



# Stretching Dollars, Growing Impact

## A Workforce Funder's Guide to Leveraging Public Funding

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With flexible funding flowing to states and localities via the [American Rescue Plan](#), the recent announcement of [new grants to expand Registered Apprenticeships](#), and the Biden Administration's ambitious [American Jobs Plan](#) and [American Families Plan](#) proposals pending, the field of workforce development is anticipating a historic infusion of new public funding. Philanthropy has an important opportunity to help ensure that these dollars are deployed equitably and effectively. Drawing on the insights and experience of Workforce Matters members, this guide outlines a range of strategies that grantmakers can use to extend the reach and amplify the impact of these and other public investments.

### Informing the Development of Budgets and Policies

#### INVEST IN ANALYSIS, ADVOCACY, ORGANIZING

Grants to budget and policy analysis, advocacy, and organizing efforts raise the visibility of workforce issues, educate policymakers and their staffs about key considerations, and help to ensure that those individuals who are most directly affected have an opportunity to weigh in. In recent years, these types of philanthropic investments have helped to shape reauthorization of the Workforce Investment Act, increase funding for the

SNAP Employment & Training program, and expand state investments in sector strategies.

If you work for a foundation that harbors concerns about making investments in policy and systems change efforts, [Alliance for Justice's Bolder Advocacy initiative](#) has a [range of resources](#) available that provide guidance for foundations on how to avoid running afoul of IRS regulations and legal issues.

#### POOL FUNDS FOR POLICY AND SYSTEMS CHANGE EFFORTS

Some grantmakers find that pooling advocacy funds via a funding collaborative can mitigate political risks and alleviate concerns from board members.

National Fund for Workforce Solutions-affiliated funding collaboratives have provided a table for joint investments in many regions. For example, the [MSPWin funders collaborative](#) in Minnesota [supported successful efforts](#) that led to legislation requiring all state-funded workforce programs to report on a standardized set of measures that could be disaggregated by race, allowing for better data for future decisions about public investments.

In Boston, the **SkillWorks** funder collaborative made grants to the Massachusetts Budget and Policy Center to develop a Workforce Budget Browser as an add-on to their [state budget analysis tool](#). The Workforce Budget Browser allowed advocates and state legislators alike to better understand the various workforce funding streams in the state budget and to monitor changes year-over-year. SkillWorks also made grants to support a coalition of advocates representing business, labor, workforce, and community groups who successfully used the Workforce Budget Browser to support requests for increased, strategic investments in workforce training.

Collaborative efforts among funders are also recognized as a promising means to align philanthropic resources in ways that amplify the impact and scale of policy and systems change efforts.

For example, the **Walton Family Foundation**, **Bill and Melinda Gates Foundation**, and **Walmart.org** provided support to Bridgespan to convene grantmakers as part of the [Opportunity Pathways Network](#) (OPeN) initiative. OPeN is currently bringing together a small working group of funders to identify strategies to “enable integrated federal and state-level policy agendas that support pathways across all ages.” This group aspires to build consensus around shared priorities and generate promising solutions, with the ultimate goal of mobilizing a broader audience of funders to make joint or aligned investments.

## OPPORTUNITIES FOR ACTION

- Invest in budget and policy analysis, advocacy, and organizing.
- Pool advocacy funds via a funding collaborative.
- Sponsor technical assistance.
- Underwrite the development of written guidance.
- Lend foundation experts to provide pro bono consulting to agency leaders.
- Facilitate learning and information sharing among public funding recipients.
- Invest in monitoring and oversight.
- Embed grantmakers or grantees in advisory boards and oversight committees
- Pay for grantwriters or other short-term contracted support to help key partners secure funding.
- Leverage philanthropy’s convening capacity to help bring the right partners to the table to pursue joint funding opportunities.
- Provide matching dollars.
- Make aligned grants that grow the capacity of funding recipients, address gaps in funding, and extend the reach of public investments.
- Raise the visibility of public resources.
- Finance research, evaluation, and pilot/demonstration projects
- Support capacity building and professional development for advocates, researchers, and technical assistance providers.
- Sustain or scale good work launched through public investments.

