

## New York City Department of Small Business Services

### CONCEPT REPORT: Employment Initiative for New York City's Probation Population June 28, 2007

#### I. Purpose of the RFP

The New York City Department of Small Business Services ("the Agency") plans to release a Request for Proposals ("RFP") to procure innovative programs that use evidence-based workforce strategies focused on demand-driven job placement, job retention and advancement services, skills development, and support services to successfully connect New York City probationers to employment and ultimately economic self-sufficiency. The Agency will seek appropriately qualified vendors to implement these demand-driven workforce development strategies that meet business employment needs by strengthening the skills and addressing the barriers of jobseekers who are sentenced to probation. This programming is designed to leverage the public workforce system and expertise within the criminal justice community. The guiding principles for this initiative are to fund programs whereby:

- a. *Workforce strategies are business-driven and meet labor market needs and simultaneously address barriers to employment that the probation population faces.*
- b. *Workforce strategies focus on job placements that lead to strong job retention and advancement outcomes*
- c. *Workforce strategies involve intensive collaboration between the selected contractors, the public work force system and the criminal justice system. Additionally, collaboration with other public and private entities will be crucial to the provision of social service, education and other supports*
- d. *Workforce strategies are subject to a continuous quality improvement process, consistently assessed for effectiveness and revised, as appropriate, to improve outcomes.*
- e. *Workforce strategies build on successful models, are innovative and are replicable at scale throughout the public workforce system*

In December 2006, Mayor Michael Bloomberg announced the City's commitment to implement the recommendations from the work completed by the Commission for Economic Opportunity ("CEO"), a public-private initiative charged with devising strategies to increase economic opportunity and reduce poverty within the City of New York. CEO reported that the majority of ex-offenders returning to New York City come back to poverty stricken neighborhoods with few job opportunities and little social capital. The prognosis for their future is poor: without intervention, two-thirds are likely to be arrested again. Studies show that finding and maintaining employment can reduce recidivism for these individuals. Employment can also impact other barriers such as relapse for individuals in addiction recovery. In addition, research has indicated that there is a correlation between increases in money earned through legitimate means and decreases in illegal earnings.<sup>1</sup>

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<sup>1</sup> Solomon, Amy L., K. Johnson, J. Travis and E. McBride. "From Prison to Work: The Employment Dimensions of Prisoner Reentry," The Urban Institute, 2004.

According to New York City Department of Probation figures, nearly 32,000 individuals are sentenced to probation each year in New York City. Approximately half of these individuals are unemployed. In looking at the ex-offender population writ large, the Independent Committee on Re-entry and Employment estimates that 89% of individuals who violate parole or probation are unemployed. While employment itself is important, addressing the special needs and risk factors of this population that impact their ability to retain and achieve advancement in employment are critical to an employment initiative's success. There are promising practices in employment programming focused on the probation population, which show a 67% decrease in the number of violations by federal probationers when comprehensive employment programming was offered.<sup>2</sup>

The probation population was selected as the focus for this programming by the Agency in an effort to concentrate resources on a specific and underserved population. The program is intended to create linkages between workforce providers, the public workforce system, and the New York City Department of Probation to create change in the way these systems serve probationers and connect them to jobs that will lead to economic opportunity. As such, the critical factor for the success of the anticipated program will be strong working partnerships with the New York City Department of Probation and the Workforce1 Career Center system. The program strategies would be targeted to probationers over 18 in Brooklyn and Queens.

In an effort to ensure that individuals sentenced to probation obtain employment, retain their positions and advance in their careers, the Agency seeks to create an innovative, demand driven workforce program. Studies suggest that since most employers have an aversion toward hiring ex-offenders for reasons of personal safety or professional liability,<sup>3</sup> the emphasis on a business driven approach to meet the needs of businesses is critical to the success of finding and retaining employment for individuals with criminal histories. Business driven approaches pursued by the Agency will emphasize strategic staffing solutions for businesses through the fulfillment of their hiring and training needs. With this focus, we will ensure that this programming not only leads to employment, but longer term retention, and career advancement

As the Agency and the City begin to engage the challenge of helping this population succeed in employment, we will bring together successful and tested workforce strategies with similarly effective strategies that address the special needs of those involved in the criminal justice system. Selected strategies would include local practices that have previously proven effective, but also bring innovation to NYC based on national promising practices serving probation populations specifically.

