SAN FRANCISCO COUNTY'S CalFresh EMPLOYMENT AND TRAINING PROGRAM: INSPIRING A NEW EMPLOYMENT SERVICES VISION FOR SOLANO COUNTY

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EXECUTIVE SUMMARY

As Solano County embarks on a mission to revitalize and expand employment services, observing San Francisco's CalFresh Employment and Training (CFEST) program provided an opportunity to explore innovative ways to engage clients in their journeys toward self-sustaining employment. San Francisco County has, with the benefit of significant General Fund investment and creative partnerships, developed a comprehensive array of activities that allow individuals at every stage of the employment readiness spectrum to engage in meaningful opportunities to improve employability, while addressing potential barriers along the way.

While Solano County's General Fund resources are light comparatively, there are clear strategies that Solano County can leverage from San Francisco County's CFET program to enrich employment services in the county. The results realized in San Francisco also support Solano's proposed employment-centered business model which will reduce employment worker caseloads and allow for meaningful engagement opportunities.

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Background

Solano County's Employment and Eligibility Services Division underwent a business model change in 2008. One of the intended goals of the reorganization was to put more focus on employment services offered in the CalWORKs Welfare-to-Work (WTW) program. Just after implementation, the Great Recession hit. Staff reductions, surges in applications for assistance, a housing crisis and desert-like job market meant staff resources were redirected to manage the growing eligibility casework. With inflated caseloads, employment staff had little time for engagement with the harder to serve, disengaged client population.

While some California counties have completely recovered from the Great Recession, Solano County has been the slowest Bay Area county to rebound and is the only one that had yet to achieve pre-recession levels for any of the four key economic measures—jobs, unemployment rate, economic output and housing prices—as of the end of 2015.¹ While some economic recovery has been observed, public assistance caseload growth has continued. As was the case around the state, Solano experienced significant increases in households served with the implementation of the Affordable Care Act (ACA) with nearly 30% of Solano County residents now receiving benefits from one or more public assistance programs. This tremendous growth in eligibility workload has continued to divert staff resources away from WTW activities. For

¹ Justin Garosi, "California Counties: California Arguably Doing Better Than Recent Report Suggests," <u>http://www.lao.ca.gov/LAOEconTax/Article/Detail/165</u> (January 26,2016).

public assistance recipients not on CalWORKs, employment services have been even slimmer. Solano County's General Assistance (GA) program only offers voluntary access to Job Club and Job Search activities that are not highly promoted. The county has not historically provided employment services to non-cash assistance clients.

Now that the post-ACA caseload growth has flattened, Solano's Health and Social Services leadership team has again focused attention on the goal of addressing the employment readiness needs of all who seek our services—being referred to as Solano's Employment First strategy. The first step in this strategy is a business model realignment currently in progress. In parallel, Solano County's Administrator's Office has launched an effort to evaluate opportunities for coordinating workforce development efforts and leveraging the limited resources of the county's various employment and training players.

In the City and County of San Francisco, recipients of public benefits have access to a robust job readiness support system that empowers clients to achieve the ultimate goal of unsubsidized, self-supporting employment. Observing San Francisco's CFET Program provided an opportunity to explore options for developing a more diverse menu of employment-related services for the breadth of public assistance recipients in Solano County and to learn from San Francisco's experience with various community partnerships and collaborations—key goals identified in Solano's Employment First strategic priorities.

CFET for General Assistance Recipients

San Francisco County's CFET Program primarily targets its County Adult Assistance Program (CAAP) for indigent adults without dependent children. With a budget of more than \$20 million, a general fund investment of more than \$10 million, and a host of interagency and

community partnerships, the CFET program in San Francisco is regarded by the California Department of Social Services (CDSS) as the gold standard program in California. In San Francisco's CAAP program, which will serve approximately 10,000 clients this fiscal year, recipients are required to participate in employment activities unless they meet certain exemptions or have cause for a temporary deferral. CAAP clients are encouraged to participate in Personal Assisted Employment Services (PAES), which closely mirror the CalWORKs WTW program. Participation in PAES entitles recipients to a higher grant, \$80 more than the basic GA workfare-only participants receive. In addition, PAES participants have access to the more comprehensive CFET services and support.

