

Funding Transitional Jobs Programs

Identifying Sources and Developing Proposals

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Securing adequate funding to operate a Transitional Jobs (TJ) program can be challenging. Funding entities often have an incomplete understanding of the TJ strategy and fund only portions of it. Moreover, in tough economic times, the difficulty of funding programs is magnified, and efforts to successfully secure operating funds are even more critical.

Most TJ programs are funded through a patchwork of sources, such as government grants, performance contracts, private foundation grants, and enterprise revenue. While this kind of diversification of funding sources is often a good thing, it means that TJ programs must constantly seek new funding sources, submit proposals and applications, and manage relationships with a number of funding entities. It is especially critical to be able to quickly develop high-quality proposals and Letters of Inquiry (LOIs) that effectively communicate the concept, core elements and benefits of TJ for people with barriers to employment.

Here are some basic tips for finding funding sources and developing proposals that may be helpful for startups and seasoned TJ providers alike as they pursue the financial support necessary for quality programs to help their participants find and keep employment.

Finding Funding Opportunities for TJ

I. Federal, state, and local government funds

There are several sources of federal funding that can be used to support TJ; for example, new federal funds for TJ are available through the American Reinvestment and Recovery Act in the Temporary Assistance to Needy Families Emergency Fund, which serves low-income families; the Second Chance Act, which offers funding to serve people returning from prison; and Workforce Investment Act youth funding to serve older, out-of-school youth. Additionally, soon there will be the first-ever dedicated federal funding specifically for TJ, which will fund a demonstration project through the Department of Labor.

In addition to the funds available through federal agencies, many states, counties and cities across the country provide funding for TJ programs, both through competitive grants and contracts to serve specific populations.

The NTJN engages with federal grantmaking agencies as well as state, county and municipal officials regularly to educate them about the efficacy of TJ, the needs of hard-to-employ populations, and the importance of relevant grant opportunities including all aspects of TJ programming as an allowable use of funds. The NTJN then shares timely information on federal grant opportunities for TJ with its members, so the best way to learn about the latest federal grant offerings to fund TJ programs is to subscribe to NTJN communications.

- The National League of Cities published a guide to federal funding sources which can be found [here](#).
- The NTJN’s guide to TJ funds available through the Recovery Act can be found [here](#).
- Additional resources for identifying government funding opportunities for TJ can be found on the NTJN [website](#).

II. Private philanthropic foundations

In addition to government funding, many TJ programs receive grants from private philanthropic foundations. It can be challenging, however, to identify the foundations that might consider funding TJ activities and successfully win a grant. In addition to the highly competitive nature of foundation funding, few foundations specifically recognize Transitional Jobs as a core interest of their funding strategies. It is up to programs to convince foundations that the TJ strategy is well-aligned with their institutional goals.

One approach, if your organization currently receives any foundation funding for other, non-TJ operations, is to leverage those relationships to educate grant officers and other decision makers regarding the value of and need for transitional employment for your clients. If no such relationships currently exist, you may try foundation search services such as the [Foundation Center](#), [Donor’s Forum](#), [FoundationSearch](#), and others. These services typically allow you to search according to the priorities, goals, and interests of philanthropic foundations - while Transitional Jobs may not be explicitly listed, look for related areas of interest such as economic development, adult education, workforce training, poverty alleviation, public safety, or prisoner reentry services to help identify foundations to approach. Also, consider approaching smaller, locally-oriented foundations in your region—funders with a local interest in public safety or economic development may be receptive to learning about the benefits TJ can bring to vulnerable populations in their geographic area.

Writing Your Proposal

Whether you are applying for government grants or private foundation dollars, there are some important things to consider when writing about TJ. As noted above, funders may be unfamiliar with the TJ strategy, its basic components, and its proven efficacy. The writing of a successful proposal or LOI to fund a TJ program involves not only explaining the value of your project and the capacity of your organization, but also educating the funder about the TJ strategy and the particular needs of hard-to-employ populations.

I. Defining and Explaining Transitional Jobs

First, be sure to include the definition of TJ: ***a workforce strategy that uses time-limited, wage-paying jobs that combine real work, skill development, and supportive services, to transition participants successfully into the labor market.*** The NTJN has invested much effort in codifying the definition of TJ to align with best practices as demonstrated by both research and program success, and in educating government agencies, foundation officials, and other decision makers about just how TJ should be defined. This can be seen as a sort of “branding” for the TJ strategy to make sure that “Transitional Jobs” is associated with the program components that have yielded so many positive outcomes for people with barriers to employment.

In the same vein, it is also critical to list and explain the essential core program elements for TJ, in order to set it apart from other workforce strategies and rectify any misconceptions the funder may have about what TJ is. A guide to basic TJ program design and its core elements can be found [here](#).

