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**A Concept Paper to the XYZ Foundation:  
Workforce Investment Act—Redressing Racial Inequities**

**I. Overview**

With a two-year grant of $800,000 ($400,000 per year) from the XYZ Foundation, the National Urban League will implement a new policy and advocacy initiative that calls for innovative workforce education and training strategies in the reform and reauthorization of the Workforce Investment Act (WIA). In 1998, WIA was designed to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs, with the goals of improving the quality of the workforce, reducing welfare dependency, and enhancing the productivity and competitiveness of the United States.

Although the legislative language of WIA offered the hope of positive employment results for everyone, it has failed in practice to adequately serve minorities and has led to de facto racism. State and local governments and their partner agencies often serve only the most promising program participants in order to receive continued funding. In an effort to show strong performance outcomes and receive incentives, they neglect populations most in need, including disconnected and adjudicated black youth and other minorities who present with multiple barriers to employment. Many WIA programs fail to take into account the need for remedial or “bridge” programs that would benefit minority youth who need additional educational skills in order to complete job trainings and achieve their career goals. In short, these government-funded projects create and perpetuate unfairness and inequality.

The National Urban League (NUL) is committed to a wide-array of policy activities to educate, inform and engage policy makers and thought leaders on key issues that advance economic empowerment and help to close the racial wealth gap. With funding, we seek to use our experience, political muscle, and inside track to advocate for effective policies that advance WIA reform and offer effective solutions to ensure that minorities are not left behind in the 21st century economy. Our efforts will help ensure access to quality jobs with livable wages, improve urban communities, increase family financial security, and help children thrive.

**PROPOSAL NARRATIVE**

**II. Statement of Need**

The number of unemployed persons increased by 787,000 to 14.5 million in May 2009, and the unemployment rate rose to 9.4 percent (Bureau of Labor Statistics). Hit hardest by the current deep recession are blacks and youths. The jobless rates for teenagers soared to 22.7%, and climbed to 14.9% for blacks.

Workforce development is a crucial component to increasing employment rates and paving the path to an economic recovery. But along this long road to recovery, there is an enormous risk of losing sight of low-income, minority communities, which would further exacerbate the growing racial wealth divide. Any new policies for economic recovery and growth must ensure that workforce development programs are inclusive, fair and fully address the needs of disadvantaged minority communities.

The current WIA (long expired since September 2003) represents the primary national workforce development system for this country—a system in urgent need of reform. Federal investment in workforce development has declined precipitously during the past 40 years. The current $2 to $3 billion program bears little resemblance to the $9 billion spent in the early 1970s. According to a budget analysis by the Center for Law and Social Policy (CLASP), from 2002 to 2008 funding for the WIA Adult program shrank by 10 percent and funding for the Youth program shrank by 32 percent, without an adjustment for inflations. This reflects a longer-term trend: U.S. Department of labor expenditure on training and employment assistance have suffered cuts that translate into a drop in expenditures per worker from $63 in 1986 to $35 in 2006, without an adjustment for inflation.

Although the American Recovery and Reinvestment Act of 2009 (ARRA) will give a rapid boost to the WIA budget, it is not a long-term solution. The limited funding for WIA has affected those most-in-need populations. In many cases, these individuals are not being served by the program because there are disincentives to serve individuals with multiple barriers to employment, including low levels of formal education, lack of soft skills, and poor literacy skills. A rigid sequence of services and inflexible performance measures result in many minorities being denied training. WIA rewards those programs with the lowest cost and the highest employment fulfillment. This performance award system translates into fewer disadvantaged minorities being served because they require intensive training sessions and additional math and literacy skills remediation, which is time consuming and more expensive. Despite a vast need for language, literacy and job-skills training, only 4.9% of individuals served by WIA are limited-English-proficient (LEP) individuals.

At the core of any successful program is workforce training. However, under the previous administration’s leadership, WIA has actually diminished the quality and quantity of training available to unskilled persons by concentrating on high profile, low impact experiments. Two of the Department of Labor’s job training demonstrations, the High Growth Job Training Initiative and the Personal Reemployment Account have not proven to be viable alternatives to local community-based trainings that focus on job training, job preparation and job placement for disadvantaged persons.