San Francisco's CFET program is designed to engage clients wherever they are on the job readiness continuum, build on skills and experiences, and move clients along the path toward self-sufficiency. In addition to the menu of activities, clients have access to a host of ancillary services including public transportation passes and employment-related clothing. As many of the participants have significant barriers to employment including criminal histories, mental health and substance abuse issues, and chronic homelessness, San Francisco also offers temporary housing and counseling services under its ancillary services umbrella.

Creative Programming

San Francisco offers a variety of traditional CFET components, including workfare, Job Search, Job Club, vocational training, education, and work experience/on-the-job training. However, the way in which it executes some of these traditional activities is anything but ordinary. One noteworthy example of the creative programming is the Vocational English as a Second Language Immersion Program (VIP). The VIP program was developed in a partnership between San Francisco's Human Services Agency (HSA), the local community college and a community organization to provide an 18 week intensive workplace English language immersion experience. While an expensive per-participant proposition, the program has a remarkable 70% post-program job placement rate.

Another CFET component in which San Francisco has taken a unique twist on a traditional employment activity is in job readiness workshops. These workshops are co-facilitated by HSA trainers and contracted behavioral health specialists. In addition to the hard and soft skill coaching received in class, participants are afforded the opportunity to meet one-on-one with a mental health provider and obtain referrals to more intensive mental health services which are funded by the Community Mental Health Services Block Grant.

JOBS NOW!

Perhaps the most exciting of San Francisco County's rich and unique programs is its nationally recognized JOBS NOW! subsidized employment program. The JOBS NOW! program, initially funded by the American Recovery and Reinvestment Act of 2009, is now funded with CalWORKs dollars for WTW participants and local dollars for CFET participants. Since CFET funding cannot be used for wage subsidies, the subsidies are 100% funded by local general funds. However, readiness activities, placement services and ancillary payments under a work experience/on-the-job training component are allowable expenses that are reimbursed at a 50% federal match rate.

A team of HSA Business Account Representatives has developed a range of private, public and non-profit employment opportunities throughout the City and County of San Francisco. CFET participants are matched with opportunities based on their employment experience and job readiness. They can select up to four employers with which to interview at weekly recruiting events hosted by HSA's Workforce Development Division. Participating employers interview and select candidates and are expected to train the selected participants for a permanent position with the employer upon conclusion of the wage subsidy. Not only does the participant build job skills and experience, but they also gain job history and references critical for obtaining permanent unsubsidized employment. While participating in these wage-subsidized, on-the-job experiences, clients are supported by Employment Specialists and, if necessary, job coaches who can assist with addressing any workplace behavior concerns or personal issues.

There are multiple tiers of subsidized employment opportunities. For hard-to-serve clients who need more development of soft skills necessary for retention of employment or with little work experience or jobs skills, San Francisco County offers a Community Jobs Program with local CBOs where clients can work for three to six months and build basic employment skills while receiving more intensive case management and attending professional development workshops. For participants with moderate to significant work history and more advanced skill sets, several programs are offered. One notable on-the-job opportunity is the Public Service Traineeship (PST) Program. In the PST program, participants are employed as interns in various positions within 13 City Departments. Clients perform the functions of regular employees and gain the qualifications needed for the permanent positions.

San Francisco's CFET program is far from a cookie cutter, one-size-fits-all approach to employment services. Instead, it provides great flexibility and an abundance of options, understanding that clients come with a spectrum of life experiences, employment histories and barriers to self-sufficiency. Depending on where CFET participants are on the job-readiness spectrum, they are placed in personalized employment preparation activities. As a client successfully completes a component, he is expected to progress to the next level until ultimately reaching self-sustaining employment.

Outcomes

Job placement data are difficult to capture accurately, as some job search activities are selfdirected and clients exiting assistance do not consistently report job acquisition information. However, in fiscal year 2014/15, San Francisco had 656 verified job placements for CFET participants, with an average hourly pay of \$13.80 per hour.

