

# CAREER PATHWAYS TOOLKIT:

An Enhanced Guide and Workbook  
for System Development

## **ELEMENT FOUR:**

IDENTIFY FUNDING NEEDS AND SOURCES



#DOLU141A22202

**MSG**  
MANHATTAN STRATEGY GROUP

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An Enhanced Guide and Workbook  
for System Development

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## **ELEMENT FOUR: Build Cross-Agency Partnerships and Clarify Roles**

**Necessary resources are raised and/or leveraged to develop, operate, and sustain the career pathways system and programs.**

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### **Key Element Components:**

- Identify the costs associated with system and program development and operations.
- Identify sources of funding available from partner agencies and related public and private resources and secure funding.
- Develop long-term sustainability plan with state or local partners.

## Introduction to Element Four

A primary function of the career pathways leadership team involves identifying funding sources to support the collaborative work. A cross-agency leadership team should be knowledgeable of non-traditional funding streams that may be incorporated such as the flexible revenue streams from the Ticket to Work program. Many American Job Centers are now Employment Networks for the Ticket to Work program and can support career services and accommodations to individuals with disabilities. Each agency partner should be knowledgeable of the allowable activities of their funder and can identify resources to apply to system and program operations. By braiding funding across agencies, gaps in funding can be identified and the partnership can work together to seek additional resources. This process is complex and requires true commitment from agency leaders.

Once funding needs and sources have been identified and agency commitments are made, the leadership team can work together to secure and commit the available funds. The team may wish to designate a specific state agency to coordinate this effort. For any unmet needs, the leadership team members may want to research potential funding from other agencies and include private and philanthropic organizations to support the development and maintenance of system functions and program design as well as implementation and operations. The leadership team members should also identify the measures for Return on Investment (ROI) outcomes. ROI is an important consideration of all agencies contributing funds and a process for communicating the ROI is critical. Information on how to plan for, measure, and communicate ROI can be found in Element Six: Measure System Change and Performance.

### CAREER PATHWAYS FYI: Braided Funding

Braided funding is a funding and resource allocation strategy that taps into existing categorical funding streams and uses them to support unified initiatives in as flexible and integrated a manner as possible. Braided funding streams remain visible; each public funder maintains responsibility for tracking and is accountable for its funds.

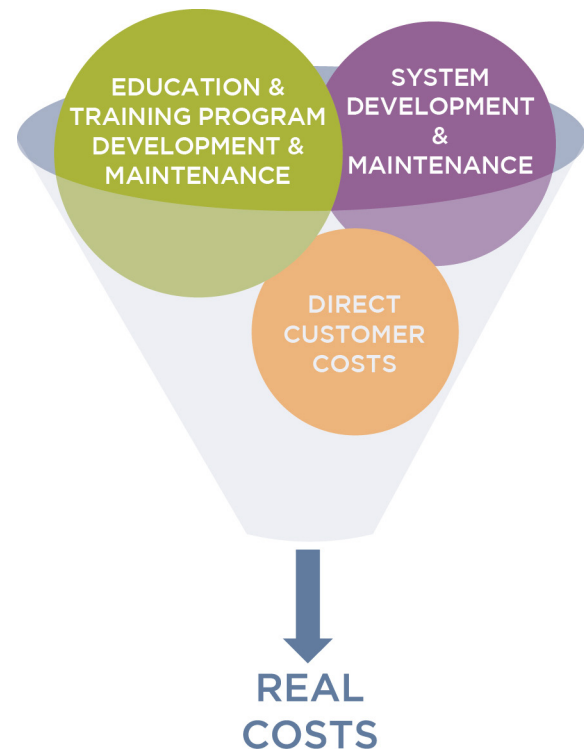
## Component 4.1: Identify System, Program Development, and Participant Costs

As a first step, leadership team members should assess the costs associated with system development and maintenance, program development and operations, and participant costs.