The core objectives of this new programming are expected to include:

1. Meet business hiring and training needs for new and incumbent workers;

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<sup>2</sup> United States District Court Eastern Missouri Probation Office. "The Impact of Employment on Violations filed on Federal Offenders in Eastern Missouri 1999-2004".

<sup>3</sup> Studies conducted by the Urban Institute in several large metropolitan areas, administered at various times during the 1990s, found that fewer than 40 percent of all employers claim that they would definitely or probably hire ex-offenders into their most recently filled non-college job. This figure stands in sharp contrast to their general willingness to hire other groups of workers that are commonly stigmatized, such as welfare recipients, applicants with a GED instead of high school diploma, or applicants with spotty work histories. (Holzer, Harry, S. Raphael and M. Stoll, "Can Employers Play a More Positive Role in Prisoner Reentry?" The Urban Institute, March 2001).

2. Increase the number of employers who hire people with criminal records;
3. Increase full time and continuous employment outcomes for people with criminal records from baseline success;
4. Increase income for workers through wages, work hours, benefits and work supports;
5. Implement retention and advancement programming through employer education, skills development, case management, mentoring, and linkages to GED programs and post-secondary education; and
6. Build the Workforce1 Career Center capacity to serve and place the ex-offender population through the education of all system stakeholders on legal issues and fair hiring practices and the development of policies and practices that address the unique placement and retention challenges faced by individuals with criminal records.

## **II. Total Funding Available and Sources of Funding**

The Agency anticipates approximately \$6.0 million in New York City Tax Levy monies will be available to fund contracts awarded under this RFP to support the program.

## **III. Anticipated Number of Contracts**

The Agency anticipates funding for 2-4 contracts to collectively place a total of 800 to 1000 probationers per year into permanent employment and to provide job retention and advancement services to those individuals. The Agency anticipates awarding the contracts through a single RFP process; at least one contractor would provide services in each of the identified boroughs (Brooklyn and Queens).

## **IV. Proposed Term of the Contract**

The Agency anticipates that the term of the contracts will be two years with an option to renew for one additional year.

Applicants may submit proposals within the range of \$1,500,000 to \$2,000,000 (\$750,000 to \$1,000,000 per contract year).

## **V. Proposed Program Model**

A successfully proposed program model would be one in which major elements from the business services and strategies, jobseeker services and strategies, and job retention and advancement services and strategies listed below are incorporated. A successful contractor would have a successful track record in operating employer focused workforce strategies for court involved individuals at scale. Partnerships that provide access to support services and skills development will be critical to a holistic approach that addresses the special needs of court involved individuals. Close working partnerships with both the New York City Department of Probation and the Workforce1 Career Center system will be critical to the success of the program. Each contractor will form a partnership with the Workforce1 Career Centers to achieve a percentage of their placement and service targets.

### **A. Business Services and Strategies**

The Agency's assumptions regarding the best program approach in these areas are:

- The contractor would pursue a strategic approach to the delivery of job placement services that is driven by employer demand, informed by an understanding of employer needs (and the barriers faced by individuals with criminal records), fueled by an ability to consistently meet employer needs, and typified by continuing employer relationships.
- The contractor would pursue innovative approaches to job development including the creation of social enterprises, transitional work assignments that bridge to permanent work, and partnerships with consortia of employers.
- The contractor would provide human resources services to businesses, including hiring and training services, with an emphasis on employer driven customized training approach to job training and placement for individuals with criminal records.
- The contractor would pursue job placements that are tied to growth industries with a percentage of placements made through the Workforce1 Career Centers (The Agency will determine the percentage of placements that should be made through Workforce1).
- The contractor would perform regular follow-up visits to the workplace to provide coaching and support to the employee and employer to address issues that might be arising.
- The contractor would provide education and training for employers and Workforce1 Career Center staff ensuring their awareness of state laws, financial incentives, including wage subsidies, tax credits, bonding programs and staffing resources for hiring individuals with criminal records.

