# LINC Commission Meeting

April 16, 2012



Students at M.L. King, Jr. K-8 in the Kansas City Public Schools take turns with the shovel in planting their new apple orchard. The orchard is part of a larger garden project and future outdoor classroom. The new orchard was made possible by a partnership between LINC, University of Missouri Extension Master Gardners and Kansas City Public Schools.



#### **Local Investment Commission (LINC) Vision**

#### **Our Shared Vision**

A caring community that builds on its strengths to provide meaningful opportunities for children, families and individuals to achieve self-sufficiency, attain their highest potential, and contribute to the public good.

#### **Our Mission**

To provide leadership and influence to engage the Kansas City Community in creating the best service delivery system to support and strengthen children, families and individuals, holding that system accountable, and changing public attitudes towards the system.

#### **Our Guiding Principles**

- 1. COMPREHENSIVENESS: Provide ready access to a full array of effective services.
- 2. PREVENTION: Emphasize "front-end" services that enhance development and prevent problems, rather than "back-end" crisis intervention.
- 3. OUTCOMES: Measure system performance by improved outcomes for children and families, not simply by the number and kind of services delivered.
- 4. INTENSITY: Offering services to the needed degree and in the appropriate time.
- 5. PARTICIPANT INVOLVEMENT: Use the needs, concerns, and opinions of individuals who use the service delivery system to drive improvements in the operation of the system.
- 6. NEIGHBORHOODS: Decentralize services to the places where people live, wherever appropriate, and utilize services to strengthen neighborhood capacity.
- 7. FLEXIBILITY AND RESPONSIVENESS: Create a delivery system, including programs and reimbursement mechanisms, that are sufficiently flexible and adaptable to respond to the full spectrum of child, family and individual needs.
- 8. COLLABORATION: Connect public, private and community resources to create an integrated service delivery system.
- 9. STRONG FAMILIES: Work to strengthen families, especially the capacity of parents to support and nurture the development of their children.
- 10. RESPECT AND DIGNITY: Treat families, and the staff who work with them, in a respectful and dignified manner.
- 11. INTERDEPENDENCE/MUTUAL RESPONSIBILITY: Balance the need for individuals to be accountable and responsible with the obligation of community to enhance the welfare of all citizens.
- 12. CULTURAL COMPETENCY: Demonstrate the belief that diversity in the historical, cultural, religious and spiritual values of different groups is a source of great strength.
- 13. CREATIVITY: Encourage and allow participants and staff to think and act innovatively, to take risks, and to learn from their experiences and mistakes.
- 14. COMPASSION: Display an unconditional regard and a caring, non-judgmental attitude toward, participants that recognizes their strengths and empowers them to meet their own needs.
- 15. HONESTY: Encourage and allow honesty among all people in the system.

#### Agenda

- I. Welcome and Announcements
- II. Approvals
  - a. March minutes (motion)
- III. Superintendent's Reports
- IV. LINC Finances 3<sup>rd</sup> Quarter Report
- V. LINCWorks
  - a. Progress Report
  - **b. Promising Pathways**
- VI. Other
- VII. Adjournment



#### THE LOCAL INVESTMENT COMMISSION – MARCH 26, 2012

The Local Investment Commission met at the Kauffman Foundation, 4801 Rockhill Rd., Kansas City, Mo. Chairman **Landon Rowland** presided. Commissioners attending were:

Bert Berkley Adele Hall
Sharon Cheers Tom Lewin
Steve Dunn Rosemary Lowe

Herb Freeman Sandy Mayer (for Mike Sanders)

SuEllen FriedMary Kay McPheeRob GivensRichard MorrisAnita GormanDavid Rock

Bart Hakan

A motion to approve the Feb. 27, 2012, LINC Commission meeting minutes was passed unanimously.

#### **Superintendents' Report**

- **John Tramel** (Director of Family Services, Independence School District) reported the Missouri Association of Student Councils 2012 convention was held at Truman High School. In addition, the district will be opening two new elementary schools (one this summer and one next summer).
- Paul Fregeau (Assistant Superintendent, North Kansas City School District) reported Crestview Elementary was one of four Missouri schools identified as closing the achievement gap for low-income and minority students. The district is principals for Chouteau and Maplewood schools.
- **Terry Ward** (School Board Member, North Kansas City School District) reported on activity in the state legislature regarding school budgets and the Kansas City, Mo. School District.
- Everlyn Williams (Deputy Superintendent, Hickman Mills School District) reported the district is preparing for three weeks of MAP testing, which begins next week. In May the district will begin focusing on reading as part of its "12 in 12" campaign to achieve a score of 12 on this year's Annual Performance Report (APR), which determines the district's accreditation level.

**Rowland** announced that **SuEllen Fried** has been named as one of 100 Top Global Women by Diplomatic Courier magazine for her work with BullySafeUSA.

**Gene Wilson** and **Marlene Nagel**, Community Development Director of the Mid-America Regional Council, gave a presentation on the Heartland EngAGEment Initiative. The presentation, which is available on the LINC website, focused on the need for national and local responses to the dramatic demographic shift to an older population.

LINC Communications Director **Brent Schondelmeyer** reported that LINC has produced a booklet, "Mapping Our Community: A Look at Seniors," including a variety of maps showing demographic information related to the area senior population in Jackson, Clay and Platte counties.

LINC staff **Trent DeVreugd** gave a presentation on aging initiatives that enable Kansas Citians to age in place, support grandparents raising grandchildren, help seniors understand Medicare, work with nursing homes to make the claims process easier, and more. The initiatives are

overseen by the LINC Health and Aging Committee, which is co-chaired by **Margie Peltier** and **Cathy Davis**. The "LINC and Aging" booklet is available on the LINC website.

**Rex Archer**, Director of the Kansas City, Mo. Health Department, reported that longevity trends vary by population; there is a 16-year difference in life expectancy between Kansas City's highest- and lowest-income zip codes.

Discussion followed.

**Paul Wenkse** of the Federal Reserve Bank of Kansas City reported on a data-mapping initiative of the Fed, City of Kansas City, and Jackson County. LINC hosted a press conference announcing the initiative, which combines the databases of various groups including University of Missouri-Kansas City and the Kansas City Police Department. A video of the press conference was shown.

		lowed.

The meeting was adjourned.

#### René Clarijs

René Clarijs is consultant, author, researcher and chief editor of the Dutch journal Jeugdbeleid (Youth Policy). He holds a Master's degree in Management and Organisation (MMO), Dutch Linguistics and Literature (MA), and Public

Management (MPM).

He has his own consultancy firm (specialised in government policy in relation to children and young people) and was researcher at IVA, Centre of Policy Research of the Tilburg University. He is past President of the European platform EAICY (after-school education for children and young people,



representing over 25,000 organisations in Europe) and vice-president of EUCIS-LLL (EU platform for lifelong learning).

He published many articles for home and abroad, and is the (co-)author and (co-)editor of a dozen books.

#### Keynote speaker René Clarijs

René Clarijs NL, is connected to the Academy for Public Change (Tilburg University). He is the author and editor of a number of books and articles related to education and social affairs.

Since 1985, he runs his own consultancy, specialised in government policy, and is a visiting lecturer at the Tilburg University. He is the editor of the Dutch magazine Jeugdbeleid (Youth Policy).

René holds three Master degrees in Management and Organisation (MMO), Dutch Linguistics and Literature (MA), and Public Management (MPM).



# Promising Pathways Initiative OVERVIEW

#### **Background**

Across Federal, State, and Tribal programs there is an increased need to support increased transparency, accountability, and effectiveness in programs. The desire for enhanced performance and accountability has solidified the preference to use practices for which effective evidence is available. While there is widening recognition on how evidence-informed practice helps increase the efficient use of resources, serious challenges remain to integrating this approach into the TANF field. In addition to the lack of a common definition of "evidence-informed" and "evidence-based" in the TANF world, a majority of program outcomes are measured anecdotally and additional efforts are required to develop consistent documentation and data collection strategies across programs.



#### Why is the Promising Pathways Initiative Important?

There is limited information about the type of evidence available at the TANF program level that establishes how the multitude of TANF programs define practice and assure fidelity of implementation. Without this information, determining what constitutes a "best" or a "promising" practice for TANF programs is problematic. Traditional research methods like quasi experimental designs and experimental methodologies that are the foundation of determining evidence based practice are challenging to carry out in the dynamic context of TANF programming. Understanding what type of information is needed to establish an evidence pathway leading to identification of evidence based practice within TANF programming is needed. The Promising Pathways Initiative seeks to address this knowledge need through an evidence informed practice approach. This approach is illustrated by the attached **framework: Promising Pathways Initiative: Developing the Capacity for Evidence Informed Practice.** 

The Promising Pathways Initiative is grounded in the research on evidence based practices and utilizes the same lexicon as the research field, yet is cutting edge in exploring the appropriate technical assistance interventions required to move a program or practice along a continuum of evidence that moves the TANF field forward. This initiative will support the selected sites by building capacity of the sites to identify practice and program components; develop and document evidence; and articulate the resulting "story" about the effectiveness of the program or practice. Through this Initiative, OFA will develop the capacity for promising TANF programs to collect non-experimental evidence to demonstrate fidelity of implementation that is "evidence informed,", and is critical to launching these promising programs along a pathway to potentially become an evidence based practice.

<sup>&</sup>lt;sup>1</sup> The operational definition of evidence informed practice for this Initiative is a promising program that defines its practices and examines (through data collection, analysis, and documentation) the fidelity of implementation of its practice with respect to its definition. It is acknowledged that this definition of evidence informed practice differs from other existing descriptions that depict programs that are replicating in whole or in part an existing practice. Both the nature of the types of TANF programs being implemented and the context in which they operate necessitate that a more appropriate standard is developed.



