

Tale of Two San Franciscos:

Report on the Jobs Now Program

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March 16, 2010

report prepared for the San Francisco Living Wage Coalition

On the Researcher

I am currently a graduating senior studying political science at San Francisco State University. I have been interning with the SF Living Wage Coalition since late last October to help them compile information on the Jobs Now and Community Jobs programs. My goal was to gather as much information as possible about these programs to compile a report outlining the effectiveness of the programs in relation to stated goals, and to use the information I gathered to outline possible improvements to both programs. The following report is intended to shed light on problem areas within Jobs Now and Community Jobs. My hope is that the information, and suggestions provided will be helpful as a reference point for the improvement of these essential programs.

Sources of Information

Federal Level (Recovery.gov)

The website Recovery.gov has good federal-level information in regards to overall job creation, job preservation, and stimulus funding amounts by state. Any information in regards to specific programs and their funding is unattainable through this website. Recovery.gov is a highly transparent and informative website and is relatively easy to navigate. Specific information on projects at the city or state level is not available presumably because that is the responsibility of the city, county, and or state to decide specifically how these programs will be implemented.

City Level (Sfhsa.org)

The Human Services Agency (HSA) website provides information specifically regarding the Jobs Now program. The site leads to a page that gives a brief general explanation of the Jobs Now program with options at the bottom of the screen for more specific information. This website provides all the information necessary for gaining a basic understanding of what the program is, and how it works, as well as specific information regarding how to participate, and what eligibility requirements are necessary.

Introduction

The Jobs Now program appears to be a huge success putting more than 2,100 unemployed parents to work in San Francisco. On closer inspection, within the program two different classes of people have emerged, mirroring former Senator Daniel Patrick Moynihan's "Two Americas." Discrimination is broadly defined as disparate treatment of a person based on the category to which that person belongs. In this case, it is discrimination institutionalized in the rules and procedures of the Human Services Agency (HSA). CalWORKs participants, who are in the welfare-to-work transition, comprise the group that receive lower pay, less than full-time hours, a limited time in the program, and a limit on the number of available slots. Another group of people, who do not suffer the social stigma of applying for welfare, receive a higher average wage, opportunities for a 40-hour week, jobs that last until Congress ends the funding, and continued expansion of the number of participants in the program. Ironically, Jobs Now is financed through funding attached to the federal welfare program, but it seems to be limiting the benefits received by welfare recipients.

The following report is a comparison of the disparities between these two groups.

Background

The Community Jobs Program, started in 2001, places CalWORKs recipients and participants in the Personal Assisted Employment Services (PAES) of the County Adult Assistance Program into on-the-job training programs in non-public sector community service jobs at non-profit agencies.

The American Recovery and Reinvestment Act, passed in February 2009, provided \$5 billion to the Temporary Assistance to Needy Families (TANF) Emergency Contingency Fund, some of which could be used for subsidized employment. The California welfare program, CalWORKs, was allocated \$1.8 billion.

The Human Services Agency applied for \$26.5 million to fund transitional employment positions in the Jobs Now program.

Intended Goals of the Program

The Jobs Now program was created with the intention of using American Recovery and Reinvestment Act (ARRA) stimulus money to put unemployed and underemployed parents into jobs, while reimbursing employers for the participant's wages.

CalWORKs recipients are eligible to participate, but the program is also open to individuals with at least one child younger than 18 years old, and a household income for the past month of less than 200 percent of the federal poverty level.

The chart below shows the maximum income you can earn to be eligible for the program.

Family Size	-----	Maximum Gross Income in the Past Month
- 1	-----	\$1,805
- 2	-----	\$2,428
- 3	-----	\$3,052
- 4	-----	\$3,675
- 5	-----	\$4,298
- 6	-----	\$4,922
- 7	-----	\$5,545
- 8	-----	\$6,168

The Jobs Now program originally had the goal of placing 1,000 participants into subsidized employment by the program's conclusion on September 30, 2010. This goal was then expanded to 2,500 placements through the program.

