Income and Wealth Building Programs

Office of the General Treasurer
Financial Empowerment Roundtable

October 11, 2017
Local Initiatives Support Corporation (LISC)

**The Vision:** *Every* community has the chance to thrive.

**The Mission:** LISC equips communities with the capital, strategy and know-how to become places where people can thrive.

**The Result:** Those communities are good places to live, work, do business and raise children.
Local Initiatives Support Corporation (LISC)

• LISC is the largest community development intermediary in the nation

• 31 local offices and rural programs touching nearly 1,400 counties

• $17.3 billion invested resulting in $52 billion in total development
LISC Rhode Island

RI Programs

- **Direct Lending and New Market Tax Credit Investments** – Affordable housing, commercial facilities, schools and more

- **RI Child Care and Early Learning Facilities Fund** – A public/private partnership providing lending, grants, national expertise, technical assistance and training to improve the state's childcare facilities

- **Family Income and Wealth Building** – Financial literacy and workforce development via Financial Opportunity Centers, Bridges to Career Opportunities and SNAP E&T administration for the RI DHS

- **Neighborhood Development Fund** – Grants and capacity building for Community Development Corporations

- **Health Equity Zone (HEZ)** – leading the multi-partner initiative in Pawtucket/Central Falls HEZ

- **Creative Placemaking in Trinity Square** – Changing neighborhoods with art and culture

- **Community Safety Initiative** – Bringing police departments CDCs together to build neighborhoods out of crime
LISC Rhode Island

By the Numbers:
Since 1991...

• 21,500 hours of technical assistance
• $24.6 million awarded in grants
• $331 million invested in real estate
• $1.4 billion leveraged
• 2 million square feet of commercial and community space
• 7,400 affordable homes
Income and Wealth Building: Financial Opportunity Centers Bridges to Career Opportunities
LISC Financial Opportunity Centers

- LISC’s FOC work began in 2006
- Funding from the Social Innovation Fund enabled the development and expansion of this work, so that there are now over 80 Centers in 30 cities in the national LISC network
- Three RI FOCs operating since 2011:
  - Amos House
  - Genesis Center
  - Providence Housing Authority
LISC Financial Opportunity Centers

• The LISC Financial Opportunity Center (FOC) model was inspired by the Center for Working Families model developed by Annie E. Casey Foundation

• Cornerstone of the LISC FOC model is Integrated Service Delivery

• FOCs provide three, core services that are integrated, or bundled, through intentional client flow:
  1. Employment and career counseling
  2. Financial coaching and education
  3. Connecting clients with income supports
The immediate aim is to help clients increase their monthly net income by:

1. Reducing expenses through budgeting and improvements in credit scores
2. Securing a sustainable job
3. Using income-boosting benefits such as food stamps, utility assistance, or subsidized childcare

The longer term aim is to help clients change their financial behavior, stabilize employment and build assets.
Since 2011, RI FOCs served more than 2,200 clients with about 1,300 making a commitment to receiving long-term services.

RI FOC Client Data

On average:

- 67% increased net income
- 58% improved net worth
- 46% improved credit score
- 62% were placed in jobs and retained those jobs for six months or more
Our data shows that integrated services through the FOCs have a significant impact on client net income, net worth and credit scores.

But, employment data shows many lack the foundational skills to participate in training resulting in industry-recognized credentials that lead to higher paying jobs.

**Bridges to Career Opportunities**

- Links *contextualized basic education to skills training* and work readiness training.
- Provides *FOC services*, additional supports.
- Builds strong *employer partnerships*.
- Provides post-employment FOC services.
LISC Bridges to Career Opportunities

• BCO is being implemented in ten LISC geographies throughout the country
• In 2016, matching dollars provided by the Rhode Island Foundation made it possible for LISC to award Genesis Center $412,575 to implement BCO over a three-year period
• Our data so far shows that the model works
• Across the LISC footprint of BCO sites, Genesis is at the top in terms of performance outcomes
Genetic BCO Year-1 Outcomes

- 100% bridge program students completed and began occupational skills training
- 88% completed occupational skills training
- 95% attained an industry-recognized credential
- 62% placed in jobs in the targeted career pathway
- $11.78 average starting wage at initial post-bridge placement
- 53 employers engaged
SNAP Employment & Training
Your Pathway to Work
Program Overview
SNAP E&T 50% Reimbursement
Funding for RI Workforce Development

- Designed as a flexible funding source for states to provide SNAP recipients with education, vocational training and support services to help them gain work skills, credentials and employment.
- 50% reimbursement for nonfederal spending - an opportunity to bring significant workforce funding into the state.
- To date, 14 RI CBOs have received more than $3 million in 50% reimbursement grants.
- 2014-2017, over 3,000 SNAP recipients served.
- More than 900 job placements.
SNAP E&T
A Suite of Services

Assessment
For program eligibility (DHS)
For employment interests, education level, needed supports (service provider)

Employment and Training Activities
Basic Education
Vocational/Skills
Work Readiness
Job Search
Job Retention
Work Experience (on-the-job and apprenticeships)

Supplemental Services
- Case Management
- Employment Counseling
- Financial Literacy

Supports
Transportation
Dependent Care
Books/Tools
Test Fees
Certification Fees
Clothing/Uniforms
Hygiene

Requires data tracking and timely reporting
FLEXIBLE FUNDING
50% Reimbursement

- Obligate nonfederal funding that covers 100% of the costs to provide E&T services to SNAP recipients
- Can overlay on existing services/funding

Allocate costs based on % SNAP E&T enrollment

Manage and account for upfront costs in compliance with federal grant guidelines
- Time and effort
- Procurement
- GL Codes, etc.

- Reimbursement uses
  - Nonfederal funds for additional E&T programing
  - Expanding and enhancing E&T
  - Serve more people
  - Building training capacity

50%, federal reimbursement considered cash
No associated CDFA

Requires capacity in financial management
Visit the RI SNAP E&T website!

www.RISNAPET.org
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