## Enabling Equitable and Effective Implementation

Philanthropy can play a valuable role in shaping the deployment of new funds, helping communities access public funding, and strengthening or extending the reach of existing public funding streams.

### OFFER EXPERTISE TO AGENCY LEADERS

While Congress and state legislatures typically establish the purpose and level of funding available to workforce-related initiatives, implementing agencies are sometimes granted broad discretion in determining how the funds will be disbursed and in establishing the rules and regulations that will guide their usage. Philanthropy can provide technical assistance and guidance to help these public officials determine how to best deploy funds.

The **Northwest Area Foundation**, for example, funded the National Congress of American Indians to develop a [federal policy brief](#) featuring a comprehensive set of key recommendations for the federal government to adopt as it supports tribal nations, Native organizations, and tribal colleges and universities (TCUs) as they design, refine, and strengthen their workforce development efforts.

Grantmakers themselves can also be a valuable source of pro bono expertise to public partners since they often have extensive experience designing grantmaking initiatives and deep familiarity with the needs of priority communities. The **James Irvine** and **Ford Foundations** provided input to the US Departments of Labor and

Education that helped to inform the design of the [Youth CareerConnect](#) initiative. (The James Irvine Foundation further extended the reach of Youth CareerConnect funds by pledging an additional \$1.5 million in aligned support for successful applications from California.) More recently, the **Markle Foundation** has been sharing recommendations with federal agencies on opportunities to use some of their American Rescue Plan funding and other existing resources to deploy high-impact workforce development strategies and advance racial equity in the workforce development system.

### SPONSOR TECHNICAL ASSISTANCE AND COMMUNITIES OF PRACTICE FOR FUNDING RECIPIENTS

Philanthropy can also help to facilitate learning and information sharing as a tactic to promote equitable and effective use of public resources. For example:

► In 2015, the US Department of Labor launched the [American Apprenticeship Initiative](#), which awarded \$175 million to 46 public-private partnerships across the country. The **Siemens Foundation** provided aligned grant funding for the National Governors Association Center for Best Practices to serve as a technical assistance partner to USDOL. The Siemens Foundation's support allowed NGA to collect and report performance data to the Department; to provide grantees guidance on promising practices; and to offer enhanced in-person networking and peer-to-peer learning opportunities.

► The [Second Chance Pell Experimental Sites Initiative](#), launched by the US Department of Education in 2015, provides need-based Pell Grants to people in state and federal prisons. With support from **ECMC Foundation**, the Vera Institute of Justice is providing technical assistance to the participating colleges and corrections departments, helping to ensure that the programs provide quality higher education in prison and post-release.

► Building on existing state career and technical education and career readiness investments, **JPMorgan Chase's New Skills for Youth** initiative provided support to states to implement statewide career pathways systems. Beginning in 2017, ten states received three-year grants of \$1.95 million and technical assistance from the Council of Chief State School Officers, Advance CTE, and Education Strategy Group, which included cross-state meetings, coaching, and communications support.

► Supported by the **Cognizant U.S. Foundation**, the [Workforce Innovation Network](#) recently launched by the NGA Center for Best Practices leverages public workforce investments by helping states to build capacity for near-term innovation and develop longer-term strategies to prepare their workforces for a post-COVID-19 economy. Participating states will engage in peer learning and collaboration with other member states to identify best practices and share lessons learned across the education and workforce development system. They also have access to technical assistance, including webinars, facilitated peer-to-peer learning, and virtual state site visits.

## SUPPORT MONITORING + OVERSIGHT

Importantly, philanthropy can also support monitoring and oversight efforts to ensure that public funds are utilized as intended and deployed in ways that prioritize resources for those communities with the greatest needs. Opportunities include grants to support advocacy, organizing, and/or investigative journalism as well as non-monetary contributions such as grantmaker or grantee involvement in advisory boards and oversight committees.