### System Costs

System development and maintenance costs include those required to create, operate, and sustain the career pathways system. While costs associated with running education and training programs may be obvious, those associated with coordinating cross-agency functions (including wrap-around supportive services) and overall system development and maintenance may be overlooked.

Although some of the system costs are one-time costs associated with building the system, many are ongoing to sustain the system. The leadership team can identify the ongoing system maintenance cost incurred in supporting broad-based system enhancement and operations by carrying out the activities in the text box below.



### HOW TO: Determine Start-Up System Costs

- Recruit and engage cross-agency partners to form the leadership team;
- Staff a lead state agency or intermediary to coordinate system development;
- Prepare leadership team meeting agendas and minutes, etc.;
- Participate in leadership meetings to include preparation, attendance, and follow up;
- Develop MOUs between state and local agencies to solidify partnerships;
- Conduct initial labor market analysis;
- Conduct state and regional asset mapping;
- Create state and local level policies that encourage and support career pathways development;
- Incorporate state and local policies into the State/Local Unified/Combined Plan;
- Build participant reporting systems to track outcomes in a career pathway program across programs;

- Build financial reporting systems to track expenditures across agencies;
- Create an agreed upon system of evaluation to determine the ROI of the system;
- Implement a marketing strategy to engage local participation in career pathways systems and programs;
- Prepare request for alternative funding to foundations and private, for-, and non-profit organizations; and
- Educate state and local legislators on career pathways and seek potential funding for system cost.

#### **HOW TO: Determine System Maintenance Costs**

- Support operational functions for coordinating state/local teams, including ongoing funding for a lead agency or intermediary;
- Continue to identify and engage additional partners (local agencies, labor organizations, employers, foundations) as needed to serve on the leadership team;
- Identify, recruit, and engage additional local partners to participate in local career pathways teams;
- Continue to review and revise MOUs;
- Educate agencies within the system and people within the community about career pathways;
- Conduct ongoing state and regional labor market analyses;
- Conduct ongoing state and regional asset mapping;
- Revisit policies to support effective system operations;
- Educate legislators of system outcomes and program alignment changes; and
- Maintain, analyze and utilize reporting systems and measures for career pathways system improvement.

## Program Development Costs

There are many activities associated with developing and implementing education and training programs. A brief list of high-level costs associated with some of these activities is shown in the text box below. The career pathways programs will continue to evolve to keep up with the changing demands of business for new skills and competencies. Therefore, program costs will continue to require new development costs as well as operational costs.

### HOW TO: Determine Program Development Costs

- Operate programs (personnel, facilities, equipment, materials, and supplies);
- Identify areas of overlap, which may be leveraged between programs (career pathways and programs of study) for greater efficiency and savings;
- Develop contextualized curriculum aligned with industry-validated competency models;
- Sequence course work into modules or “chunks” that lead to industry-recognized certificates, and that can be “stacked” towards earning progressively higher degrees;
- Revise instructional formats for accelerated learning and contextualized training content;
- Revise MOUs with employers, as necessary;
- Coordinate ongoing employer vetting of curriculum;
- Ensure career ladders lead to industry-recognized credentials;
- Determine employer contributions (equipment donations, use of facilities for training, and/or scholarships for incumbent workers);
- Develop new avenues for earning credit for work that was previously non-credit-bearing, as well as credit for prior learning;
- Develop outcome measures and methods for evaluating program effectiveness;
- Provide ongoing cross-system professional development for staff members;
- Collect and analyze data to track program outcomes and support program improvement; and
- Promote career pathways programs in secondary and postsecondary education systems as well as career guidance counselors in education and employment and training systems.



## Participant Costs

A team may also want to look at offsetting participant training fees and other direct customer costs through public or private sources. The leadership team identifies sources to cover some of the direct training costs such as: student aid programs (including Pell grants, Ability to Benefit grants, and state grant programs); WIOA funding; employer-paid tuition reimbursement programs; and/or scholarships. The team can explore other direct customer costs considerations such as WIOA Title I and IV, TANF, and Trade Adjustment Act/ Trade Readjustment Allowances and SNAP Employment and Training.

