\$1.5 million; 1/1/2011 – 6/30/11 (new; project support)

To provide subsidized employment opportunities to up to 1000 unemployed, low-income adults (they must be income eligible for Temporary Assistance to Needy Families, or TANF) in counties with the highest unemployment rates and highest number of individuals living at or

below 200% federal poverty levels. The immediate objective of JobBoost is to assist unemployed individuals in securing employment, initially in subsidized jobs for up to 20 weeks, with an assurance from the employer that the job will be continued if the employee's performance is satisfactory. It is estimated that each participant will earn at minimum \$5,800.00 based on the following calculations ($\$7.25$ per hour x up to 40 hrs. per week = $\$290.00$ x 20 weeks = $\$5,800.00$). The longer term goal is to see participants' personal income and employment tenure increase. Potential participants will be screened for JobBoost eligibility by county Departments of Social Services working in partnership with staff from the state's Employment Security Commission who will help to identify potential employment opportunities with local employers. Preference will be given to individuals who have completed a Community College 12 in 6 program – a worker training initiative that offers community college programs in 12 careers, each requiring less than six months to complete. Participants will receive supportive services such as, Food & Nutrition Services, Medicaid, child care subsidy, transportation assistance, job coaching and other related services as appropriate. As paid employees, participants pay into the Social Security system and may qualify for federal and state Earned Income Tax Credits (EITC), the Child Tax Credit, the new Making Work Pay Tax Credit, and Unemployment Insurance, leading to increased long-term economic security. Participants also benefit from employer supervision, training and feedback. SFPA's investment will leverage up to \$4 million dollars in federal TANF funding for the implementation of the JobBoost subsidized employment program.

Social Innovation Fund

A key strategy for the Special Fund for Poverty Alleviation Fund has been to partner with the Obama Administration's Social Innovation Fund (SIF) in order to leverage federal and private funds to advance the scale and growth of non-profits aligned with the Special Fund's goals. In SFPA's 2010 budget, \$10 million was designated and approved for this effort. In 2011, SFPA budgeted \$3 million for the SIF. In August 2010, the White House and the Corporation for National and Community Service announced the first round of 11 SIF winners. Awardees included three out of the four intermediaries pre-selected for SFPA investment: New York City's Center for Economic Opportunity; New Profit Inc.; and the Edna McConnell Clark Foundation. Thus, the Special Fund allocated \$6 million of its original \$10 million SIF commitment to these selected SIF intermediaries in 2010.

SFPA intends to direct the remaining \$4 million from 2010 and the planned \$3 million from its 2011 budget to a range of intermediaries and subgrantee organizations. SIF intermediaries are still making final determinations about their subgrantee portfolios. (Decisions will be final by the end of the first quarter of 2011.) SFPA intends to grant funds to: Sea Change Capital Partners for New Profit, Inc.'s Pathways Fund; Jobs for the Future for the National Fund for Workforce Solutions; and the Local Initiatives Support Corporation for their Financial Opportunity Centers. Other likely candidates for the March 14th docket include: the Latin American Youth Center, a subgrantee within Venture Philanthropy Partners' SIF; (TBD) subgrantees within Edna McConnell Clark's SIF; and (TBD) subgrantees within REDF's SIF. These organizations and their proposed scopes of work are described below.

SeaChange Capital Partners for New Profit, Inc.'s Pathways Fund

\$1 million; 3/2011 through 12/31/2012 (new; project support)

The Special Fund was a lead partner supporting New Profit's initial application to become a SIF intermediary, investing \$1.5 million in 2010 and supporting the three pre-selected subgrantees with New Profit's SIF: College Summit; iMentor; and Year Up. Other funding partners include: New Profit; Robin Hood Foundation; Blue Ridge Foundation; and SeaChange Capital Partners. SFPA has participated in the competitive selection process that will determine the three to four additional subgrantees in New Profit's SIF portfolio. The selection of the additional organizations will be announced in February 2011. Each of the proposed new subgrantees are a strong fit within SFPA's issue areas. The Special Fund is interested in supporting all of them through a second investment in New Profit's SIF. SeaChange Capital Partners is serving as the lead fundraiser for New Profit and will pool resources for the portfolio of grantees; a unique leverage strategy building financial strength as well as opportunities for grantees to collectively share programmatic experiences, knowledge and the potential to imbed programs within programs. SFPA's additional investment through SeaChange will support a portfolio of youth-focused nonprofit organizations with existing evidence to yield significant improvements in helping young people navigate the increasingly complex path from high school to college and productive employment. The project will expand the reach of these nonprofits to improve the lives of nearly 8,000 young people in low-income communities throughout the country. Sites include: Baltimore, Chicago, Indianapolis, LA, Miami, New York City, Providence, San Francisco, Seattle, and West Virginia.

