



OJJDP FACT SHEET

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Welfare-to-Work Grants and Juvenile Justice Agencies

by Jim Callahan

Job training and employment must be a critical part of any successful delinquency and crime prevention approach, especially in regard to high-risk youth. Juvenile justice and workforce development agencies need to join in addressing the employment, education, and training needs of young people involved in the juvenile justice system. The new welfare-to-work grants provide agencies an opportunity to collaborate in helping eligible young people enter the labor market, obtain the services needed to remain employed, and build a foundation for a productive career.

Overview of the Program

In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act reformed the Nation's welfare system and created a new public assistance program called Temporary Assistance for Needy Families (TANF). The new program established time limits for receipt of welfare benefits and work requirements for recipients of benefits, and allowed significant flexibility in the design of local benefit and work programs.

The Funds

In August 1997, the Balanced Budget Act of 1997 appropriated \$3 billion to the U.S. Department of Labor (DOL) to provide welfare-to-work grants for States to create additional job opportunities for the hardest to employ TANF recipients. These funds may provide opportunities for juvenile justice agencies to join with local workforce development agencies to secure jobs and job-related services for eligible young people currently under supervision.

DOL will award \$1.5 billion in fiscal year (FY) 1998 and \$1.5 billion in FY 1999. States have a 3-year period from the effective date of the grant award for expenditure of the grant funds. There will be two kinds of grants:

◆ **Formula grants to States.** Seventy-five percent of the funds will be awarded as formula grants to States. Eighty-five percent of these formula grant allocations will be passed through to Private Industry Councils (PIC's), which are boards established by local elected officials to provide input and

oversight of employment and training programs under the Job Training Partnership Act (JTPA).

◆ **Competitive grants to local communities.** Twenty-five percent of the funds will be awarded by DOL as competitive grants directly to local governments, PIC's, and private entities that apply in conjunction with a PIC or local government.

Formula grants to States will be announced in January 1998. Competitive grant solicitations are expected to be issued in December 1997, and applications must be submitted in February 1998.

The Flow of Funds

DOL administers the program at the Federal level. At the State level, the funds will be administered by either the public assistance agency or the agency that administers the JTPA. At the local level, funds will be administered by the PIC. Although PIC's may operate programs, the majority of them function as boards of directors to a service delivery area (SDA) administrative agency. This agency, which may be part of a local government, an educational institution, or a nonprofit agency, works in partnership with a PIC to provide employment and training services at the local level.

Allowable Uses of Funds

Grant funds must be used to help move eligible individuals into jobs. Allowable uses of grant funds are job creation through wage subsidies; on-the-job training; contracts with public or private providers of job readiness, job placement, and postemployment services; community service or work experience; and job retention and supportive services.

Targeted Participant Eligibility

At least 70 percent of the funds must be spent on individuals who face two of three labor market deficiencies (lack of a high school diploma or GED with low reading or math skills, need for

substance abuse treatment, and poor work history) and who are either long-term welfare recipients, individuals who face termination from TANF within 12 months, or noncustodial parents of minors whose custodial parent meets these criteria. (A noncustodial parent is a person who has been determined to be a parent of a child but who does not live with or have custody of the child.) Up to 30 percent of the funds may be spent on individuals who are recent recipients of TANF assistance or noncustodial parents who have characteristics associated with long-term welfare dependence, such as school dropout, teen pregnancy, or poor work history.

Planned Program Outcomes

States will be required to measure outcomes in terms of the placement of participants in unsubsidized jobs, the duration of such placements, and the increases in earnings.

Other Factors

The legislation requires a State match. For every \$2 in Federal grant funds, the State must spend \$1 in matching funds. One-half of the match must be cash from non-Federal sources and the other half may be in the form of in-kind contributions. The need for non-Federal matching resources may provide an opportunity for juvenile justice agencies to actively partner with the PIC/SDA in this program.

Opportunities for Juvenile Justice Agencies

For juvenile justice clients who are currently TANF recipients or who are the noncustodial parents of children in families that receive TANF benefits and meet the eligibility criteria, there is an opportunity to secure job and related employment and educational services.

There are two ways in which juvenile justice agencies may be able to take advantage of these resources. The first is to partner with the PIC/SDA on the program to be funded from formula grant funds. The second is to partner with the local PIC/SDA to apply directly to DOL for a competitive grant.

How To Partner With the PIC/SDA

Following are some ideas for potential areas of partnership:

- ◆ **Initial screening and employability development planning.** In addition to assistance with recruitment and screening, many PIC's/SDA's may also want to develop an individual service strategy (ISS) for each client in the program. Juvenile justice agencies can assist with both the ISS and recruitment.
- ◆ **Supportive services.** Clients are expected to need a significant level of supportive services in order to stay employed. Juvenile justice agencies could provide or arrange for supportive services—such as child care, substance abuse treatment, mentoring, support counseling, and transportation—for their clients.
- ◆ **Tracking and followup.** Program success requires that regular and ongoing contact with clients be maintained. Juvenile justice agencies could provide this service for their clients.
- ◆ **Employer contacts.** A critical aspect of the program will be to locate employers who want to participate. While it is anticipated that the program will potentially provide employer incentives, the SDA/PIC may need additional assistance in recruiting employers to provide job opportunities. Juvenile justice agencies could assist in this area.
- ◆ **Cash and/or in-kind contributions.** States may require local areas to provide the required matching resources. The services of juvenile justice agencies (as long as these services are supported by non-Federal funds) to clients in the program can be a legitimate source of matching funds.

For Further Information

Agencies interested in this program should contact their PIC/SDA immediately. To obtain a list of PIC's/SDA's on the Internet, visit the DOL Employment and Training Administration Web site, www.doleta.gov.

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