# Promising Pathways Initiative OVERVIEW

#### How will the Promising Pathways sites benefit?

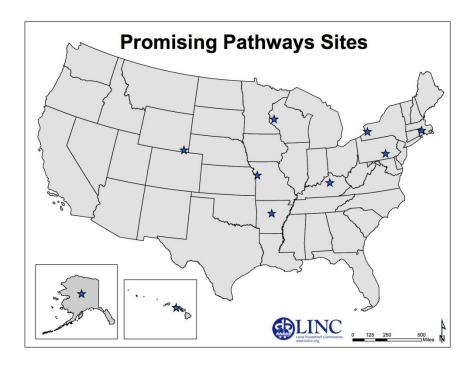
Up to 14 existing TANF programs will be selected by OFA to participate as learning laboratories for developing the capacity for becoming an evidence informed practice. An initial environmental assessment has been conducted to identify existing TANF programs/practices for possible inclusion in this effort. Criteria used for inclusion was primarily focused on the program being cited as "promising" by an external source, or one that has undergone an external evaluation. This initial scan was then refined based on geographic diversity, program/practice diversity, and reflective of regional review. At least one program has been identified in each of the 10 ACF regions for inclusion in the Initiative. Sites will be supported through intensive technical assistance to develop and use the evidence base generated from collecting data on their practice. Mapping, collecting, analyzing, and reporting (sharing results) serve and key functions of an *Interactive Assessment Process loop* (illustrated in the framework) that are intended to lead to evidence informed practice. During their participation in the Initiative, Promising Pathway programs will have access to the following types of customized and individualized technical assistance:

- Ongoing individualized, and embedded technical support to develop a program-specific pathway to evidence informed practice;
- Technical assistance around defining and documenting practice; determining program fidelity; and examining program effectiveness; and
- Participation in a Capstone Program Innovation Institute.

#### How will this Initiative move the TANF field forward?

OFA is implementing the **Promising Pathways Initiative** to work with 10 TANF programs/sites around the country that have been designated as innovative or promising and high performing. The Initiative will support programs working in a variety of areas, including: subsidized employment and transitional jobs; work supports (e.g. transportation); job training and placement; case management; Tribal self-sufficiency; and education and career pathways. The technical assistance provided through this Initiative will focus on developing and measuring effective solutions that foster healthy families and strong communities. By documenting evidence-informed innovation at the local level, and sharing these outcomes and strategies across the TANF field, OFA plans to use these practices to build a foundation for documenting practice and moving the field forward. The Promising Pathways Initiative will help advance innovative program planning for low-income populations and support the documentation and distribution of evidence-based results within TANF. The Initiative will support all selected Promising Pathways sites with:

- Ongoing individualized and customized technical assistance and resources to increase the capacity to document and analyze outcomes;
- Support and guidance in sharing evidence-based outcomes across the TANF field; and
- The opportunity to work in partnership with peer organizations in strengthening performance measurement and data collection.



#### **2012 Promising Pathways Innovation Sites**

#### **Dorcas Place**

Providence, RI
Non-profit
Job training and financial literary
www.dorcasplace.org

#### Placing Individuals in Vital Opportunity Program (PIVOT)

Erie County, NY

County-level Dept. of Social Services

Wage subsidy program designed to improve self-sufficiency outcomes for low-income individuals and meet the hiring needs of local employers

#### **Keystone Education Success Program**

Harrisburg, PA

Dept. of Public Welfare/Community Colleges Education and Training

#### Ready-to-Work Program

Versailles, KY

Kentucky Health and Family Services/Community Colleges Education and skills training

#### JumpStart Program

Glenwood City, WI

Non-profit

Transportation assistance through purchase of affordable, reliable vehicle

www.westcap.org

#### **Arkansas Career Pathways**

Arkansas

State government and community colleges Education, specialized career services and skills training services

www.arpathways.com

#### **Local Investment Commission (LINC)**

Kansas City, Mo.

Non-Profit

Job placement and training

www.kclinc.org

#### **CLIMB Wyoming**

Cheyenne, WY

Non-Profit

Trains and places low-income single mothers in careers that successful support their families.

#### **Supporting Employment Empowerment**

Honolulu, HA

State government and Goodwill Industries Subsidized job placement and employment

#### Athabascan Self-Sufficiency Assistance Partnership

Alaska

Tana Chiefs Conference

Tribal program that provides "one-stop" shops for social services in 37 remote villages.

#### William Brumfield

**William Brumfield** is currently employed with ICF International as an Expert Consultant in the areas of Temporary Assistance for Needy Families (TANF) and Workforce Development.

Mr. Brumfield has 35 years of workforce and human service experience within Hennepin County government in Minnesota. He was the Human Services Area Director for Eligibility and Works Supports, which oversees the administration of Cash, Medical Assistance, TANF, Child Care, Child Support, SNAP, and emergency shelters.

The scope of this work was approximately 100,000 cases with a budget of approximately \$150 million. Before his income eligibility experiences, he was the Director of the Workforce Investment Act Programs.

Mr. Brumfield's TANF experience began when welfare reform was enacted, and continues in his current assignment. Mr. Brumfield has served in a leadership role at the national and State level creating innovative solutions to TANF challenges and employment and training problems.

He has been a speaker at many human service conferences and training events.

Mr. Brumfield has a bachelor's degree from Creighton University, Omaha, Nebraska and a master's degree from St. Cloud State University, St. Cloud, Minnesota.

#### LINCWorks: A Community Intermediary Using Data to Move People to Work in Kansas City, Mo.

#### [ADAPTED AND EXCERPTED FROM THE PROMISING PATHWAYS CASE STUDY]

#### Introduction

In Fall 2011, ten promising programs were selected to participate in The Promising Pathways Initiative, which provided these programs with individualized technical assistance designed to improve their capacity to collect evidence that articulates their program outcomes.

Through a series of technical assistance activities each site had the opportunity to build capacity by identifying their program components and practices; developing and documenting evidence; and sharing data that depicts program effectiveness. Each site had a dedicated team consisting of a coach, data specialist and support specialist assigned to provide targeted technical assistance while documenting the aspects of the site's program that allowed it to be promising in its use of evidence informed practices.<sup>1</sup>

#### **Site Description**



The **Local Investment Commission (LINC)** is a State-chartered, citizen-led group charged with improving results for children and families in Kansas City, Missouri and area counties. LINC's mission is to provide leadership and influence to engage the Kansas City community in creating the best service delivery system to support and strengthen children, families and individuals, holding that system accountable, and changing public attitudes towards the system. As a publicly funded non-profit organization, LINC serves as a community intermediary carrying out four critical functions: 1) engaging, convening and supporting diverse groups and communities;

2) establishing quality standards and promoting accountability; 3) brokering and leveraging resources; and 4) promoting effective policy measures. LINC builds on its relationships with state and federal agencies to support a broad range of locally-driven initiatives to improve outcomes for children, families, neighborhoods, and the larger community. Current areas of work include welfare to work, child welfare, early childhood education, school-based services, aging and neighborhood governance.

LINC has been involved in welfare to work since it was created in 1992 by the Missouri Department of Social Services at the behest of citizen leaders. Through its "community partnership" approach, LINC brings together State agencies, local government, area human services organizations, citizen leaders and program participants to continually evaluate and modify the local welfare-to-work system. LINC uses this community knowledge to create a system that is participant-driven, efficient, and focused on moving Temporary Assistance for Needy Families (TANF) participants to full-time, unsubsidized employment.

<sup>&</sup>lt;sup>1</sup> The Promising Pathways team members who worked primarily with LINC include Bill Brumfield (coach), Nanette Antwi-Donkor (data specialist), and Ellen Simon (support specialist).

#### **LINCWorks**

In the fall of 2010 LINC was selected by the State of Missouri to administer the welfare case management system for Jackson, Clay and Platte counties. LINC immediately convened several partners to develop the **LINCWorks** initiative, a system to provide TANF participants with help on the path from welfare to skills and work. Services provided by LINCWorks include placement in countable work activity, ongoing case management, assistance with transportation and work-related expenses, and referral to partner organizations for contracted services including employment placement, job training, education assistance, child care, warrant relief, and trauma counseling.

LINCWorks also refers clients to services offered at more than 60 LINC Caring Communities sites. Through the Caring Communities initiative, LINC places a site coordinator at a school or neighborhood site to work with parents, neighbors and school staff to develop services in support of children, parents and neighborhoods. Services range from afterschool programs to emergency assistance to financial literacy. Specific services vary from site to site and are based on need as determined by citizenled site councils. Because LINC Caring Communities sites are located at schools in low-income neighborhoods, there is a significant number of LINCWorks clients with children who attend





those schools. LINCWorks case managers and LINC Caring Communities site coordinators can work together to ensure TANF participants are able to access the full array of services available.

LINC improves clients' access to child care, and quality of child care delivered, through two early childhood education initiatives. The LINC Educare initiative provides child care provider training on child development, caregiving, safety, first aid, business development and other topics. The LINC Subsidy Services initiative, on behalf of the State of Missouri, provides registered child care providers with payment agreements, payment processing and technical assistance.

Collecting, converting, and disseminating data to the community also drives much of LINC's work. LINC develops data systems to monitor performance and progress, case manager efficiency, and outcomes of participants and the organization. Ensuring that information is useful and easy to comprehend, and holding individuals accountable for the work they do with this data, are critical components of LINCWorks' operations.

#### **Population Served by LINCWorks**

LINCWorks clients are adults who receive cash assistance through Temporary Assistance for Needy Families (TANF), and are determined by the Missouri Family Support Division (FSD) to be eligible for

work activities.<sup>2</sup> All TANF recipients who are determined by FSD to be work eligible, and whose youngest child is one year or older, must participate in a work activity. FSD typically makes 400-500 referrals to LINCWorks per month.

#### **Results**

The main indicator of LINC's success, for the purpose of its contract with FSD, is the work participation rate. For clients to be counted as participating, they must be engaged in work activities that are allowable and countable, as defined by federal regulations. For activities to be allowable, they must fall into certain designated categories. To be countable, activities must be performed for a minimum number of hours per week, for every week within a federal calendar month. Moreover, for activities to be countable a certain minimum number of hours must be spent in designated core activities.<sup>3</sup>

The work participation rate is calculated by dividing the number of participating LINCWorks clients (numerator) by the number of work-eligible TANF recipients (denominator). LINCWorks is contractually required to meet a work participation rate of 25% by July 1, 2012 (the work participation rate is expected to increase to 50% by July 1, 2014.). Work-eligible TANF clients who are not engaged in work activities are subject to having their cash grant reduced by FSD. They also bring down the work participation rate.