Issues

The participants in the Community Jobs Program (CJP) and the participants in the Jobs Now program, while essentially doing the same thing have different standards applied to them. Our major concerns are with the following discrepancies:

Hours per Week

- Jobs Now participants work hours are determined by their employer and can include 40 hour per week employment.
- CJP participants are limited to a maximum of 32 hours per week.

Length of Employment

- Jobs Now subsidized employment lasts until the end of the TANF emergency fund period (September 30, 2010).
- CJP participants are initially placed for 6 months, and then receive month-to-month extensions not to exceed the maximum of 9 months.

Pay

- Jobs Now participants earn from \$9.79 per hour to more than \$50 per hour depending on type of employment.
- CJP participants earn a maximum of \$11.03 per hour.

Capacity of the Program

- Jobs Now has no upper limit of participants, rather it is only limited by the number of qualified employers that participate in the program. Information attained from the HSA has shown that there are approximately 1,500 Jobs Now placements to date.

- CJP participants have a cap on the number of slots available to job seekers. The most recent information from the HSA is that there are approximately 500 CJP placements, only one third of the number of Jobs Now placements.

Demographics of the Program

- When looking at who is receiving subsidized employment from Community Jobs and who is receiving subsidized employment from Jobs Now we see a large gap in the number of African Americans being served in the two programs. The percentage of participants that are African American in the Jobs Now program is more than 16 percent lower than it is in the Community Jobs Program. This translates to a disproportionate amount of African Americans receiving lower hourly wages, less hours, and shorter terms of employment.

Eligibility

Any individual who is a CalWORKs participant is eligible for the Jobs Now program. If an individual is not a CalWORKs participant they are only eligible if:

- that individual's income is less than 200 percent of the federal poverty level in the last month
- they are a resident of San Francisco
- they have proof of right to work
- they are the parent of at least one child under the age of 18 years old.

Process for Participation in Jobs Now

Process for Potential Employers

Employers are only required to pay for payroll taxes and any other fringe benefits that employees usually receive. Sfhsa.org has a simple link to an employer application, and provides contact information for any questions.

Process for Job Seekers

Sfhsa.org lists criteria to qualify in a simple and understandable way that includes a table showing qualifying income levels for various sized families. The types of jobs available are described as being either employment with a government agency, a private or non-profit employer, or transitional work, which is described as employment at a non-profit agency combined with participation in job readiness classes.

Explanation of Tiers

Jobs Now placements all fit into one of three Tiers: Transitional Employment (Tier I), Public Service Training (Tier II), and Wage Subsidy (Tier III).

Tier I – Transitional Employment

Transitional Employment Jobs are those that are considered to assist participants to transition from a supported work environment to the competitive labor market. Transitional Employment placements include the Community Jobs Program (CJP). Transitional Employment Providers are all non-profit organizations and include Goodwill Industries, Arriba Juntos, and the Superior Court. Transitional Employment provides wage-paying, time-limited jobs that combine real work at non-profit agencies, job coaching, case management, and basic and occupational skills training to transition participants to unsubsidized employment.

Tier II – Public Service Training

Public Service Training jobs are in city departments and the participants are hired into either 9910 or 9916 classifications at a pay rate of \$12.21 per hour. The number of slots in Public Service Training is limited to the number of positions that the city agencies are able to provide taking into consideration the additional supervision and training that the additional employees require.

Tier III – Wage Subsidy

Wage Subsidy Employment is jobs created and filled with private employers (both for profit and non-profit) who enter into a wage reimbursement contract with the HSA. Wage Subsidy Employment is only limited by the number of Wage Subsidy applications that are received from potential employers. The Wage Subsidy tier is broken into two categories, For Profit, and Non-profit.

Progress of Program by Tier as of 3/5/10

Tier I

In Transitional Employment (Tier I), there are currently, 657 individuals working. Currently only CalWORKs participants are being accepted into Transitional Employment according to Steve Arcelona of HSA.