### HOW TO: Participant Cost Considerations

- Tuition, fees, books, and supplies (training-related tools and equipment);
- Assessment services;
- Academic support and tutoring;
- Career counseling, advising, and planning;
- Case management and coaching (including navigation of financial aid options, educational programs, and supportive services);
- Mentoring for youth and adults;
- Work experience and internships;
- Supportive services (transportation, childcare, dependent care, housing, and needs-related payments that are necessary to enable participants to participate in activities);
- Placement and retention services (job referrals, job seeking skill techniques, job coach, etc.);
- Assistive Technology (AT) and other accommodation requirements; and
- Financial literacy and asset development counseling.

## Component 4.2: Identify Sources of Funding from Partner Agencies and Related Public and Private Resources and Secure Funding

Once costs have been determined, state and local partners can work together to determine the appropriateness of funds that are allowable to fund specific activities. For example, one partner may contribute funds covering outreach and recruitment; another may support client services and counseling, while additional partners may use their funds for curriculum development, instruction, and training costs. The leadership team will seek funding from a variety of sources but will first engage the core partners outlined in WIOA ([Worksheet 1.1a](#)). The leadership team invites the WIOA core partners and other partner agencies to identify funds to apply to each of the components of the career pathways system. The leveraged resources are committed and the team determines resource gaps and seeks additional funding to fill the gaps.

To assist the leadership team in exploring funding options, the Center for Law and Social Policy (CLASP) published a Toolkit that provides a list of applicable Federal resources. To access the entire **CLASP Funding Career Pathways and Career Pathways Bridges: A Federal Funding Toolkit for States**, go to: <http://www.clasp.org/issues/postsecondary/pages/funding-career-pathways-and-career-pathway-bridges-a-federal-funding-toolkit-for-states>. The Funding Options Worksheets are included in [Worksheet 4.2a](#), at the end of this component.

### PROMISING PRACTICE: California Career Pathways Trust

The California Career Pathways Trust (CCPT) grant is a unique and highly competitive program that builds on the creation of partnerships between K-12 schools, community colleges, and businesses to identify local and regional employer needs for the present and the future. These partnership consortia then develop career pathways that connect the K-12 programs and community college programs to the business community through a variety of work-based learning activities such as job shadowing, apprenticeships, and, ultimately, employment. Once a student has an idea of the type of career they are interested in, the career pathway is the roadmap or plan that shows the students and parents what courses they need to take at both the high school and the college level, to prepare them for success in college and career. Through work-based learning, business participation and industry sector specific curriculum, these school programs are more relevant, which better prepares students for participation in the 21st century workplace. These programs lead students to two-year degrees, certificates, or four-year degrees that prepare them for highly skilled jobs in growing industries.

The development of the applications and the process was a joint effort between the California Department of Education, the California Community College System and the California Workforce Development Board. The initial grant, awarded in 2014 through AB 86, was for a total of \$250 million. The funding was divided up among 39 applicants with awards ranging from \$600,000 to \$15 million dollars. Based on the success and demand for the first round of funding, the legislature added another round of funding for 2015. This year's grant is for an additional \$250 million for partnership and career pathway creation. The grant has reporting requirements until 2018.

A new and exciting portion of the Trust funding will be the availability of Consortium Development Grants. The purpose of these smaller CCPT Consortium Development Grants is to assist interested groups in examining the feasibility of creating local and regional consortia in their areas. During the first year the funding is to be used to bring groups together to discuss and explore local workforce issues and how the creation of career pathways can help address these shortages. The funding for the second year is to be used to start the work of implementing one or more career pathways programs. For more information, see <http://www.cde.ca.gov/ci/ct/pt/>

To secure the funding sources, the team signs a MOU to commit funds to the appropriate components of the system. The state agencies who are the recipients of the Federal core partner's resources, and any additional agency partner program resources can assist local career pathways teams in identifying their program providers at the local level that may be able to commit resources to their local teams. WIOA partner staff can also facilitate formation of Integrated Resource Teams to tap into diverse program resources or services around the individual customer. After considering all potential public agency funding, the leadership team should consider researching private foundations and/or other private non-profit organizations whose mission aligns with the goal of helping participants acquire the necessary skills and credentials to obtain employment in an in-demand industry at a living wage with the opportunity for upward mobility.