In addition, essential wrap around services, including case management, child care, transportation, and job placement are missing from many existing WIA workforce programs. We’ve also seen a strong need to increase financial and technical assistance to nonprofits that serve minority workers. Despite the critical role that nonprofits play in minority communities and their innovation in workforce development programs, many nonprofits are locked out of the current WIA system.

Participation of community and national groups, like the NUL, have been minimized and made more optional. Earlier versions of national workforce employment and training legislation recognized that certain nonprofit organizations of “demonstrated effectiveness” and national scope warranted special mention in the legislative language and in the definition of community based organizations. The NUL was listed as one of those organizations. The need to specify these organizations in the law was to ensure that the minority populations that they served were included in the workforce service delivery system. In other words, it was a matter of civil rights enforcement to help provide access to services by African Americans, Latinos and other minority and underserved groups that were otherwise being denied access to these services.

Again, the necessity to craft specific language that addresses structural racism is vital to achieving racial equity in government funded programs. Moreover, these programs need to be monitored to prove that they offer equal and expanded opportunities for everyone in the community. Currently, the Department of Labor only collects data on individuals who exit the system, but not on those who enter the system. The data fails to indicate how many minorities entered the system and failed to complete the program. We are unable to assess how many might have been forced out of the program because they posed challenges to the WIA performance outcome reward system. Also limited data exists to determine by race the types of services individuals receive and their access to job training assignments.

The NUL’s research analysis of former Job Training Partnership Act (JPTA) performance data for 1996 and 1998 indicated differences by race and ethnic groups in access to quality services and good-paying jobs. The results indicated that not only were there unexplained racial differences in job training assignments, but also there were differential rates of return to the types of training received. By far, our evidence suggested that occupational training was the most common type of training; however, our results also revealed that for white and African American workers with the same level of education, experience and skills, the white worker was still more likely to be assigned occupational training than the African American worker.

**III. Project Goals and Objectives**

Our key goals are to:

* + - * Advocate for policies to advance WIA reform and reauthorization that benefits minority families and helps ensure their children have the opportunity to thrive and earn;
      * Offer effective policy recommendations and solutions for workforce development programs that promote economic recovery, prosperity, and racial equity for all Americans.

We will achieve our goals through the following objectives:

* To ensure that African Americans and other minorities are represented in the decision-making process of new WIA reform and stimulus investment policies;
* To educate policy makers on inclusive and effective WIA reform policies that help urban communities;
* To convene round table discussions of workforce development experts that focuses thought leadership on WIA reform and other economic policies that impact minorities;
* To offer a list of concrete, viable recommendations for workforce reform policies and programs that incorporate racial equity;
* To disseminate widely through multiple media campaigns our recommendations and positions related to workforce reform policies; and
* To forge a strong coalition that musters public will to hold legislators and policymakers accountable to urban communities.

**III. Project Activities**

Policymakers value the National Urban League (NUL) for its success at utilizing public and private resources to drive innovation and to achieve large scale impact through our direct service programs. Congress, state government and local officials often seek our feedback and recommendations to improve the effectiveness of municipal, state and federal programs.

Our effective, replicable model programs have lent credibility to our voice as a leading advocate for empowering minority and urban communities. We have been particularly instrumental in shaping legislation and regulations to create a stronger role for national nonprofit intermediaries, like NUL, to help ensure that government funding reaches communities of color with the greatest need.

In 2004, the NUL created the Urban Youth Empowerment Program (UYEP) in partnership with the Department of Labor to demonstrate a comprehensive approach to preparing at-risk youth for the world of work in 27 affiliate sites in 20 states. UYEP strives to prepare out-of-school and adjudicated youth ages 18-24 for entry into the world of work through a comprehensive set of services such as case management, paid community services, educational upgrades, mentoring, private sector internships, on-the-job training, occupational skills training, personal development and unsubsidized employment.

This model, replicable workforce development program will provide a strong platform from which we can draw statistics, data and first-hand experience to help educate and enlighten the policy community and others with regards to innovative strategies that work for minorities. From our lessons learned with UYEP and numerous other workforce programs implemented by the NUL and its affiliate network, we will advocate for principles of racial equity within the WIA reauthorization.