## ENSURE EVERY COMMUNITY HAS AN EQUITABLE OPPORTUNITY TO COMPETE FOR FUNDS

When the federal government announces a new funding initiative, the funds are sometimes awarded through competitive funding processes with short deadlines. Yet, already-strained public agencies, colleges, and nonprofit organizations in high-need communities rarely have excess staff capacity they can rapidly reallocate to authoring a major proposal or compiling a complex application, sometimes leading them to miss out on much-needed funding.

To address this challenge, philanthropy can step in to pay for short-term contract support that provides extra capacity, such as a grantwriter who can develop a competitive application, or a trained facilitator who can convene required application partners and help them design a joint project.

For example, in 2010, the **Greater Washington Workforce Development Collaborative** hired a consultant to convene a multi-stakeholder partnership and author a joint application for an Affordable Care Act State Health Care Workforce Development Planning Grant, transforming a modest initial investment of a few thousand dollars into a \$150,000 federal planning grant.

Funders can also leverage philanthropy's convening capacity to help bring the right partners to the table and overcome turf issues so that communities can put forward the strongest possible application.

#### INVEST IN GUIDANCE TO HELP COMMUNITIES UNDERSTAND HOW TO ACCESS AND USE FUNDS

As part of its work to build the field of workforce and education providers on and near reservations, the **Northwest Area Foundation** funded the National Congress of American Indians to develop [case studies](#) and a [toolkit](#) to help practitioners design comprehensive and strategic workforce plans.

Similarly, recognizing that the federal [SNAP Employment & Training](#) program offered states a flexible but underutilized source of training funds, the **W.K. Kellogg Foundation** provided support to the National Skills Coalition to [develop guidance and provide technical assistance](#) to states on strategies to expand their SNAP E&T programs.

#### BRING MATCHING DOLLARS TO THE TABLE

Grantmakers can help attract new resources to their grantees and the communities they serve by providing matching dollars. From 2010-2015, the **National Fund for Workforce Solutions** and its regional funding collaborative partners were able to secure [\\$15.7 million in Social Innovation Fund funding](#) from the Corporation for National and Community Service by raising a 1-to-1 match for the federal funding from private philanthropy.

Even when matching funds are not required, they may still help an application for public workforce dollars be more competitive by demonstrating widespread support for the proposed work. By providing matching funds, philanthropy may also be able to steer public resources towards higher-impact investments that do a better job of advancing equity.

#### BUILD THE CAPACITY OF CURRENT AND PROSPECTIVE FUNDING RECIPIENTS

Philanthropic investments in capacity building can help public funding recipients prepare to launch a new project or scale up and strengthen an existing program. Capacity building opportunities might include covering the costs of staff training to bring new expertise to an organization, sponsoring coaching or mentoring for key staff, or purchasing software or equipment to enable the launch of a new program.

## FILL IN THE GAPS

Publicly-supported grants and contracts often restrict funding for very specific purposes, leaving frontline providers with a gap between the funds they've received and what they actually need to implement their programs effectively. In the past, disallowed expenses have included things like the tools workers needed for a construction pre-apprenticeship program, substance use disorder and behavioral health services for job training program participants, 3<sup>rd</sup> party credentialing exam fees, or post-placement supports to help improve worker success in a new job. Workforce grantmakers can step in to provide aligned funding that covers gaps like these in public funding.

The **Texas Women's Foundation's Child Care Access Fund**, for example, provides bridge funding to assist eligible mothers while they are on the waitlist for a state child care subsidy, allowing women to more immediately work or attend school while knowing their children are cared for in a safe and enriching child care environment.

## RAISE THE VISIBILITY OF PUBLICLY-SUPPORTED PROGRAMS

Raising the visibility of public resources can help to ensure that dollars aren't left on the table and that resources reach those programs and individuals that stand to benefit most. For example, the **Chicagoland Workforce Funders Alliance** supported the development of **Chicagoland CareerPathways**, an online resource directory that helps Chicagoans identify training opportunities, career pathways, and supportive resources that fit their interests and needs. The tool amplifies information

about publicly-funded programs and services in addition to those that are philanthropically supported.