Tier II

In the Public Service Training (Tier II), there are 579 individuals, 84% of which are working for the Human Services Agency (164), MUNI (93), Department of Public Works (103), Recreation and Parks Department (89), or the Department of the Environment (38).

Tier III

The total number of individuals placed in Wage Subsidy (Tier III) is 811. Of those individuals, 413 of them have been placed in For-Profit placements, and 398 have been placed into Non-Profit placements.

Efficiency of Jobs Now in Serving CalWORKs Participants

According to the 3/5/10 Jobs Now weekly report, approximately 50 percent of the 2,047 individuals placed in subsidized employment are CalWORKs participants. The weekly report states that there were a total of 5,554 eligible clients as of 3/5/10, but because the weekly report does not differentiate between all eligible clients and only CalWORKs participants, it is not specified how many CalWORKs recipients are not being served by the program. All CalWORKs recipients are categorically eligible for Jobs Now placements in all three tiers.

Recommendations for Improvement of Jobs Now

Pay

The participants in Jobs Now should be paid at least the current rate in the Minimum Compensation Ordinance (MCO), which is \$11.54 per hour. Community Jobs Program participants should have their wages increased from \$11.03 per hour to \$11.54 per hour. The increase was deferred for workers at city-funded non-profit agencies, which have a temporary waiver from the wage increase until the city passes through funding. Since funds are available through the federal stimulus funding, Community Jobs Program participants should receive a wage increase.

Also, there are positions offered through Jobs Now that are posted at the City's minimum wage of \$9.79 per hour, which is currently allowed in the application process despite the testimony of Phil Arnold, Deputy Director of Finance and Administration for the Department of Human Services, to the Board of Supervisors Budget and Finance Committee on July 22, 2009, that these positions would be paid at least \$11.54 per hour.

Hours per Week

CJP participants only receive 32 paid hours of work per week, but should have the option to work a 40-hour work week if they so choose. Participants in the Jobs Now program can work 40 hours per week, and CJP participants should have this option as well.

Length of Employment

The time that participants are in CJP should be extended so that they can meet the minimum qualifications for entry-level city jobs. Recipients are placed for 6 months at a time with month-to-month reevaluations, which can extend to a total of 9 months of

subsidized employment. However, most entry-level city jobs require a minimum of one year of related experience. If participants are only in the program for 32 hours per week, they would need 65 weeks, or 15 months, to have the equivalent of one full year of full-time work experience. The length of the placements, and the hours available per week, need to be adjusted to meet the minimum requirements for entry-level city jobs.

Although the civil service registry is currently closed, and laid off city workers should get any city jobs that open up, CJP participants should be eligible to apply for any future openings after laid-off workers are recalled.

Capacity of the Program

The priority of Jobs Now should be on expanding the number of slots in non-public sector, non-profit positions. Non-profit services have been heavily hit by city budget cuts and need the additional support of subsidized employment. This is one area that has the most room for growth because many non-profits are consistently understaffed and in need of assistance, which could be provided through CJP and Jobs Now placements.

The other area that has a high potential for growth is the Wage Subsidy For-Profit tier. However, this needs to be done with care because the for-profit sector jobs could lead to undermining the union standard. Although there is anti-displacement language included in the program, it does not address the unfair competition created by giving public subsidies to non-union businesses, nor the threat of job loss to workers without the protection of a union. The Public Service Trainee positions in city departments also have the potential of displacing family-supporting city jobs, or slowing the reinstatement of positions that were cut.

Department of Human Resources Coordinate with the Human Services Agency in Reviewing and Crafting Job Descriptions

The HSA should work with the Department of Human Resources on developing job descriptions of the community service jobs to meet the minimum qualifications for entry-level city jobs. The first week of job training is currently unpaid, which should be remedied by ensuring it is paid at the same rate as the hourly wage for work. The Department of Human Resources should also be involved in developing better standards for job training to better suit the needs of the potential employers, including the City and County of San Francisco.