Roundtable Meetings:

We will convene a series of roundtable discussion with experts in the field, including leaders from think tanks, the policy community, academicians, civil rights groups, community-based organizations, policy makers, legislative educators and members of our Council of Economic Advisors. The Council was formed in 2007 to assist the NUL in efforts to mold national economic policy and advance its economic empowerment agenda. The Council members include the following renowned economists: Dr. Bernard E. Anderson, Whitney M. Young Professor of Management at University of Pennsylvania’s Wharton School; Dr. Gerald Jaynes, Professor of Economics and African American Studies at Yale University; Dr. Alan B. Krueger, Professor of Economics and Public Affairs at Princeton University; Dr. Lucy J. Reuben, Visiting Professor, Finance and Management at Duke University; and Dr. William M. Rodgers III, Professor and Chief Economist at Rutgers University.

In 2008, Dr. Bernard Anderson wrote a report about our Urban Youth Empowerment Program to estimate its economic impact on its participants. The report revealed that given the number of job placements over the 3.5 year period covered in the report, the total earnings for the 1,115 participants would be $41 million. Our advisors and other experts will help to cull new reports and research to effectively demonstrate that government programs like UYEP not only improve the economic status of minority youth and their families, but also contribute to economic growth in the communities where they live.

The roundtable meetings will be in Washington, D.C. and in New York City. They will focus on generating specific policy recommendations on workforce development reform and strategies to advocate for new policies that ensure minority access to workforce programs that successfully promote upward economic mobility.

Monitoring Legislation:

The Policy Institute will also monitor existing and in the pipeline legislation on WIA reauthorization and other workforce investment issues that will be integrated into its current legislative agenda. By tracking legislation, we can provide feedback to policymakers from the perspective of a civil rights and social service organization that has experience in implementing programs that foster economic empowerment for minorities. In addition, we will distill complex legislation to a format that is easier to understand and communicate to our broad group of constituencies. Keeping our affiliates and clients informed on latest information will help with advocacy and mobilization.

One key piece of legislation, we will be analyzing and making recommendations upon is the reauthorization of WIA. The Office of Management and Budget has plans to improve the existing program. We will assess its activities on areas of improvement that include:

* Working with Congress to reform the Workforce Investment Act. Reforms will consolidate funding for related programs, reduce administrative overhead, increase States' flexibility to tailor services.
* Adopting efficiency measures that are linked to performance outcomes, account for all costs, and facilitate comparisons across Department of Labor training and employment programs.
* Strengthening the quality of youth performance data, specifically supplemental data and administrative records, through data validation.

The Policy Institute’s Legislative Director will set up meetings with members of Congress to provide education and input on WIA reauthorization and other workforce investment measures. The goal is to keep the issue of WIA reform on the front burner and to ensure that congressional members have a strong understanding of the impact of new policies on minority communities.

Research:

Our research staff at the Policy Institute will generate original research materials on key workforce investment and recovery issues. For example, in 2008 we conducted research and drafted a white paper entitled, “An Economic Recovery Plan for Job Creation in Urban Communities.” This paper made recommendations to help rebuild our economy and improve urban communities with better paying jobs in the green collar, infrastructure, and energy sectors of the economy. We will continue with similar research activities.

In addition, we will produce fact sheets, issue reports and updates on the American Recovery and Reinvestment Act, Workforce Development, Green Jobs, Career Pathways, Jobs Outlook, Economic Recovery and other related issues.

Collaboration:

In order to ensure that minorities have a seat at the table on workforce investment and reform issues, we will forge collaborations comprised of leaders from several nonprofits advocating for communities of color. Together, we will advocate for reform that promotes economic policies that help redress racial inequities and help close the racial wealth gap between blacks and whites. Also, the collaborative will work to ensure needy populations and minorities have equal access to job training and the workforce development system. We will communicate effective messages that promote positive policies and use case studies to demonstrate their impact on improving the overall health of the economy. We intend to push for policies that help minorities gain a variety of in-demand, marketable job skills and options for postsecondary credentials.