Recognizing that enrollment in federally-supported Career and Technical Education (CTE) programs has remained stagnant over the last decade, the **Siemens Foundation** partnered with Advance CTE to identify the **most effective messaging to communicate the value of CTE** to prospective learners and their families. This research led to the development of case studies, messaging tools, and digital and print templates that can be customized by local entities, and a CTE 101 video. With support from the Siemens Foundation, Advance CTE recently launched a second phase of this work focused on the needs of students of color and families with low incomes.

## The Long Game: Setting the Stage for Continued Progress

### FINANCE ALIGNED RESEARCH

Grantmakers can lay the groundwork to inform the design of future policies and investments by supporting research to investigate and document needs. With support from **ECMC Foundation**, the Institute for Women's Policy Research (IWPR) **conducted a study** to estimate - at the state and national levels - the economic costs and benefits of single mothers' pursuit and attainment of college degrees. The US Department of Education (ED) cited IWPR's research in the supporting documents justifying the department's increased budget request for the Child Care Access Means Parents in Schools (CCAMPIS) program, which supports child care on

college campuses via a matching program. Building on ED's request, Congress further increased the CCAMPIS budget, ultimately more than tripling funding to \$50M. The IWPR study was also used by successful state budget advocacy campaigns in California and Kentucky.

#### COVER THE COSTS OF EVALUATION

Philanthropic resources can build evidence around what works (and for whom). Many funders have provided resources to evaluate publicly-funded programs. The **Conrad N. Hilton Foundation**, for example, provided funding for an evaluation of the [Los Angeles Performance Partnership Pilot](#), a federally-supported collaborative effort between the City of Los Angeles, the County of Los Angeles, Los Angeles Unified School District, Los Angeles Community College District, local Cal State Universities (CSU5), Los Angeles Chamber of Commerce, Los Angeles Housing Service Agency, and over 50 public, philanthropic and community-based organizations to improve the service delivery system for disconnected young adults and improve their educational, workforce, housing and social well-being outcomes

#### SUPPORT PILOT/DEMONSTRATION PROJECTS

In addition, philanthropy can underwrite the costs of testing innovative approaches to lay the groundwork for more impactful public investments in the future. For example, JFF, New Profit, XPRIZE, and MIT Solve are partnering to pilot solutions for modernizing the American workforce system with the [Future of Work Grand Challenge](#). With support from a coalition of more than a dozen foundations, the competition recently

selected six workforce boards as demonstration sites to test innovative strategies that help displaced workers rapidly reskill so they can move into higher-wage jobs.

#### GROW THE CAPACITY OF ADVOCATES, RESEARCHERS, AND TECHNICAL ASSISTANCE PROVIDERS

As part of its work to dismantle racial disparities in education, employment, wealth-building, and other economic opportunities, the **Annie E. Casey Foundation** recently directed some of its capacity building resources toward national workforce field-building and advocacy organizations. The [Advancing Racial Equity in Workforce Development](#) initiative provided financial support and technical assistance to help these organizations integrate and apply policies and practices that better support racial equity within their own organizations, enabling them - in turn - to more effectively bring a race-informed perspective to the policies, systems, and programs they help to shape.

#### SUSTAIN AND SCALE SUCCESS

Finally, grantmakers can sustain and scale good work launched through public investments. Political commitment to workforce development investments sometimes falters when economic conditions improve, leaving promising programs unable to sustain their work despite positive outcomes. Philanthropy can step in to fund this work directly, or opt to invest in advocacy and organizing to make the case for additional public support.



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## ABOUT THIS GUIDE

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## ABOUT US

Workforce Matters is a national network of grantmakers that draws on expert and practitioner knowledge and works together to strengthen workforce development philanthropy such that it empowers workers, learners, and job seekers to realize their full potential; dismantles inequities based on race, gender, ability, and other individual characteristics; and advances equitable education and employment outcomes for youth and adults.

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