In addition to achieving the work participation rate, LINCWorks also shares in the effort to meet the broader goals of the larger LINC organization. These broad goals, known as LINC's Core Results, help organize LINC's work across multiple initiatives. The Core Results are:

- 1. Adults working
- 2. Children and youth succeeding in school
- 3. Healthy children and families
- 4. Young children ready to enter school
- 5. Children safe in their families and families safe in their communities
- 6. Youth prepared for productive adulthood
- 7. Elders and people with disabilities valued and living as they choose
- 8. Well-informed citizens making decisions about their communities
- 9. Strong, thriving neighborhoods

While "Adults working" is the core result most directly affected by LINCWorks, the services and referrals participants receive are intended to support the eight other results as well.

<sup>&</sup>lt;sup>2</sup> For information on Missouri's eligibility requirements for TANF, visit the Missouri Department of Social Services Family Services Division at http://dss.mo.gov/fsd/tempa.htm

<sup>&</sup>lt;sup>3</sup> The Center on Budget and Policy Priorities' *Summary of Final TANF rules* provides a brief description of the difference between core and non-core activities: "The TANF law established two sets of work activities — 'core' activities that can count for all hours of participation and 'non-core' activities which can only count once a recipient has participated in core activities for 20 hours in the case of the all-families rate and 30 or 35 hours in the case of the two-parent work participation rate." For more information, see: Liz Schott, (2008). Summary of final TANF rules: Some improvements around the margins. *Center for Budget and Policy Priorities*, Retrieved from <a href="http://www.cbpp.org/files/2-20-08tanf.pdf">http://www.cbpp.org/files/2-20-08tanf.pdf</a>

#### **Logic Model Development**

The development of the LINCWorks logic model was a collaborative effort between the LINCWorks team and the Promising Pathways team. The LINCWorks team took a lead role in drafting and revising the logic model while the Promising Pathways team provided guidance and feedback.

After participating in the Orientation Workshop, Tom Jakopchek, the director of LINCWorks, led the LINCWorks team which included Gayle A. Hobbs (*President*), Greg Bassett (*Information Service Director*), Brent Schondelmeyer (*Communications Director*), David Buchmann (*Communications staff*) and Brenda Mitchelson (*LINCWorks staff*) to develop the first draft of the logic model. The Promising Pathways team worked with the LINCWorks team to refine the logic model during site visits and conference calls to produce the current version of the **LINCWorks logic model** (see following page). The LINCWorks team developed a logic model that is representative of its program and its relationship with other LINC components by incorporating key LINC activities such as Caring Communities, infrastructure development, data analysis and monitoring and early childhood education to the logic model.

In addition to the logic model, the LINCWorks team developed an indicator work sheet which identifies indicators to track key program and client outcomes, sources of the indicators, frequency of the collection and targets. LINCWorks currently collects most of the identified indicators and, for the indicators that LINC does not yet collect, LINCWorks has begun to discuss how to collect and use that information.

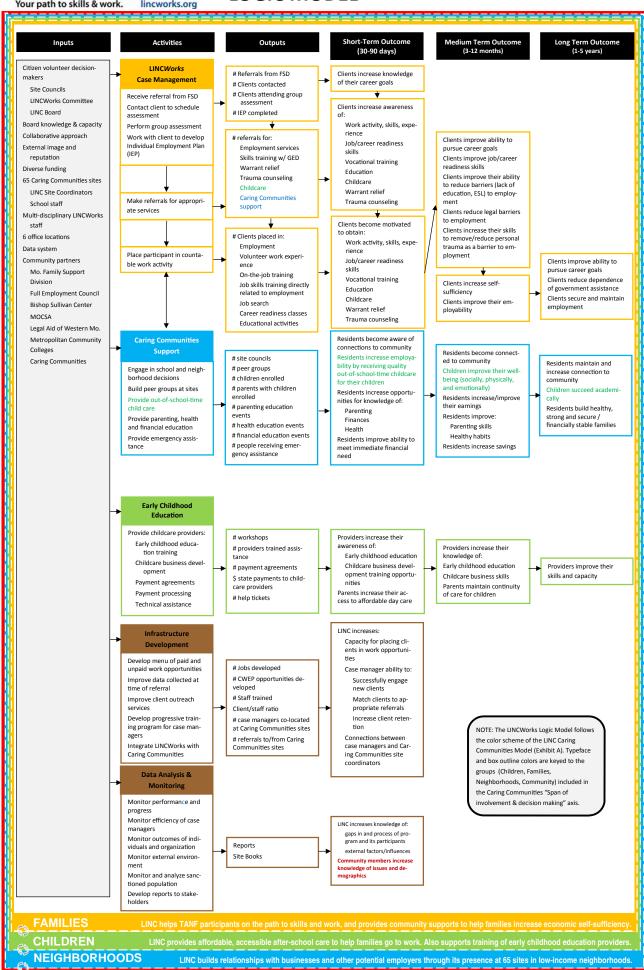
LINCWorks plans to revisit the indicator worksheet regularly to determine if the indicators need to be modified, discontinued or new indicators need to be identified. To make the data actionable, Hobbs tasked her communications and information services teams to determine how to incorporate the data generated from the indicators into current reports or into new reports that can be used by the LINCWorks management team to improve its services.

To complement the logic model, the LINCWorks team developed the **LINCWorks Process Visualization** chart to show the relationship between LINCWorks and LINC, and the processes executed and the sequence in which they are executed to serve the LINCWorks clients (see following pages).

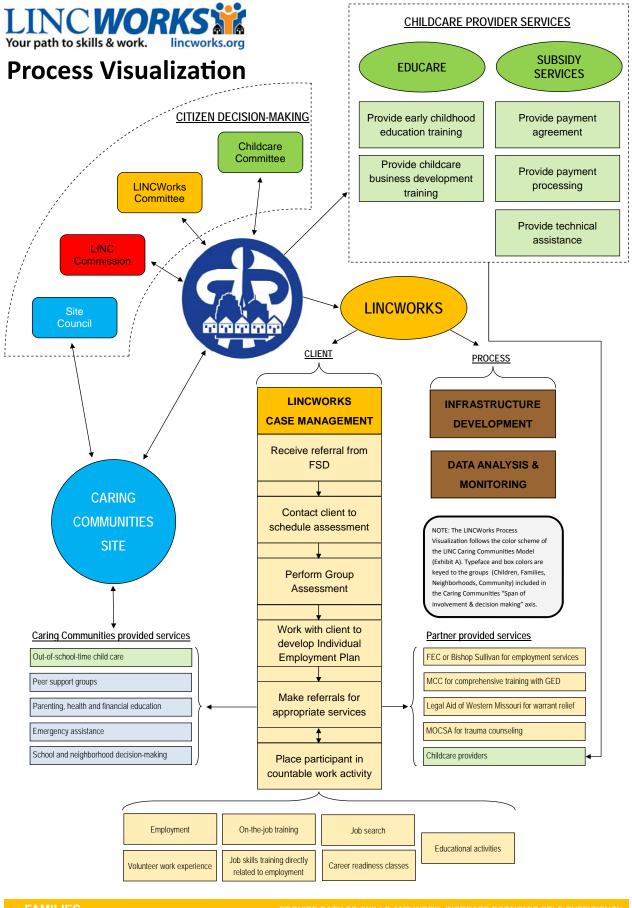
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COMMUNITY

#### **LOGIC MODEL**



LINC engages the community in broad-based discussions about long-term efforts including workforce development and welfare reform



FAMILIES

PROVIDE PATH TO SKILLS AND WORK, INCREASE ECONOMIC SELF-SUFFICIENCY

CHILDREN

OFFER AFFORDABLE, ACCESSIBLE AFTER-SCHOOL CARE, TRAIN EARLY CHILDHOOD EDUCATION PROVIDERS

NEIGHBORHOODS

BUILD RELATIONSHIPS WITH EMPLOYERS THROUGH 65 SITES IN LOW-INCOME NEIGHBORHOODS

COMMUNITY

ENGAGE COMMUNITY IN DISCUSSIONS ABOUT WORKFORCE DEVELOPMENT AND WELFARE REFORM

#### **How Does the Site Define Their Practice?**

As captured in the LINCWorks logic model, LINCWorks provides multiple services to clients. LINCWorks operates at six offices located throughout Jackson, Clay, and Platte counties. One of these offices is colocated with a Caring Communities site in an elementary school. All offices provide case management, assessments, and referrals to clients, but the service delivery is customized by each office and may vary across offices.

Upon receiving a referral from FSD, LINCWorks case managers contact the referred client to schedule an assessment. LINCWorks case managers conduct group assessments with fifteen to twenty five new clients each week. Following the client's participation in the group assessment, the case manager assists the client in developing an Individual Employment Plan (IEP). Based on the IEP, the case manager refers the client to a LINCWorks contracted partner agency which places the client in a countable work activity.

#### **Services**

LINCWorks case managers refer clients to various agencies offering diverse services including activities offered by Caring Communities sites. Clients who are job ready are referred to the Full Employment Council (FEC) (the area Workforce Investment Board) or the Bishop Sullivan Center. FEC provides computer literacy and advanced computer classes; virtual job clubs; community service placement for individuals without job experience; job placement based on clients' preferences; job placement in jobs created by FEC staff; job readiness classes; job readiness mentoring services for youth; guidance on how to study the industry of the client's chosen career path; interview classes; referral to and funding for vocational and post-secondary education; and feedback to LINCWorks clients on interviews arranged through FEC. FEC tracks clients' job attendance and enters the information into the Missouri Work Assistance system. LINCWorks' ability to meet the work participation rate is contingent upon FEC placing 65% of the clients referred to FEC in countable work activities.

Criminal history is a major barrier to employment. Thus, LINCWorks has contracted with Legal Aid of Western Missouri to provide warrant relief services to its clients. All LINCWorks case managers also discuss the services provided by the Metropolitan Community Colleges (MCC) during the client intake process. Clients who are interested in enrolling in a certificate or degree program work with their case managers to meet the eligibility requirements and apply to the MCC. LINCWorks case managers review the clients' applications and make referrals to the MCC admissions office. The MCC and LINCWorks meet weekly to discuss teacher feedback on clients and any issues.

In addition, LINCWorks encourages all clients to participate in the Mapping Individual Solutions to Trauma (MIST) workshop, which is provided by the Metropolitan Organization to Counter Sexual Assault (MOCSA). MIST provides coping mechanisms for the range of stressors (such as domestic violence, finances, and housing instability) that clients experience. LINCWorks currently does not require clients to participate in MIST, but anticipates requiring clients to attend a one-day MIST Workshop in the future as a countable work activity, especially clients in the Community Work Experience Program (CWEP).