Jobs for the Future for the National Fund for Workforce Solutions

\$1.5 million; 3/2011 through 12/31/2012 (new; project support)

To dramatically increase economic opportunities for disadvantaged workers and job seekers by investing in regional workforce collaboratives that partner with employers to identify jobs and career pathways in high-growth industries. Each local site will provide low wage workers with the education and skills necessary to obtain good careers while at the same time ensuring that employers have the high quality human capital necessary to compete in this dynamic global economy. Support from the Special Fund will help expand the National Fund for Workforce Solutions' targeted training and technical assistance to reach at least 23,000 low-income individuals over three years while also addressing the critical skill needs of more than 1,000 employers. It will also allow a select group of National Fund sites to scale up their current initiatives while also expanding the NFWS model into 6-8 communities in the South and Southwest and, importantly, expand their current model to effectively serve ex-offender and low-literacy level populations. The Special Fund's investment will leverage \$2.275 million in private funding from the Weinberg, Annie E. Casey, Knight, and J.P. Morgan Chase foundations.

Local Initiatives Support Corporation (LISC) for their Financial Opportunity Centers

\$450,000; 3/2011 through 12/31/2012 (new; project support)

To replicate the LISC Financial Opportunity Centers model – a workforce development and asset-building model that boosts earnings, reduces expenses and coaches low-income families on how to make better financial decisions – in up to five new cities and 7,500 total participants (expanding network from 30 to 45 sites). Potential expansion sites include: Chicago,

Indianapolis, Detroit, Twin Cities, Greater Cincinnati, Duluth, Houston, San Diego, and San Francisco. SFPA is specifically interested in supporting sites that will develop a specific benefits access intervention for low-income community college students in partnership with their state's community college system as well as sites specifically focused on serving re-entry and immigrant populations.

Other likely candidates for SFPA investment are:

- **Venture Philanthropy Partners (VPP) for the Latin American Youth Center** – To support VPP's work to create a powerful network of effective nonprofit organizations (up to 8) in the Washington D.C. National Capital Region supporting an integrated approach to addressing the education and employment needs of low-income and vulnerable youth ages 14-24. We are particularly interested in supporting the work of the Latin American Youth Center which provides culturally competent services to some of the most disconnected youth in the DC community. Specifically, we are interested in their youth "Promotores" mentoring model – an intensive new model designed to "reach and reconnect" 250 additional youth with multiple risk factors.
- **Edna McConnell Clark Foundation** – To co-invest with the Edna McConnell Clark Foundation (EMCF) in growth ready youth development organizations, primarily located in OK, NC, SC, and CA, that help young people who are at greatest risk of dropping out of school, of not finding work, of becoming involved with the foster care or juvenile justice system to make the transition to productive adulthood. Subgrantees' work will target three, overlapping outcomes: To improve the educational skills and academic achievement of disadvantaged youth; to prepare these youth for the world of work and make the transition to employment and economic independence; and to avoid high-risk behaviors such as drug abuse, criminal activity and teen pregnancy.
- **REDF** – To create job opportunities for 2,500 Californians with multiple barriers to employment – including dislocated youth, individuals who have been homeless or incarcerated, and those with severe mental illness – in sustainable nonprofit social enterprises (landscaping, electronic waste and recycling, property management, apparel screening, stadium concessions, janitorial) in low-income communities throughout the state. The project includes testing to determine the potential of these enterprises as scalable employment vehicles. Sites include: Fresno, Los Angeles, Sacramento, and San Diego.