We will also draft letters to Congress, the President and administrative officials that convey our position and views on various WIA reform policies. These letters will be signed by partner organizations, and will be distributed to policymakers and our constituent base.

Advocacy:

In general, our advocacy work will be conducted through multiple platforms such as convening, one-on-one meetings, legislative education, communications advocacy, mobilization, coalition activities and thought leadership.

We will explore advocacy options around such topics and recommendations as:

* Increase funding for proven and successful models of workforce training and job placement for under-skilled workers between the ages of 16 and 30 such as the Department of Labor’s “Responsible Reintegration of Youthful Offenders.”
* Direct a percentage of all infrastructure monies to job training, job placement and job preparation for disadvantaged workers;
* Target workforce investment dollars to the construction industry jobs that an infrastructure program will create and, where reigniting the construction industry is a goal, pre-apprenticeship programs must be funded in that sector;
* Fund infrastructure development for public building construction and renovations of schools, community centers, libraries, recreation centers, parks, etc., that will rebuild and revitalize urban communities;
* Re-establish a temporary Public Service Employment (PSE) program aimed at creating 150,000 – 200,000 jobs in urban areas to forestall a reduction in public services and an increase in job losses;
* Restore and increase funding for the structurally unemployed served by adult and youth training programs under Title 1 of WIA;
* Use the demonstration funds at DOL to fund proven and successful models of workforce training like NUL’s UYEP;
* Restore the Summer Youth Jobs Program and continue funding beyond stimulus investments;
* Restore and increase training dollars for unskilled workers;
* Re-institute the National Partnership Grants to provide national nonprofits to again provide capacity building and direct services to the national workforce system;
* Address the erosion of participation by minority community based organizations on state and local Workforce Investment Boards (WIBs) where policy and programmatic decisions are made; and
* Revise the definition of community based organizations to include the NUL and other national minority-serving nonprofits.
* Improve demographic data collection for monitoring equal access to services.

Through these policy activities, we will use our experience and inside track to champion effective policies that help address the unemployment crisis within communities of color.

**Communications**

One of our main communications goals will be to elevate the national discourse regarding the urgent need for WIA reform that mandates equal opportunity for minorities.

The Policy Institute’s fact sheets, written material and original research products will be disseminated widely. We will disseminate the economic recovery and WIA reform work of our Research Scholars through the *State of Black America* report, *Opportunity Journal* magazine, and stand alone issue reports and “white papers”.

With appropriate funding and staffing, the Policy Institute plans to revamp its website to ensure easier site navigation and to add new internet tools. We will also update content on website on a frequent basis. Our policy analyses and research reports will be disseminated through our direct mail, e-blast, constituent, affiliate network, and donor base distribution lists.

The Policy Institute will also increase its number of briefings, presentations and Public Service Announcements, media partnerships and grassroots organizing to have a deeper impact and to more effectively communicate our advocacy and policy agenda. We plan to conduct speaking engagements at policy conferences, foundation conferences, and at White House meetings. We will also offer expert testimony on Capitol Hill. Through our media relationships, we will seek opportunities for press coverage and appearances on CNN, CNBC, CSPAN, MSNBC, ABCNews, and other major media outlets.

**Staffing**

NUL will appoint a Project Director, who has excellent policy and government affairs experience, to lead efforts on the proposed initiative. The Project Director will be a key advisor to President and CEO Marc Morial on workforce development issues and legislation. Moreover, this person will oversee the success of this initiative and coordinate staff activities to ensure that project goals and activities are met in a timely fashion. The Project Director will engage in a wide array of policy advocacy work and be housed at our Policy Institute in Washington, D.C.

Stephanie Jones, Executive Director, of the Policy Institute will work closely with the new Project Director. Stephanie Jones, J.D., is editor in chief of the organization’s two flagship publications: *The State of Black America* and the *Opportunity Journal*. She previously serves as chief counsel to former North Carolina Senator John Edwards and chief of staff to Representative Stephanie Tubbs Jones.

Mark McArdle, Research Analyst at Policy Institute, will provide fact sheets, policy analysis and write articles and research papers.