Services provided by LINCWorks and its partners are bolstered by LINC's board knowledge and capacity, collaborative approach, external image and reputation, diverse funding, multi-disciplinary staff, and data system. LINCWorks, just like its parent organization, LINC, employs a collaborative approach which

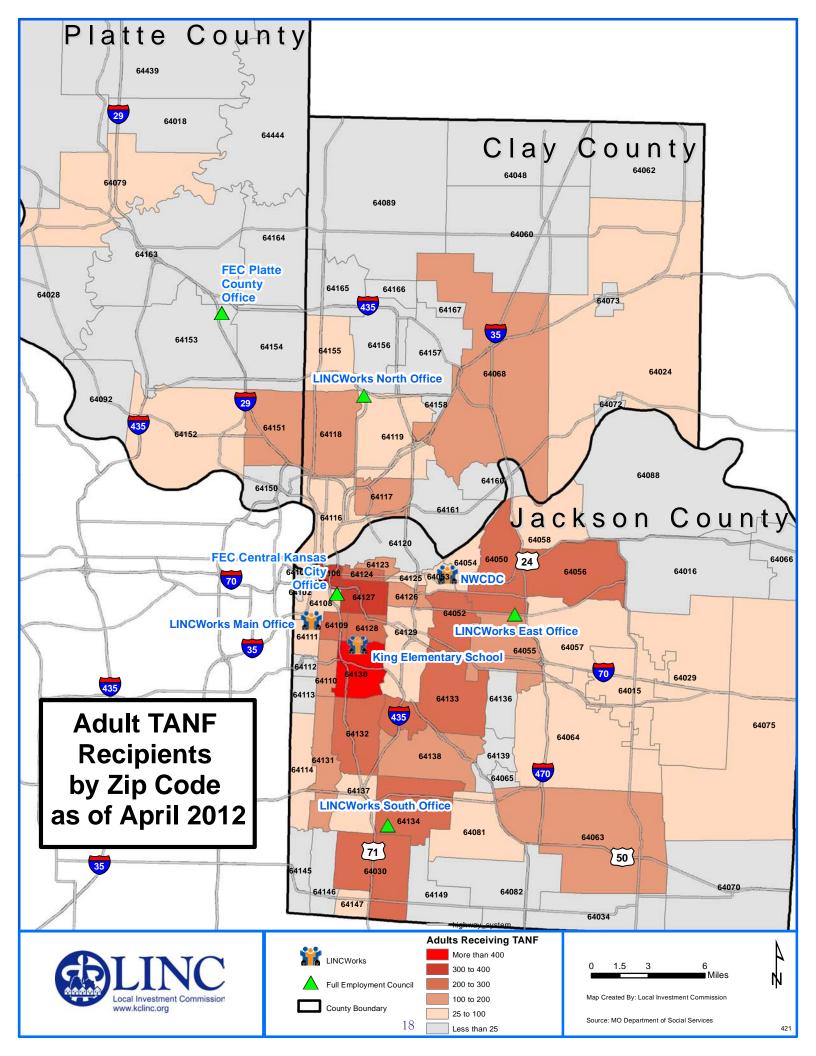
integrates the input and feedback of citizens and clients served into its programming. LINC views community members as citizen volunteer decision makers and seeks their feedback informally as well as through the Caring Communities Site Councils, LINCWorks committee, and the LINC Board. These citizen volunteer decision makers provide feedback on future activities to offer, key issues in the community, and the needs of the community. Recruiting and engaging community members as citizen volunteer decision makers relies heavily on LINC's communication strategy and staff.

#### **Mapping Indicators to Practice Definition**

To measure the effectiveness of these activities in achieving the LINCWorks' intended outcomes, LINCWorks identified and mapped data currently collected on services provided to clients to the short, medium, and long term outcomes on the LINCWorks logic model. For example, for the medium term outcome "clients improve ability to pursue career goals," LINCWorks collects data for the following indicators: number of clients receiving MCC skills certification within 12 months of referral; number of clients receiving MCC GED within 12 months of referral; and, number of clients participating in volunteer work experience for two continuous months from start data. LINCWorks' data collection and tracking systems provide indicators for almost every outcome listed on the LINCWorks logic model.

#### **Definition of Success**

LINCWorks' primary benchmark of success is fulfilling its contractual obligation with the Missouri Family Support Division by meeting the work participation rate. Though the LINCWorks team is very determined to meet the work participation rate requirement, they are also driven to achieve LINC's nine core results through the services provided by LINCWorks. These core results map to LINC's focus on families, children, neighborhoods, and the community and drive LINC's delivery of services through Caring Communities sites. LINC is interested in developing a logic model and indicators for its other initiatives.



# 4.747

#### **TOTAL LINCWORKS CASELOAD**

AS OF FEB. 29, 2012 Source: Mo. Dept. of Social Services-Family Support Division

#### SINGLE-PARENT HOUSEHOLDS

Adult single-parent household TANF cases subject to work requirement (of 5,991 total adult TANF population) in Jackson, Clay and Platte counties. These clients constitute the numerator for the work participation rate.

#### **TWO-PARENT HOUSEHOLDS**

One

Two

Three

Other

LINC is also contractually required to serve two-parent TANF cases subject to work requirements. These clients are not included in the work participation rate.

#### **DEMOGRAPHICS OF ADULTS ON TANF IN JACKSON, CLAY & PLATTE COUNTIES**

AS OF DECEMBER 31, 2011 Source: Mo. Dept. of Social Services-Research & Evaluation

#### RACE

White 47.6% Black 47.1% 26-35 33.3%

Other 5.2%

#### **SEX**

Female 84.3% Male 15.7%

**AGE** 

17-25 48.1%

Other 18.6%

#### **EDUCATION**

Diploma/GED 61.1% < 12 Years 37.2% 1.7% No response

# CHILDREN IN HOME

49.8%

29.8%

13.0%

7.4%

Better Family Life

B) MERS/Goodwill

(C) Local Investment Commission (LINC)

City of Springfield

Central Mo. Community Action Agency

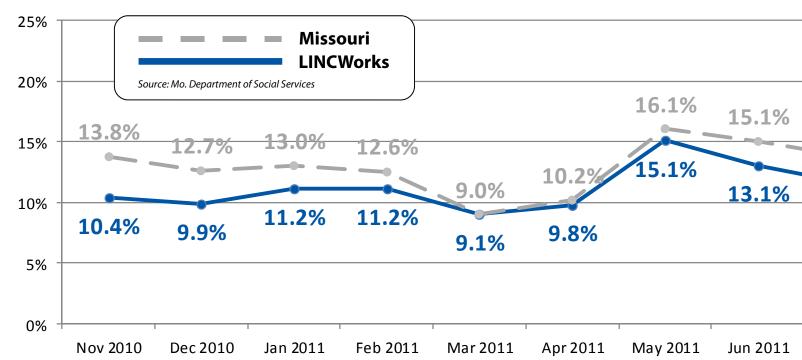
W. Central Mo. Community Action Agency

(G) Mo. Valley Community Action Agency

Central Action Partnership of Greater St. Joseph

Green Hills Community Action

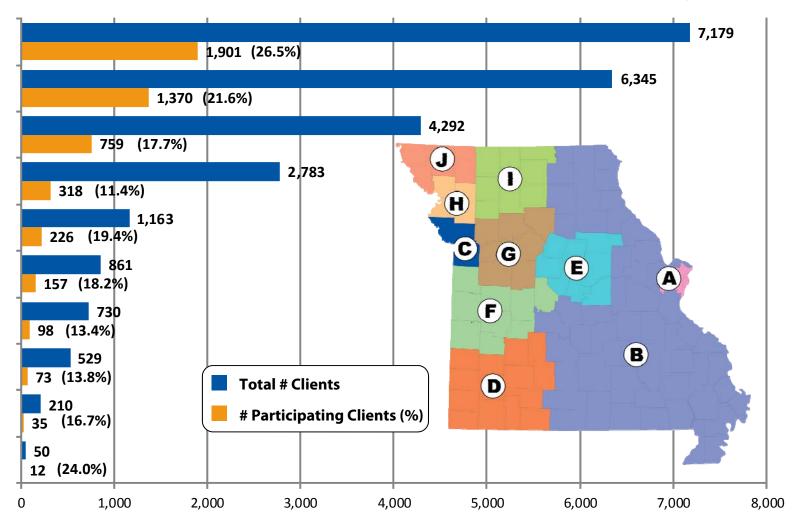
NW Mo. Region Council of Governments



#### MO. WORK ASSISTANCE CONTRACTOR CASELOADS AND PARTICIPATING CLIENTS

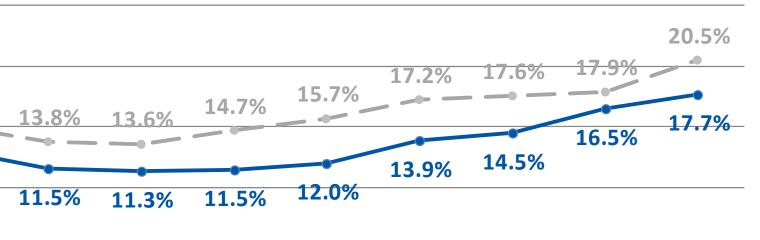
AS OF FEB. 29, 2012

Source: Mo. Dept. of Social Services



#### **WORK PARTICIPATION RATE: MISSOURI AND LINCWORKS**

AS OF FEB. 29, 2012



April 7, 2012

#### Welfare Limits Left Poor Adrift as Recession Hit

By JASON DePARLE

PHOENIX — Perhaps no law in the past generation has drawn more praise than the drive to "end welfare as we know it," which joined the late-'90s economic boom to send caseloads plunging, employment rates rising and officials of both parties hailing the virtues of tough love.

But the distress of the last four years has added a cautionary postscript: much as overlooked critics of the restrictions once warned, a program that built its reputation when times were good offered little help when jobs disappeared. Despite the worst economy in decades, the cash welfare rolls have barely budged.

Faced with flat federal financing and rising need, Arizona is one of 16 states that have cut their

welfare caseloads further since the start of the <u>recession</u> — in its case, by half. Even as it turned away the needy, Arizona spent most of its federal welfare dollars on other programs, using permissive rules to plug state budget gaps.