Due to the individualized support provided along with a wage subsidy funded with local general fund dollars, the subsidized work experience activities come with a significant per-participant cost but also deliver impressive results. For JOBS NOW! participants between July 2011 and June 2014, 57% had earnings in the quarter after they exited the program, 49% had earnings six months after exiting, and 46% still had earnings 18 months after exiting. Analysis conducted by HSA further shows that JOBS NOW! participants had an 123% income increase two quarters after exiting JOBS NOW! as compared to pre-participation levels. Many business partners view HSA as their placement agency of choice, which is not a surprise given that the service is free and the success rate is so high. Perhaps even more significantly, 76% of CFET clients were not on cash aid and 49% were no longer on CalFresh six months after exiting JOBS NOW!. For a historically difficult-to-serve population with significant barriers to employment, these results are poignant and indicate that the CFET program, when executed to serve the individual client needs, can lead to positive income and employment outcomes.

Conclusion and Recommendations for Solano County

San Francisco County's program is rich in funding and dedicated resources, but it is also rich in creativity, diversity, community collaboration, client-focused options and outcomes. When engaging public assistance recipients in employment services, it is relatively easy to serve clients who are self-motivated and have at least basic education, skills and work experience; but, San Francisco's program makes a valiant attempt to offer employment hope and opportunity to all clients. While Solano County is in no way ready to take on a CFET program of this magnitude, there are certainly creative ideas and lessons learned that can be leveraged from San Francisco to make an impact on the Employment First efforts currently underway. Considering Solano County's current political landscape, general fund limitations, in-flight business model redesign and employment service goals, it is recommended that Solano County pursue the following short- and medium-range strategies to enhance employment services offered to the spectrum of public assistance clients being served:

Short-Range Recommendations (first year)

- Provide Motivational Interviewing training for all employment staff to be completed by the end of June 2016, at a cost of \$14,220 covered under the existing UC Davis training contract.
- Clearly and regularly communicate to all staff the new "employment for all" vision in all division communication channels, celebrating the employment successes of clients and staff.
- Use a portion of next year's \$85,000 lobby refresh budget to create an employment agency environment for clients, including job boards and featured client success stories.
- Engage CDSS and EDD in discussions to develop a data sharing agreement akin to the San Francisco's agreement to track post-participation earnings of employment services clients. Cost limited to staff time to develop and execute agreement.

- Investigate partnership with Center for Positive Change which provides employment services to re-entry clients. Meeting set for June 2016 to discuss opportunity for expanding their state and county funded employment program by leveraging CFET's 50% federal funding match.
- Explore opportunity to use Solano County Library as a subsidized employment partner to place WTW clients in entry-level Library Aide positions. The library management has indicated interest in pursuing, and a meeting with Human Resources is currently being scheduled to evaluate employer of record options. Costs would be covered by existing Expanded Subsidized Employment program allocation.
- Consult with Solano County's Mental Health Division to explore if there is Community Mental Health Services Block Grant funding available for assessment of CalWORKsineligible public assistance clients to help identify and address mental and behavioral health concerns.

Medium-Range Recommendations (1 to 3 years)

- Pursue CFET 100% federal grant funding to build initial program, using estimated \$95,000 grant dollars for staff to identify potential 3rd party funding partners and build financial, data, and contract reporting and outcome tracking procedures. Leverage employment successes achieved by a revitalized WTW program to gain political support for local funding to expand employment services to clients who are not eligible for WTW. Pursue \$100,000 general fund investment to be matched with 50% federal CFET funding for vocational training in local growth industries including construction trades and health care.
- Continue exploring employment pipeline opportunities for entry level county jobs, including office assistants and janitorial staff. As a significant number of applicants for our Eligibility Benefits Specialist I position have some previous experience with our services, consult with

Solano Community College about creation of a course series to better prepare clients interested in pursuing a career in the Employment and Eligibility Division.

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