II. Stating the Need for TJ

It is essential to communicate the need for TJ, particularly for your specific target population and in your particular service area. For this purpose you can use figures like unemployment rates, poverty rates, and educational attainment. Also note the number of people in your target population—how many people are reentering from prison, or receiving TANF payments? How many unemployed youth or dropouts are there in your area?

Many of these data are available from federal sources; for example the [Bureau of Labor Statistics](#) has a lot of labor market information including unemployment, the [Bureau of Justice Statistics](#) provides data on people released from prisons and jails, poverty and income information is available from the [Census Bureau](#), and the Department of Health and Human Services/[Administration for Children and Families](#) offers data on TANF recipients.

Additionally, your state, county or municipality may also provide data for the local level on topics like educational attainment and workforce skill levels, as well as figures on unemployment, prisoner reentry, and receipt of public assistance.

If your organization is already providing Transitional Jobs, you can also use internal data to demonstrate an increase in demand for those services. How many requests or referrals have you had to turn away due to limited capacity or inadequate staffing? How does your annual capacity to provide transitional employment compare to the number of people in the target population in your region? For example, if your program serves 100 formerly incarcerated people annually in a city where 10,000 people return from prison every year, you can make a strong case for local need for additional Transitional Jobs services.

Moreover, in the midst of an acute economic downturn in which many investments are being made to stimulate economic activity and create jobs, it is important to communicate that we must not allow these efforts to bypass the people most in need of help in finding and keeping work, and who are often hardest hit by recession and underserved by traditional workforce initiatives. It may also be effective to point to the acute need for economic stimulus in the communities in which TJ participants typically live. The wages paid for Transitional Jobs can have a positive effect on entire low-income communities as well as the families of TJ participants.

III. Presenting the Evidence Supporting TJ

The Transitional Jobs strategy is, perhaps more than any other workforce strategy serving the hard to employ, supported by a large body of robust evidence generated by rigorous and comprehensive studies. These days, virtually every funding entity is oriented toward funding evidence-based practices, so the findings supporting the TJ model should definitely be emphasized in any proposal. Particularly striking is the evidence from MDRC that shows TJ significantly reducing recidivism rates among reentering individuals, and reducing the duration and amount of payments to TANF recipients. It could also be very helpful to point to the findings from the Fiscal Policy Institute that project a positive return on investment for TJ programs serving public assistance recipients and reentering individuals.

The NTJN acts as a repository for evidence supporting the TJ strategy. When preparing funding proposals, we encourage you to make use of these findings to present TJ as an effective, evidence-based practice—this will not only maximize your chances of being awarded funding, it will also help further educate the grantmaking community on the substantial body of evidence supporting TJ.

- The latest evidence supporting TJ is summarized [here](#).
- The Return on Investment study can be accessed [here](#).
- More evidence can be found on the NTJN [website](#).

IV. Describing Your Program and Planned Activities

It's a good idea to describe your TJ activities according to the basic program elements: orientation & assessment; job readiness & life skills classes and other supportive services; case management, placement in subsidized employment; and unsubsidized job placement and retention. For each program element, detail your processes and your capacity to deliver each item, as well as the capacity of any partners you will work with to provide services. Be sure to explain how employment experience will be provided and how participant wages will be paid for. Also, don't neglect to budget and plan for an evaluation component—it is critical that you be able to track outcomes and record your successes, both to secure future funding and to make informed improvements in your operations.

Finally, in a full proposal you'll be expected to submit a complete budget. Budgeting for TJ programs differs from that of most other programs due to the cost of participant wages, which typically comprise the largest single item in the budget.

The NTJN has a useful budget projection tool available [here](#).

It is now more important—and more challenging —than ever to make sure that Transitional Jobs programs have the support and capacity necessary to meet the growing demand for services for people who have the most difficulty finding and keeping a job. The National Transitional Jobs Network is committed to providing quality resources and assistance to TJ providers to help them maximize their program funding and best serve hard-to-employ individuals in their communities. We welcome your input and suggestions for additional tools and resources to support your operations.

The NTJN would like to hear from you—please contact us with any additional tips for preparing TJ funding proposals, or with any questions about how to fund your TJ activities.

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The National Transitional Jobs Network is (NTJN) is a coalition of city, state, and federal policy makers; community workforce organizations; anti-poverty nonprofit service providers and advocacy organizations committed to advancing and strengthening Transitional Jobs programs around the country so that people with barriers to employment can gain success in the workplace and improve their economic lives and the economic conditions of their communities. The NTJN supports a constituency of over 4,000 active members and stakeholders across the country.

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