The poor people who were dropped from cash assistance here, mostly single mothers, talk with surprising openness about the desperate, and sometimes illegal, ways they make ends meet. They have sold food stamps, sold blood, skipped meals, shoplifted, doubled up with friends, scavenged trash bins for bottles and cans and returned to relationships with violent partners — all with children in tow.

Esmeralda Murillo, a 21-year-old mother of two, lost her welfare check, landed in a shelter and then returned to a boyfriend whose violent temper had driven her away. "You don't know who to turn to," she said.

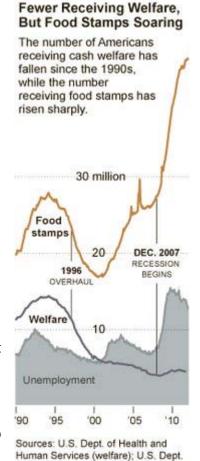
Maria Thomas, 29, with four daughters, helps friends sell piles of brand-name clothes, taking pains not to ask if they are stolen. "I don't know where they come from," she said. "I'm just helping get rid of them."

To keep her lights on, Rosa Pena, 24, sold the groceries she bought with food stamps and then kept her children fed with school lunches and help from neighbors. Her post-welfare credo is widely shared: "I'll do what I have to do."

Critics of the stringent system say stories like these vindicate warnings they made in 1996 when President <u>Bill Clinton</u> fulfilled

his pledge to "end welfare as we know it": the revamped law encourages states to withhold aid, especially when the economy turns bad.

The old program, <u>Aid to Families with Dependent Children</u>, dates from the New Deal; it gave states unlimited matching funds and offered poor families extensive rights, with few requirements and no time limits. The new program, Temporary Assistance for Needy Families,



of Agriculture (food stamps); Bureau

of Labor Statistics

created time limits and work rules, capped federal spending and allowed states to turn poor families away.

"My take on it was the states would push people off and not let them back on, and that's just what they did," said Peter B. Edelman, a law professor at Georgetown University who <u>resigned</u> <u>from the Clinton administration</u> to protest the law. "It's been even worse than I thought it would be."

But supporters of the current system often say lower caseloads are evidence of decreased dependency. Many leading Republicans are pushing for similar changes to much larger programs, like <u>Medicaid</u> and food stamps.

Representative Paul D. Ryan of Wisconsin, the top House Republican on budget issues, calls the current welfare program "an unprecedented success." Mitt Romney, who leads the race for the Republican presidential nomination, has said he would place similar restrictions on "all these federal programs." One of his rivals, Rick Santorum, calls the welfare law a source of spiritual rejuvenation.

"It didn't just cut the rolls, but it saved lives," Mr. Santorum said, giving the poor "something dependency doesn't give: hope."

President Obama spoke favorably of the program in his 2008 campaign — promoting his role as a state legislator in cutting the Illinois welfare rolls. But he has said little about it as president.

Even in the 1996 program's early days, when jobs were plentiful, a subset of families appeared disconnected — left with neither welfare nor work. Their numbers were growing before the recession and seem to have surged since then.

#### No Money, No Job

While data on the very poor is limited and subject to challenge, recent studies have found that as many as one in every four low-income single mothers are jobless and without cash aid — roughly four million women and children. Many of the mothers have problems like addiction or depression, which can make assisting them politically unpopular, and they have received little attention in a downturn that has produced an outpouring of concern for the middle class.

Poor families can turn to other programs, like food stamps or Medicaid, or rely on family and charity. But the absence of a steady source of cash, however modest, can bring new instability to troubled lives.

One prominent supporter of the tough welfare law is worried that it may have increased destitution among the most disadvantaged families. "This is the biggest problem with welfare reform, and we ought to be paying attention to it," said Ron Haskins of the Brookings Institution, who helped draft the 1996 law as an aide to House Republicans and argues that it has worked well for most recipients.

"The issue here is, can you create a strong work program, as we did, without creating a big problem at the bottom?" Mr. Haskins said. "And we have what appears to be a big problem at the bottom."

He added, "This is what really bothers me: the people who supported welfare reform, they're ignoring the problem."

The welfare program was born amid apocalyptic warnings and was instantly proclaimed a success, at times with a measure of "I told you so" glee from its supporters. Liberal critics had

warned that its mix of time limits and work rules would create mass destitution — "children sleeping on the grates," in the words of Senator Daniel Patrick Moynihan, a New York Democrat who died in 2003.

But the economy boomed, employment soared, poverty fell and caseloads plunged. Thirty-two states reduced their caseloads by two-thirds or more, as officials issued press releases and jostled for bragging rights. The tough law played a large role, but so did expansions of child care and tax credits that raised take-home pay.

In a twist on poverty politics, poor single mothers, previously chided as "welfare queens," were celebrated as working-class heroes, with their stories of leaving the welfare rolls cast as uplifting tales of pluck. Flush with federal money, states experimented with programs that offered counseling, clothes and used cars.

But if the rise in employment was larger than predicted, it was also less transformative than it may have seemed. Researchers found that most families that escaped poverty remained "near poor."

And despite widespread hopes that working mothers might serve as role models, studies found few social or educational benefits for their children. (They measured things like children's aspirations, self-esteem, grades, drug use and arrests.) Nonmarital births continued to rise.

But the image of success formed early and stayed frozen in time.

"The debate is over," President Clinton said a year after signing the law, which he often cites in casting himself as a centrist. "Welfare reform works."

The recession that began in 2007 posed a new test to that claim. Even with \$5 billion in new federal funds, caseloads rose just 15 percent from the lowest level in two generations. Compared with the 1990s peak, the national welfare rolls are still down by 68 percent. Just one in five poor children now receives cash aid, the lowest level in nearly 50 years.

As the downturn wreaked havoc on budgets, some states took new steps to keep the needy away. They shortened time limits, tightened eligibility rules and reduced benefits (to an average of about \$350 a month for a family of three).

Since 2007, 11 states have cut the rolls by 10 percent or more. They include centers of unemployment like Georgia, Indiana and Rhode Island, as well as Michigan, where the welfare director justified cuts by telling legislators, "We have a fair number of people gaming the system." Arizona cut benefits by 20 percent and shortened time limits twice — to two years, from five.

Many people already found the underlying system more hassle than help, a gantlet of job-search classes where absences can be punished by a complete loss of aid. Some states explicitly pursue a policy of deterrence to make sure people use the program only as a last resort.

Since the states get fixed federal grants, any caseload growth comes at their own expense. By contrast, the federal government pays the entire food stamp bill no matter how many people enroll; states encourage applications, and the rolls have reached record highs.

Among the Arizonans who lost their checks was Tamika Shelby, who first sought cash aid at 29 after fast-food jobs and a stint as a waitress in a Phoenix strip club. The state gave her \$176 a month and sent her to work part time at a food bank. Though she was effectively working for \$2 an hour, she scarcely missed a day in more than a year.

"I loved it," she said.

Her supervisor, Michael Cox, said Ms. Shelby "was just wonderful" and "would even come up here on her days off."

Then the reduced time limit left Ms. Shelby with neither welfare nor work. She still gets about \$250 a month in food stamps for herself and her 3-year-old son, Dejon. She counts herself fortunate, she said, because a male friend lets her stay in a spare room, with no expectations of sex. Still, after feeding her roommate and her child, she said, "there are plenty of days I don't eat."

"I know there are some people who abuse the system," Ms. Shelby said. "But I was willing to do anything they asked me to. If I could, I'd still be working for those two dollars an hour."

#### **Diverting Federal Funds**

Clarence H. Carter, Arizona's director of economic security, says finances forced officials to cut the rolls. But the state gets the same base funding from the federal government, \$200 million, that it received in the mid-1990s when caseloads were five times as high. (The law also requires it to spend \$86 million in state funds.)

Arizona spends most of the federal money on other human services programs, especially <u>foster care</u> and adoption services, while using just one-third for cash benefits and work programs — the core purposes of Temporary Assistance for Needy Families. If it did not use the federal welfare money, the state would have to finance more of those programs itself.

"Yes, we divert — divert's a bad word," said State Representative John Kavanagh, a Republican and chairman of the Arizona House Appropriations Committee. "It helps the state."

While federal law allows such flexibility, critics say states neglect poor families to patch their own finances. Nationally, only 30 percent of the welfare money is spent on cash benefits.

"It's not that the other stuff isn't important, but it's not what T.A.N.F." — the Temporary Assistance program — "was intended for," said LaDonna Pavetti of the <u>Center on Budget and Policy Priorities</u>, a Washington research and advocacy group. "The states use the money to fill budget holes."

Even in an economy as bad as Arizona's, some recipients find work. Estefana Armas, a 30-year-old mother of three, spent nine years on the rolls, fighting depression so severe that it left her hospitalized. Once exempt from time limits because of her mental health, Ms. Armas joined support groups, earned a high school equivalency degree and enrolled in <u>community college</u>.

Just as her time expired last summer, Ms. Armas found work as a teacher's aide at a church preschool.

"It kind of pushed me to get a job," she said.

Supporters of Temporary Assistance cite stories like that to argue that it promotes a work ethic. Despite high unemployment, low-skilled single mothers work as much now, on average, as they did under the old welfare law — and by some measures, a bit more. As a group, their poverty rates are still lower. And those without cash aid, they say, can turn to other programs.

"We have reduced our caseload, and we don't have people dying in the street," Mr. Kavanagh said. "There were an awful lot of people who didn't need it."

But the number of very poor families appears to be growing. Pamela Loprest and Austin Nichols, researchers at the <u>Urban Institute</u>, found that one in four low-income single mothers

nationwide — about 1.5 million — are jobless and without cash aid. That is twice the rate the researchers found under the old welfare law. More than 40 percent remain that way for more than a year, and many have mental or physical disabilities, sick children or problems with domestic violence.

Using a different definition of distress, Luke Shaefer of the University of Michigan and Kathryn Edin of Harvard examined the share of households with children in a given month living on less than \$2 per person per day. It has nearly doubled since 1996, to almost 4 percent. Even when counting food stamps as cash, they found one of every 50 children live in such a household.

The Census Bureau uses a third measure, "deep poverty," which it defines as living on less than half of the amount needed to escape poverty (for a family of three, that means living on less than \$9,000 a year). About 10 percent of households headed by women report incomes that low, a bit less than the peak under the old law but still the highest level in 18 years.

