

**Paid Work Experience (PWEX)
Subsidized Employment in Santa Barbara County**

Overview: Santa Barbara County put cash aid recipients to work during the Great Recession and continues to see positive outcomes of participation in subsidized employment.

Problem or Challenge: The Great Recession of 2008 virtually shut down employment opportunities in Santa Barbara County, impeding the Welfare-to-Work program goal to help CalWORKs parents achieve self-supporting employment. The American Recovery and Reinvestment Act (ARRA) of 2009 established the TANF Emergency Contingency Fund (ECF) to allow counties to develop subsidized employment programs or expand existing programs. Santa Barbara County moved quickly to develop our first-ever subsidized employment program to focus our placements within county departments and other public sector agencies such as city government, schools, and community non-profit organizations. ARRA ECF expired on 9/30/10 but our momentum to keep subsidized employment alive was fueled by significant positive outcomes —our clients were performing well and securing unsubsidized employment as a direct result of their participation in PWEX.

Solution: We designed PWEX as a 100 percent subsidized program with minimal paperwork requirements, believing this type of program to be most attractive to potential placements sites. We utilized a coordinator in each regional office as a central point person to match clients with appropriate placement sites and to monitor the ongoing placements. All placements were hired by our department under a special extra help classification and we managed all payroll functions, allowing the placement site to focus on worksite orientation and training. As employer of record we provided the required insurances including workers' compensation.

Budget/Costs/Savings: Primarily, savings are attributed to avoided grant costs as clients go off of aid after securing permanent employment. Approximately \$6,000 in cash assistance per family per year is saved when clients exit the CalWORKs program. The total budget for PWEX was \$2.1 million with no County funds expended. When

launched, 80 percent of expenditures were reimbursed by the federal ARRA TANF ECF funding stream, and currently, 50 percent of expenditures are reimbursed via AB 98. The non-reimbursed costs are funded via the CalWORKs Single Allocation.

Results: We implemented our program on 9/21/09 with an initial goal to achieve 175 placements by 12/31/09—we exceeded that goal with 184 placements on the job in January 2010. At expiration of the ARRA funding (one year after implementation) we'd achieved 373 total placements. We continued a scaled down version of PWEX through June 2011, accomplishing 114 placements in a six month period. By adding subsidized employment to our existing array of Welfare-to-Work activities we armed our case managers with an effective tool to truly help their clients move toward self-sufficiency. The obvious success of our PWEX program led us to re-design our subsidized employment scope to include a second tier of placement type where a \$700 per month subsidy is available for up to six months to an employer who hires our client. This re-designed program is known as JOB\$ and still includes a 100% subsidized first tier level of placements. The JOB\$ Program also expands placements to include private sector employers. The design of the two tiered program allows a participant to be placed in a 100 percent subsidized placement for up to six months, providing the placement site the opportunity to hire the placement and then participate in the \$700 per month subsidy tier for an additional six months.

Our PWEX outcomes data is compelling:

- 65 percent of clients who participated in PWEX went off aid and are still off aid.
- 36 percent went off aid due to employment—and 16 percent were hired by their PWEX site
- 29 percent went off aid for other reasons (but are not back on aid)

Project or Program Contact

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