In addition, the leadership team should reach out to industry associations, unions, and local businesses that may have funds to contribute to training workers.

#### **PROMISING PRACTICE: The Future—Philadelphia**

Engaging employers and understanding future workforce trends at the start of an initiative is crucial to developing effective career pathways systems that serve employers and workers alike. Too often relationships with employers are sought at the end of partnership or program development, leading to insufficient outcomes for both employers and students.

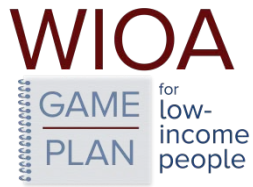
In Pennsylvania, a group of employers partnered with local and national healthcare unions to develop the Philadelphia-based 1199C Training and Upgrading Fund (TUF) as a way to meet the needs of employers while expanding and connecting educational supports for low-skilled adults. The TUF is an alliance of 55 employers who make monthly contributions (1.5% of gross payroll) to the fund. The fund paid for the development of a new healthcare education and training school, and remaining funds subsidize education and training for union members and individuals in the broader community who are pursuing health careers in Philadelphia. TUF has helped union and community members acquire new skills, which supports employee retention and helps low-skilled adults enter career pathways to higher earning potential. It also meets the demands of its employer base by regularly updating training to address new work requirements and other changes in the industry. Members of the leadership team meet regularly with employers, conduct focus groups to evaluate program design, and host symposiums focused on emerging trends in the healthcare field. The initiative has received recognition from the U.S. Secretaries of Labor and Education for paying attention to the interplay of employer and workforce needs.

## 4.2a FUNDING OPTIONS WORKSHEETS

The Center for Law and Social Policy (CLASP) published the ***Funding Career Pathways Toolkit*** to help interagency state and local teams identify and use federal resources to support these models. The toolkit, revised in 2016 to reflect WIOA's impact on Federal programs, is available in its entirety [online](#).

The Funding Career Pathways Toolkit includes [Funding Options Worksheets](#), which provides sample key tasks for designing, implementing, and sustaining career pathways programs.

A downloadable Word version of this tool is also available [here](#).



## FUNDING OPTIONS WORKSHEET

In the first column below is a list of sample key tasks in designing, implementing, and sustaining career pathway programs. Work with partners to identify potential funding sources for these tasks from core Workforce Innovation and Opportunity Act (WIOA) partners, one-stop partners, and other federal programs with a career pathway focus.

### Major Federal Funding Streams That Support Key Tasks in Building Career Pathway Programs

<b>TARGET POPULATION:</b> (e.g., TANF recipients or out-of-school youth)			
<b>Key Tasks</b>	<b>CORE WIOA Programs</b>	<b>Required One-Stop Partner Programs</b>	<b>Other Programs with Career Pathway Focus</b>
	<ul style="list-style-type: none"> <li>WIOA I Adult</li> <li>WIOA I Youth</li> <li>WIOA I Dislocated Worker</li> <li>WIOA II Adult Education</li> <li>WIOA III Wagner-Peyser</li> <li>WIOA IV: Rehabilitation Services</li> </ul>	<ul style="list-style-type: none"> <li>Carl D. Perkins Career and Technical Education Act</li> <li>Temporary Assistance to Needy Families (TANF)</li> <li>Trade Adjustment Assistance</li> </ul>	<ul style="list-style-type: none"> <li>Pell Grants</li> <li>Pre-Apprenticeship and Registered Apprenticeship</li> <li>Supplemental Nutrition Assistance Program Employment and Training (SNAP E&amp;T)</li> </ul>
<b>BUSINESS AND INDUSTRY ENGAGEMENT</b>			
Identify sectors and employers within sectors that need skilled workers and offer employment opportunities at different levels	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Identify the skill needs and employment opportunities at different levels to inform development of related educational opportunities	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Create hands-on learning opportunities hosted or sponsored by employers, such as job shadowing, internships, and work experience	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)