Some researchers say the studies exaggerate poverty by inadequately



accounting for undisclosed income, like help from boyfriends or under-the-table jobs. They note that asking poor people about their consumption, rather than their income, suggests that even the poorest single mothers have improved their standard of living since 1996.

Mr. Haskins, the Temporary Assistance program's architect, agrees that poverty at the bottom "is not as bad as it seems," but adds, "It's still pretty darn bad."

#### **Trying to Make Do**

Asked how they survived without cash aid, virtually all of the women interviewed here said they had sold food stamps, getting 50 cents for every dollar of groceries they let others buy with their benefit cards. Many turned to <u>food banks</u> and churches. Nationally, roughly a quarter have subsidized housing, with rents as low as \$50 a month.

Several women said the loss of aid had left them more dependent on troubled boyfriends. One woman said she sold her child's <u>Social Security</u> number so a relative could collect a tax credit worth \$3,000.

"I tried to sell blood, but they told me I was anemic," she said.

Several women acknowledged that they had resorted to shoplifting, including one who took orders for brand-name clothes and sold them for half-price. Asked how she got cash, one woman said flatly, "We rob wetbacks" — illegal immigrants, who tend to carry cash and avoid the police. At least nine times, she said, she has flirted with men and led them toward her home, where accomplices robbed them.

"I felt bad afterwards," she said. But she added, "There were times when we didn't have nothing to eat."

One family ruled out crime and rummaged through trash cans instead. The mother, an illegal immigrant from Mexico, could not get aid for herself but received \$164 a month for her four

American-born children until their time limit expired. Distraught at losing her only steady source of cash, she asked the children if they would be ashamed to help her collect discarded cans.

"I told her I would be embarrassed to steal from someone — not to pick up cans," her teenage daughter said.

Weekly park patrols ensued, and recycling money replaced about half of the welfare check.

Despite having a father in prison and a mother who could be deported, the children exude earnest cheer. A daughter in the fifth grade won a contest at school for reading the most books. A son in the eighth grade is a student leader praised by his principal for tutoring younger students, using supplies he pays for himself.

"That's just the kind of character he has," the principal said.

After losing cash aid, the mother found a cleaning job but lost it when her boss discovered that she was in the United States illegally. The family still gets subsidized housing and \$650 a month in food stamps.

The boy worries about homelessness, but his younger sisters, 9 and 10, see an upside in scavenging.

"It's kind of fun because you get to look through the trash," one of the girls said.

"And you get to play in the park a little while before you go home," her sister agreed.

#### HUFF POLITICS

THE INTERNET NEWSPAPER: NEWS BLOGS VIDEO COMMUNITY

#### Is Marriage a Poverty-Buster?

Posted: 04/10/2012 10:12 pm

"The Myth of the Disappearing Middle Class" (Washington Post, March 29, 2012) by Brookings Institution Senior Fellow Ron Haskins asserts that the lack of opportunity in 21st century America is largely driven by the failure of individuals to behave responsibly, particularly the failure of parents to marry.

"The Myth" demonstrates the mathematical attributes of marriage (it also raises a host of other issues <u>reverberating</u> in the blogosphere). The arithmetic seems hard to beat: two incomes must be better than one. Haskins, who steered welfare reform for House Republicans, <u>cares</u> about <u>results</u>; here he is typically careful with his data and provides a lot of it:

Brookings Institution calculations of census data for 2009, a deep recession year, show that adults who graduated from at least high school, had a job, and were both at least age 21 and married before having children had about a 2 percent chance of living in poverty and a better than 70 percent chance of making the middle class -- defined as \$65,000 or more in household income. People who did not meet any of these factors had a 77 percent chance of living in poverty and a 4 percent chance of making the middle class (or higher). Unless young Americans begin making better decisions, the nation's problems with poverty and inequality will continue to grow.

Marriage (before children), high school graduation, and working are all great goals shared by many across the political spectrum. The sequence makes sense. Policies and programs to achieve the goals are valuable. But Haskins' view scrambles together the data on good outcomes with the idea that gumption can move anyone into a higher-income cohort. The numbers simply celebrate how those who have a foot on the ladder can move up it. Haskins' analysis considers the importance of missing rings but is essentially silent on the role of missing rungs.

The question really ought to be what do we do when individual responsibility is no match for the economic forces that can envelop people as they move toward the desired goals? To note a few:

Graduation from high school is particularly challenging for students enrolled in the
nation's dysfunctional "drop out factories," which, by definition, graduate fewer than 60
percent of their students; while the good news is that the number of such schools
declined 23 percent between 2002-2010, about 2 million students are still trapped in
these failed institutions.

- Graduation from high school, while far better than dropping out, too often fails to
  adequately help job seekers. In March 2012, adults age 25 and over who had high school
  degrees faced an <u>unemployment rate of 8 percent.</u>
- Employment for youth is generally precarious, but within communities of color unemployment is a crisis: among those looking for work, youth unemployment (ages 16-24) stood at 16.5 percent in February 2012, essentially double the overall rate of 8.3 percent; black youth employment is more than triple the overall rate at 26 percent (large differences by race appear even among college graduates; unemployment for white college grads in 2010 was 4.2 percent, while for African Americans it was 7.3 percent).
- Providing a child quality early care is out of reach for too many families: <u>only one in six</u> <u>children federally-eligible</u> for child care assistance receives any help. In 22 states, families seeking child care assistance face waiting lists or frozen intake.

But is marriage invariably a poverty-buster? It turns out that one plus one does not always add up to two stable incomes. Particularly for those with precarious incomes the decision to get hitched includes a special calculation that adds in an assessment of economic instability and liability. As <a href="Stephanie Coontz">Stephanie Coontz</a>, an expert on marriage observes, a woman "will certainly end up better off financially if she marries a man who is able to keep a job and is willing to share his resources. But she also has to weigh the very real possibility that he will become an economic liability if he loses his job or misuses the couple's resources." Income instability comes in many forms, not just a worry about job loss. Research that tracked young men ages 18 to 32 has shown that "changing jobs and having a large number of jobs end up lowering wage rates and reducing marriage rates."

Marriage may be more readily achieved by those who can woo with promises of economic stability. As reported in "Marriage is for the Rich", the rates of marriage are dramatically higher at higher incomes (even while rates are declining at all incomes). For low-wage workers, the math of marriage in which one plus one adds up and becomes two incomes may be true only infrequently over time. That creates instability. And while all workers may risk a job or earnings loss, there may be a low-income tipping point where instability feels boundless, not just some blip from which to bounce back.

For some low-income couples, a future that anticipates economic liability makes it tough to tie the knot. It seems the poor and the rich share a crush on stability. So, when Haskins concludes "Yes, the nation needs its safety net, but improvements in personal responsibility would have a greater and more lasting impact on poverty and opportunity," his assertion begets a question for all of us. Do you think factors such as limited educational opportunity and jobs that are inherently precarious (e.g. hours that are unpredictable) make it more difficult to succeed even for those who are trying to reach each benchmark, including marriage?

I do.

# $|m{B}|$ Metropolitan Policy Program

# MetroMonitor: Kansas City, MO-KS

Tracking Economic Recovery in

the Kansas City, MO-KS Metropolitan Area

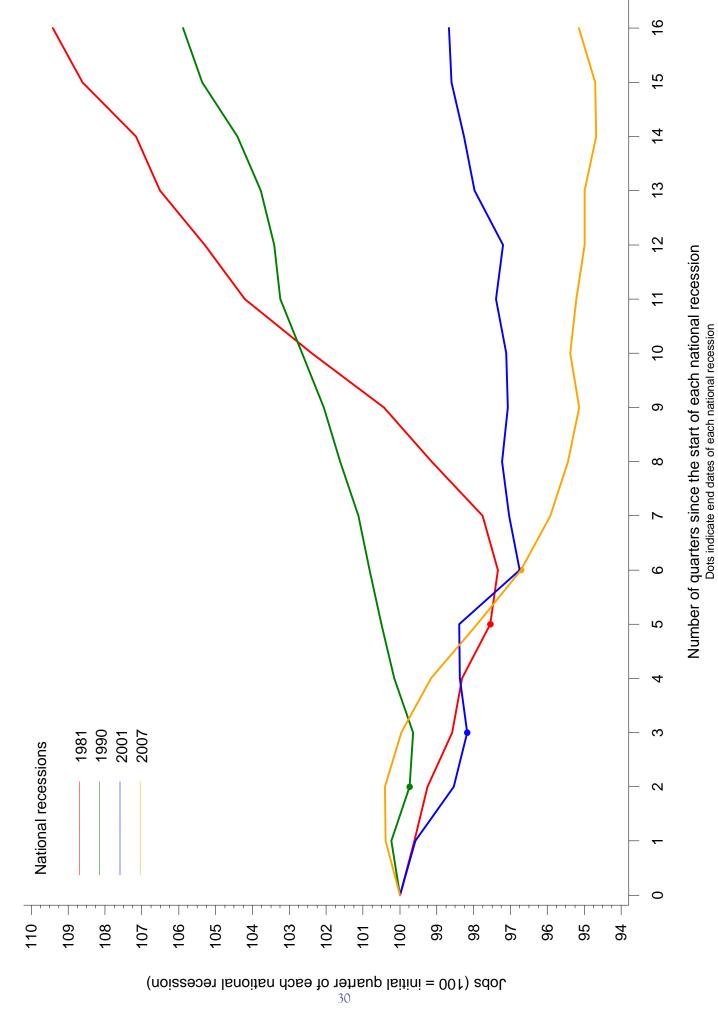
Fourth Quarter, 2011

This profile tracks recent economic performance in the Kansas City metropolitan area compared to America's 100 largest metro areas and the Tracking Economic Recession and Recovery in America's 100 Largest Metropolitan Areas." This and other metropolitan profiles are nation through the fourth quarter of 2011. For an analysis of economic conditions in all 100 metro areas, please see "MetroMonitor: accessible via interactive maps at www.brookings.edu/metromonitor.