Dr. Valerie Rawlston-Wilson, Senior Resident Scholar at the Policy Institute, will lead the overall research efforts of the project and is responsible for directing the Institute’s research agenda. Her research focuses on labor economics, economics of higher education, poverty and discrimination. She also serves on the NUL’s President’s Council of Economic Advisers. She will be responsible for working with Mark McArdle to complete research and draft reports on economic and workforce reform issues.

Suzanne Bergeron, Legislative Director, will oversee the legislative agenda and monitoring of new workforce development policies and legislation. She will arrange educational briefings and meetings to disseminate our findings and reports to Congress members.

**Organizational Profile**

Founded in 1910, the National Urban League is the leading civil rights organization dedicated to empowering African Americans and other minorities to enter the social and economic mainstream. Through a network of nearly 100 affiliates in 36 states and the District of Columbia, the NUL provides direct services to more than 1.3 million people annually and reaches millions more through its public policy and advocacy efforts, communications and publications.

Headquartered in New York City, the National Urban League is well positioned to achieve its mission to enable African Americans to secure economic self-reliance, parity, power, and civil rights. NUL has developed a five point social change strategy entitled the “Empowerment Agenda” to bring about its mission by focusing work around five issue areas, including: Education and Youth; Economic Empowerment; Health and Quality of Life; Civic Engagement; and Civil Rights and Racial Justice.

In addition to our extensive network of local affiliates and the hundreds of thousands of people they serve, we also partner with numerous organizations to advance the social justice movement. We work closely with the Black Leadership Forum, Congressional Black Caucus and other major civil rights organizations such as the National Association for the Advancement of Colored People (NAACP), the NAACP Legal and Educational Defense Fund, the National Coalition on Black Civic Participation, the National Council of Negro Women, and the Lawyers Committee for Civil Rights under Law. All these organizations represent the underserved minority community broadly, and the African-American community more specifically. Through 98 years of civil rights leadership and social service delivery, NUL has become a recognized—and trusted—name in the African-American community. We seek to empower African Americans to achieve equality in all aspects of American life, and are dedicated to developing innovative solutions to overcome the barriers that people of color face throughout the nation.

The NUL and its local affiliates have compiled years of experience in the administration and implementation of employment and training programs at both national and local service delivery levels, serving primarily African Americans and other minority populations. Urban League affiliates have participated in various aspects of the Workforce Investment Act system—as service providers, as participants or as operators of One-Stops, as members of State Workforce Investment Boards (WIBs), and members of Local WIBs or Youth Councils.

**B. National Urban League Policy Institute**

The National Urban League Policy Institute is the research, policy, publications and advocacy arm of the National Urban League movement. The Policy Institute advances this mission through advocacy, research, policy analysis, legislative education and publications that create a favorable climate for the NUL’s programs and policy positions. We target a broad audience including: policymakers, government officials, community leaders, media, corporations and businesses, the policy community, voters, and the general public. With more than 60 years of experience, our policy office has a long history of attaining positive results that improve services, systems and conditions, and it has become a critical and influential member of a number of national African American coalitions, including the Leadership Conference on Civil Rights, the Coalition on Human Needs, and the National Voices for an Inclusive 21st Century.

The Policy Institute is particularly unique among policy and research-based organizations by virtue of its connection to our national network of 100 affiliates in 36 states. This affiliate movement is solidly grounded in African-American and urban communities through grassroots work and strong community connections that maintain our knowledge base for what is happening in these communities. This vital information involving issues relevant to policy making flows continuously and freely to the NUL office and Policy Institute and maintains our consistent tie to the pulse of the African American and urban community. In addition to serving as an organizational central nerve system, the NUL affiliate movement amplifies the Policy Institute’s voice and vision, broadening its reach and impact at the local and national levels.

The Institute’s work provides a solid foundation from which to advocate on behalf of African American and urban communities. Through interactions with Members of Congress, the Senate, the executive branch, public leaders, and influential coalitions, the Policy Institute fosters dialogue about and raises the profile of the National Urban League’s initiatives and priorities in Washington and beyond. In addition, the Institute’s work supports and empowers the Urban League affiliates’ advocacy in their local communities and at the state level, further advancing the National Urban League’s Empowerment Agenda. We also push successfully for the development, adoption and implementation of policies that help millions of low- and middle-class Americans.