PROGRAM INNOVATION			
Define, with employer input, the steps leading to certificates, licenses or degrees, and relevant employment opportunities at each level	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Maximize the ability to build toward credentials over time through articulation and transfer (dual enrollment), especially between credit and non-credit offerings	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Create “Road Maps”—visual representations of educational and employment pathways	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Create or re-write curricula for short-term credentials linked to jobs and imbedded in educational pathways	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Develop instructional formats that accelerate and compress content	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Make programs accessible to non-traditional students through flexible scheduling and alternative locations, as well as innovative use of technology	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Enroll cohorts groups through learning communities, etc.	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Combine basic skills with occupational training (in both developmental education and	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)

ABE/ESL) to enable low-skilled adults to enter and complete programs leading to credentials			
Build essential skills needed for career and postsecondary success	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Increase credit awards through wider use of prior learning credit	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Pay for unreimbursed program costs (e.g., equipment and faculty time for team teaching) not fully covered by tuition and institutional support	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
<b>SUPPORT SERVICES AND SUCCESS SERVICES</b>			
Provide career planning and assessment services	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Provide academic support and tutoring	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Provide career counseling and coaching, including navigation of financial aid options and educational programs	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Provide support services, such as child care and transportation	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Provide mentoring for youth	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Enable participation in work experience, internships	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Provide job search assistance and placement assistance	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)

<b>FINANCIAL AID</b>			
Provide direct assistance (e.g., tuition, fees, books, and supplies) or pay for the costs of participation in education and training programs	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Cover indirect costs of attendance (e.g., living expenses)	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
<b>SYSTEMS AND PARTNERSHIPS</b>			
Identify/employ dedicated staff to maintain business/education and other pathway partnerships with community organizations, such as labor or community-based organizations	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Use data to identify sectors and related educational and employment pathways	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)
Use data to measure participant progress and transitions to career and postsecondary success and evaluate program performance	(Insert your own text here)	(Insert your own text here)	(Insert your own text here)



## Component 4.3: Develop Long-Term Sustainability Plan with State/Local/Regional Partners

The career pathways system should be the result of comprehensive and inclusive planning, including external and internal stakeholders. This planning process provides an avenue for identifying and securing necessary sustainable resources.

The leadership team should develop a business plan that documents revenue and expenses to continue the operation and improvement of the career pathways system over a long period. It should clearly define potential funding sources and assign responsibility to obtain each source.

**CAREER PATHWAYS FYI: The long-term sustainability plan should build upon the initial funding plan and consider:**

- Replacement of start-up funds from foundation donors for system building;
- Further state system integration to track participant outcomes to include interface with state's wage detail system and educational outcome data;
- Collection, analysis, storage, and evaluation of outcome data for continuous improvement;
- Future tuition and fees, including potential increases in amount and the effect on learner participation;
- Upgrading and/or replacement of equipment;
- Potential new industry partners;
- WIOA formula funds Title 1B adult, youth, and dislocated worker;
- Operational savings; and
- Grants and private foundation donations.

## REPORTS AND PUBLICATIONS

- *Braided Funding Toolkit*, Jobs for the Future, 2014.  
[http://application.jff.org/braided\\_funding\\_Toolkit/](http://application.jff.org/braided_funding_Toolkit/)
- *Dollars and Sense: Using Federal Resources to Fund Career Pathways and Bridges*, Center for Law and Social Policy, November 2010.  
<http://www.clasp.org/resources-and-publications/webinar-dollars-and-sense-using-federal-resources-to-fund-career-pathways-and-bridges>
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