Employment Change in employment from peak (2008Q2) Change in employment from trough (2011Q2) One-quarter change in employment	Kansas City -5.2 % 0.5 % 0.5 %	<b>Rank</b> * 56 84	100-metro average -4.7 % 1.5 % 0.3 %	U.S. average -4.4 % 1.6 %
Unemployment rate	7.3 %	43	8.3 %	8.3 %
Four-year percentage point change in unemployment rate	2.2 points	16	3.6 points	3.5 points
Two-year percentage point change in unemployment rate <i>Gross metropolitan product (GMP)</i>	-1.6 points	39	-1.3 points	-1.4 points
Change in GMP from peak (2008Q2)	-1.0 %	89	2.0 %	1.4 %
Change in GMP from trough (2009Q3)	2.3 %	91	% 0.9	% 9.9
One-quarter change in GMP Housing prices	0.4 %	85	% L'0	%8.0
Change in housing prices from peak (2006Q4)	-19.6 %	41	-29.5 %	-25.6 %
Change in housing prices from trough (2011Q2)	1.5 %	45	1.1 %	1.4 %
One-year change in housing prices	-6.5 %	49	-7.0 %	-6.7 %
One-quarter change in housing prices	% 6:0	40	0.7 %	0.7 %

<sup>\*</sup> For all indicators, a rank of 1 signifies the strongest-performing metro while a rank of 100 signifies the weakest-performing metro.

**Quarterly Employment in Four Recessions and Recoveries** Kansas City; MO-KS





Wednesday, Apr 11, 2012

# Early childhood education pays off for kids and economy, study says

A new study released by America's Edge shows that it produces a tremendous economic benefit for Kansas.

By DAWN BORMANN
The Kansas City Star

It's widely accepted that early childhood education has long-term academic benefits for children.

But a national nonprofit organization released a study Tuesday that says high-quality early care and education is a serious player in the Kansas economy, too.

The study says every dollar invested in early care and education generates \$1.68 in short-term spending on local goods and services.

"You don't have to wait for 20 years for that economic benefit to Kansas," said Susan Gates, national director of America's Edge, which released the study at the Hiersteiner Child Development Center on the Johnson County Community College campus.

America's Edge is a nonprofit organization of business leaders that advocates for targeted investments in children.

"The news from this study is it shows that early learning is a viable economic sector in the state of Kansas," Gates said. "What we did is not only determine what happens to every dollar invested today in generating economic activity, but how does it compare to other sectors? We found that it performs as well and in fact better than most — manufacturing, transportation and construction.

"So when policymakers are figuring out how can we continue to strengthen our economy today and how can we build that foundation for future economic security, early learning is a great answer."

Gates and local business leaders used the study to call on lawmakers to not cut programs that affect children age 5 and younger.

Tyler Nottberg, CEO of U.S. Engineering, said Kansas' early care and education industry employs about 8,000 people and generates more than \$500 million annually.

"The state of Kansas invests \$141 million on state-funded early learning programs, which in turn generate a total of about \$237 million in economic activity, just from our state's

investment in early learning," he said. "The type of loss that Kansas' businesses would suffer in the event that these dollars are cut is something that I think we certainly would consider to be catastrophic. As we move forward, the business community needs to stay focused on this issue."

Gates said the long-term benefits of high-quality early care and education are up to \$16 for every \$1 of investment.

"Children who participate in high-quality early learning programs do better in math and reading, have higher graduation rates, enter the workforce with higher skill levels and earn more as adults," said Neal Sharma, CEO of Digital Evolution.

The issue, Gates said, matters to everyone, regardless of whether they have children.

"Seventy percent of children under the age of 6 have their only or both parents in the workforce and so they need to have a place to go, which is important to businesses," Gates said. "So to have early learning in place in communities is good for parents, it's good for businesses and we know it's good for kids."

#### **Executive Summary**

#### How Early Learning Investments Can Help Expand Kansas' Economy

Kansas business leaders recognize that the key to boosting the state's economy and keeping struggling companies in business is to generate additional sales of local goods and services, while also creating new jobs. That is why, after taking a hard look at the research and calculating proven returns on investment, Kansas business leaders are calling on state and federal policy-makers to invest in early care and education. This report documents that investments in early learning provide a significant, immediate economic boost for local businesses and help build stronger communities over the long term.

Fully investing in early care and education would generate millions of dollars in sales of goods and services for Kansas businesses and create thousands of jobs in the state. In fact, investments in quality early learning generate as much or more new spending for local businesses than investments in eight other major economic sectors. For every dollar invested in early care and education in Kansas, an additional 68 cents are generated for a total of \$1.68 in new spending in the state. This strong economic boost for local businesses is higher than investments in other sectors such as retail trade, transportation, construction and manufacturing. Inversely, cuts to early learning programs would hurt local businesses in Kansas by eliminating \$0.68 in additional new spending for every \$1 cut.

Early care and education should be a critical component of Kansas' economic recovery. If all Kansas children age 5 or under were given access to quality early care and education at a cost of an additional \$515 million, that investment would generate \$865 million in total new spending in Kansas businesses. And nearly all of these dollars generated in Kansas would stay in Kansas – helping local businesses prosper while also creating up to 17,000 new jobs, including 3,000 jobs outside the early learning sector.

Such an investment will also save Kansas businesses money every day through reduced absenteeism and turnover. The average working parent in America misses five to nine days of work per year because of child care problems. This costs U.S. businesses \$3 billion a year. Research confirms that if parents have quality early care and education available in their communities, not only will absenteeism and turnover go down, but productivity will also go up – immediately improving businesses' bottom lines.

Yet another strategic reason for this investment is that access to quality early care and education will increase the ability of Kansas businesses to attract skilled employees. Quality programs for our youngest children are needed for the same reasons communities strive to have a strong K-12 education system to attract skilled workers and new businesses. As our economy begins to turn around, Kansas businesses need the right resources to attract and retain the best workers. One resource that can help communities attract the best employees is the availability of quality early learning for their children.

Finally, such an investment will establish a foundation for sustained economic growth because quality early learning is key to ensuring that future employees have the skills Kansas businesses need. To remain competitive in a global marketplace, businesses need communicators, collaborators and critical thinkers. Research confirms that quality early learning is the crucial first step in the development of those skills. And research shows that the return on investment is impressive: Studies of high-quality early education programs for at-risk children have shown that quality programs can save as much as \$16 for every dollar invested.

**The bottom line:** With limited funds available to help businesses and our economy get back and stay on track, few investments make as much sense for Kansas businesses' balance sheets as do investments in high-quality early care and education.

# Strengthening Kansas Businesses through Investments in Early Care and Education

#### **Immediate Short-Term Economic Gains**

#### Critical Issues for Kansas Businesses

Even in today's tough economy, many businesses are experiencing a shortage of employees with 21st century skills, in large part because high school and college graduates lack the knowledge and abilities businesses need. Consider these facts. In Kansas:

- 24 percent of high school students do not graduate on time:<sup>2</sup>
- 59 percent of eighth graders are below grade level in math;<sup>3</sup> and
- 64 percent of fourth graders read below grade level.<sup>4</sup>

Nationally, 60 percent of three- to five-year-olds do not have the basic skills needed to enter kindergarten, such as counting to ten and recognizing letters in the alphabet.<sup>5</sup>

Each year, students dropping out of high school costs the United States dearly. High school dropouts are so much less productive than high school graduates that each class of dropouts nationwide will make \$335 billion less over their lifetime than they would have as graduates. That loss of earnings translates into less spending power, decreased

productivity and lower contribution to the tax base.

#### **Increasing Sales of Local Goods and Services**

New research by America's Edge found that attracting skilled employees, strengthening local and state economies now and

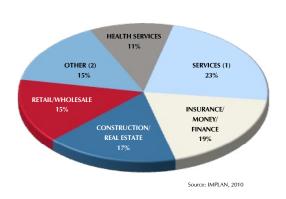
improving businesses' bottom lines can be achieved through cost effective and proven investments in quality early childhood care and education programs.<sup>7</sup>

What economic modeling system is the most effective way to determine early education's impact in Kansas? This report used IMPLAN, a system first developed 18 years ago that is widely used for conducting a variety of economic impact and related analyses. This study employed the most recent available (2010) data sets and IMPLAN models and adheres fully to standard input-

output and IMPLAN conventions (see Appendix A for a complete explanation of IMPLAN and the report's methodology).

This economic impact modeling system found that, for every additional dollar invested in early care and education in Kansas, \$1.68 is generated in total spending within the state. This strong economic boost for local businesses is higher than investments in other major sectors such as retail trade (\$1.65), transportation (\$1.63), construction (\$1.59) and manufacturing (\$1.46).8 Research shows that among Kansas' major economic sectors that will spur economic growth, early care and education offers one of the smartest ways to create additional buying power for consumers and help local companies stay in business.

### Every \$1 spent in Kansas on early learning generates an additional 68 cents in other sectors of the economy:



- $1.\ Professional,\ business,\ information,\ entertainment,\ rental,\ and\ utility\ services.$
- 2. Farming, logging, fishing, and hunting: mining, oil, and gas; manufacturing; and transportation.

To ensure all Kansas children under age 5 have access to quality early care and education would require an investment of an additional \$515 million. That investment would yield \$350 million in additional sales in Kansas' economy outside of early care and education, for a total of \$865 million of new money infused into

The Early Learning sector generates as much or more additional
spending in the economy as other major economic sectors in Kansas.

<b>Economic Sectors</b>	Ouput Multiplier
Early Learning <sup>1</sup>	\$1.68
Farming, Logging, Fishing, Hunting	\$1.68
Retail Trade	\$1.65
Transportation	\$1.63
Construction	\$1.59
Wholesale Trade	\$1.51
Mining, Oil, Gas	\$1.49
Manufacturing	\$1.46
Utilities	\$1.26

Every \$1 invested in the early learning sector generates an additional 68 cents in the local economy.

1. The Early Learning sector is part of the larger services sector, which on average generates a multiplier of 61 cents for every \$1 invested.

Source: IMPLAN, 2010 analysis of Type SAM Output Multipliers for Kansas

the state (see Appendix B).<sup>9</sup> And most of these dollars generated in Kansas would stay in Kansas – helping local businesses improve sales in almost every sector. Here are some examples of the impact that investing in early learning would have on the major economic sectors in Kansas:

- Over \$80 million in new sales in the state's services sector, which employs the largest proportion of workers in Kansas. The additional dollars would benefit many small businesses including dry cleaners, mobile phone and cable companies and numerous professional firms such as accounting, law and tax offices.<sup>10</sup>
- Over \$65 million in new dollars to Kansas' insurance and finance sectors, including local banks and insurance companies.<sup>11</sup>
- Over \$60 million in new sales in real estate and construction – providing a boost to the slumping real estate market and helping many low- and middle-income families keep up with their mortgage or rental payments.<sup>12</sup>
- Over \$50 million in new sales in Kansas' retail and wholesale trade sectors, including grocery stores, department stores and auto dealers.<sup>13</sup>
- Over \$35 million in new sales in Kansas' health services sectors, including hospitals and doctors' offices.<sup>14</sup>

The \$350 million in additional spending outside of early care and education will be generated in over 400 economic categories. Of those 400-plus categories, here are just a few concrete examples of increased sales for Kansas businesses:

- Over \$19.8 million in sales from local restaurants, the cost for over 5,500 families of four to eat out for one year;<sup>15</sup>
- Over \$6.9 million in sales from local electric companies, the cost of monthly electric bills for over 3,800 families of four for one year;<sup>16</sup>
- \$3.7 million in sales from local supermarkets, the cost of a year of groceries for 700 families of four;<sup>17</sup>
- Over \$14.1 million in sales from telecommunications companies, equal to the annual cost of telephone services for over 9,300 families of four;<sup>18</sup>

The key point is that investments in the early learning sector are very competitive with investments in other major sectors, and these investments create an immediate infusion of dollars throughout Kansas' local businesses.

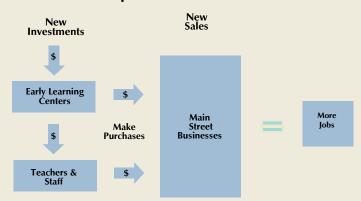
#### **Early Learning Spending Stays in Kansas**

#### Here's how it works:

The dollars initially invested in an early learning program recirculate through the local economy. The first dollar of spending goes directly to early care and education programs, and the additional spending is generated in two ways: (1) when early learning centers purchase local goods and services to operate their programs; and (2) when early learning teachers and staff spend their wages on local goods and services. All this additional spending is generated through what is known as the "multiplier effect."

Although every industry generates some additional spending in these two ways (see table on page 2), the early child care and education sector has one of the highest output multipliers because a high proportion of the spending by early learning programs and staff is spent locally. Much of the investment in early education goes to teacher wages, and the person-to-person nature of this service means that it must be provided and delivered locally. This is different from many industries that are based on products that could be manufactured outside of Kansas or on services that can be provided remotely (e.g., customer service representatives via phone lines from other states or even internationally).

#### How Early Learning Investments Help Kansas Businesses



In turn, since early education teachers and staff are low- and moderate-wage workers (child care workers in Kansas have median annual incomes of \$19,300),<sup>19</sup> they typically spend rather than save their wages, purchasing local goods and services — including housing and retail products.

Here's what this means in actual dollars and cents: Every dollar spent on early care and education in Kansas yields a total of \$1.68 in the state economy.<sup>20</sup>

#### 17,000 New Jobs in Kansas

Fully investing in early care and education would also create thousands of new jobs. For every five jobs created in the early care and education sector, one job is created outside that sector in Kansas' economy.<sup>21</sup>

An analysis of the IMPLAN economic data for Kansas shows that a \$515 million investment to offer quality early care and education to all Kansan children age five and under would create 17,000 new jobs, including 3,000 new jobs in other economic sectors.<sup>22</sup> These additional jobs are created when expanded early learning programs and their employees purchase additional local goods and services. As demand for goods increases, so does the need to supply those goods, which creates jobs.

Thus, investment in early learning, with the increased spending power from newly-employed individuals, would help Kansas reduce its unemployment rate and immediately strengthen local businesses.

#### Cost Savings and Increased Productivity for Businesses

Quality early learning saves businesses money through reduced absenteeism and turnover. The average working parent in America misses five to nine days of work — or one to two weeks per year — because of child care problems. In fact, according to a study published by Cornell University, this problem costs U.S. businesses \$3 billion annually.<sup>23</sup> Research confirms that if parents have quality early care and education available in their communities, not only will absenteeism and turnover go down, but retention and productivity will go up.<sup>24</sup> Reduced absenteeism and turnover and increased retention and productivity translate into immediate savings and increased profits for businesses — good news to Kansas businesses on both sides of their balance sheets.

#### **Attracting Skilled Employees**

Even in tough economic times, businesses often struggle to attract qualified applicants to fill skilled positions. Having access

to quality early care and education services currently helps tens of thousands of parents stay in the workforce in Kansas.<sup>25</sup> However, approximately 110,000 children under age 5 in Kansas do not participate in regulated early learning programs, and a significant number would likely participate if high-quality, affordable programs were available in their neighborhoods.<sup>26</sup> Like strong K-12 education systems, quality early education for our youngest children can help attract skilled workers and new businesses. And Kansas businesses must be poised to compete for the most skilled workers as the economy continues to recover.

## Long-Term Benefits for Economic Security

In addition to boosting Kansas' economy and creating thousands of new jobs, investments in quality early learning programs would also have important long-term benefits that would establish a foundation for sustained economic growth.

Although businesses have always needed workers proficient in the "3 Rs" – reading, writing and arithmetic – today's fast-paced, international and technology-driven marketplace requires even higher proficiency levels in these hard skills. But these skills are too often lacking, especially in young workers entering the U.S. workforce. According to the Nation's Report Card, only 26 percent of 12<sup>th</sup> grade students are proficient in math and 38 percent are proficient in reading.<sup>27</sup>

Just as important as the hard skills are the critical "soft skills" – communication, collaboration and critical thinking – which American businesses also often find lacking in the workforce. In a 2010 survey of 2,000 executives conducted by the American Management Association, nine in ten executives said these soft skills are important to support business expansion, but less than half of those executives rated their employees as above average in those skills. Three out of four executives believe the soft skills will become even more important in the next three to five years because of global competition and the pace of change in the business environment. <sup>29</sup>

High-quality early care and education is a critical step to support the development of the 21<sup>st</sup> century skills that businesses now require in their workforce. Research studies demonstrate that children who participate in high-quality early learning can do better on a range of outcomes. Here are examples of what outcomes are impacted and what is possible:

 Better preparation to succeed in elementary school – children exposed to one year of Oklahoma's universal

#### **The Perry Preschool Program**

One of the best studies of early care and education for 3and 4-year-olds, the High/Scope Perry Preschool Program in Ypsilanti, Michigan, followed a group of children who attended the preschool and a group that did not until they were age 40. From 1962 through 1967, preschool teachers worked intensively with these low-income, 3and 4-year-old children. The children attended preschool during the week and teachers came to their homes once a week to coach their parents. When the children were age 40, researchers compared the life stories of subjects in the two groups. The payoff was impressive. Children who participated in the preschool program had significantly higher reading achievement and arithmetic achievement scores at age 14 compared to the children not participating in the program; 44 percent more of the children in the Perry program graduated from high school; and 60 percent of participants were earning upward of \$20,000 a year in their forties, versus 40 percent of those in the control group.37

pre-kindergarten program experienced a 16 percent increase in their overall test score;<sup>30</sup>

- Less special education children who attended the Chicago Child-Parent Centers program were 40 percent less likely to need special education;<sup>31</sup>
- Lower rates of retention in school children participating in the Abecedarian early education program in North Carolina were 43 percent less likely to be held back in school;<sup>32</sup>
- Higher rates of high school graduation children attending the High/Scope Perry Preschool Program in Michigan were 44 percent more likely to graduate from high school;<sup>33</sup>
- Less crime children not offered the Perry program were five times more likely to become chronic offenders by age 27;<sup>34</sup> and
- Higher rates of employment children in the Perry program were 22 percent more likely to be employed at age 40.35

Studies of high-quality early education programs for at-risk children have shown that these programs can save as much as \$16 for every dollar invested.<sup>36</sup> These long-term benefits are

# Early Care and Education in Kansas: An economic snapshot

Early care and education programs serve young children from birth through age 5. These programs take several forms, including child care centers, family child care homes, private preschool programs and publicly funded and regulated early education programs including public pre-kindergarten, Head Start and early childhood special education programs provided by the public schools. In Kansas, approximately 110,000 young children under age 5 are not served by regulated early care and education settings.<sup>38</sup>

Early care and education is an important economic sector in Kansas, making significant contributions to the local economy:

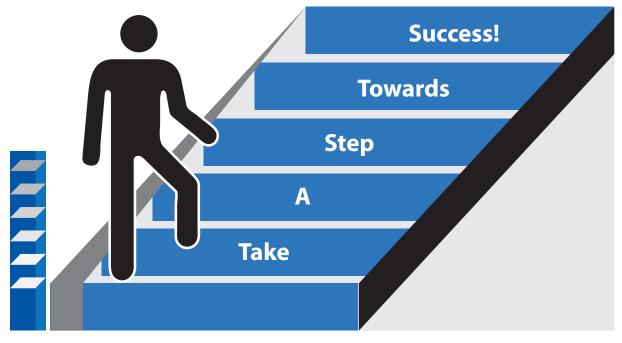
- Early care and education programs represent a sizable small business sector in the state. The sector employs over 7,800 child care workers, preschool teachers and early care and education administrators.<sup>39</sup>
- Kansas' early care and education sector generates more than \$500 million dollars annually in gross receipts (including both public investments and parent fees).<sup>40</sup>
- Currently, Kansas invests \$141 million on state-funded early learning programs, which in turn are generating an additional \$96 million in economic activity, for a total of \$237 million in economic activity for the state.<sup>41</sup>

realized when the children who receive high-quality early learning grow up and become better educated and more productive workers, with far less remedial education or criminal costs to society. That is a return on investment that cannot be matched by almost any other public investment.

#### **Conclusion**

Research is clear that investments in high-quality early care and education will help boost our economy through an immediate increase in sales for Kansas businesses and the creation of many new jobs. At the same time, we will be building the skills of our future workforce. Policy-makers must make difficult decisions about where to invest limited funds as revenues have decreased during the recession. Funding for early care and education should be a priority since it is one of the best ways we can immediately strengthen our economy while creating lasting economic security.

# Community



For a list of employers attending visit: kclinc.org/jobfair

# Mon. Adecco

Randall Elementary 509 N Jennings Rd., Independence, MO 64056

For more information contact: Kelly Dodd, (816) 410-8384 kdodd@kclinc.org



better work, better life



#### Workshops

5:45pm - How to Prepare

6:15pm - Resume Writing

6:45pm - Interviewing Tips

This event is supported by the Randall, Cler-Mont, Elm Grove and Indian Trails LINC Caring Communities Sites.