## **B. Jobseeker Services and Strategies**

The Agency's assumptions regarding the best program approach in these areas are:

- The contractor would work with individuals at appropriate points during criminal proceedings and/or after sentencing to establish relationships and develop a post-sentencing plan that includes a career assessment to determine areas of interest and aptitude. This work can include collaboration with Probation Officers and Resource Development Units within the New York City Department of Probation as well as collaboration with the Workforce1 Career Centers to identify jobseekers.
- The contractor would pursue demand driven strategies working closely with businesses to first source jobs, and then train and screen appropriate candidates for each job order. Meeting the business and jobseeker needs concurrently is central to this approach.
- The contractor would provide job counseling to overcome barriers to employment due to a person's criminal record and strategies to address those barriers (identification and work documents, "rap sheet" issues and background checks, certificate of relief from disabilities, etc.).
- The contractor would provide access to skills development (literacy training, work readiness, job training focused on technical skills development) that includes life-skills and soft-skills training (decision making/goal setting, personal presentation, communication and presentation skills, team-building skills, money management/personal management skills, and conflict/anger management). The contractor would provide these services directly as well as leveraging existing partnerships to ensure that program participants receive them.

- The contractor would develop and/or leverage existing collaborations with providers able to offer services that address job retention barriers (e.g., drug/alcohol abuse counseling, mental health services, family counseling, etc.)

### **C. Retention and Advancement Services and Strategies**

The Agency's assumptions regarding the best program approach in these areas are:

- The contractor would work with businesses, supervisors and, where appropriate, Workforce1 Career Center staff to understand retention issues with placed participants, as well as how access to career advancement opportunities could be facilitated for workers.
- The contractor would provide case management ensuring that participants receive the necessary services and work supports and make progress in overcoming barriers, obtaining employment and successfully reentering the community. Collaborations with Probation Officers will be critical to effective case management.
- The contractor would coordinate a mentoring program that links ex-offenders with members of the community. This involves recruiting, training and supporting mentors to help prepare them for their roles.
- The contractor would coordinate access to work supports (housing, Earned Income Tax Credit (EITC), food stamps, child support, health insurance, etc.) for the individual.
- The contractor would develop a career planning and coaching program that would work with participants to develop and implement a career plan.
- The contractor would establish linkages to the secondary and post-secondary educational system and establish formal relationships with educational entities to provide participants with educational and training opportunities to help them increase earnings.
- The contractor would develop or refer individuals to workshops, facilitated access services, and various financial products to help low-income workers enhance income, build assets and access financial supports (EITC, food stamps, child support, health insurance, etc.).

### **D. Contractor Qualifications**

The Agency's assumptions regarding the contractor's qualifications are:

1. The contractor would have at least five years successful experience providing workforce services, including job placement and job retention, to individuals with criminal records.
2. The contractor would have the capacity to identify promising employers and jobs for jobseekers facing barriers to employment due to criminal records.
3. The contractor would have the ability to create relationships with employers in growth industries and provide innovative solutions to their hiring and training needs.
4. The contractor would have the ability to create relationships with the New York City Department of Probation, the United States Probation Service, criminal justice agencies and court systems to recruit participants.
5. The contractor would have the capability to leverage funding and resources for employment-related services (such as literacy/education, acculturation, work-

readiness and job placement), job retention services, and advancement services for the probation population to be served.

6. The contractor would have the capacity to assist the Workforce1 Career Centers in expanding the number of accounts with employers suitable for individuals with criminal records through Workforce1 Career Center staff training.
7. The contractor would have the capacity to evaluate its work and to revise strategies as appropriate, in a timely manner to improve outcomes.
8. The contractor would have existing linkages to (or the capacity to develop linkages with) social service providers able to address employment and job retention barriers.

## **VI. Performance Goals/Outcomes**

The Agency anticipates that between 800 and 1000 jobseekers per year with criminal records will be placed and retained in employment in total through this program. Performance levels for each selected contractor would be negotiated with the Agency post-award and would be based on contract award size.

The agency will assess both short term performance measures (e.g. employer engagement and job placement) and long term performance measures (e.g. job retention and advancement rates). In addition, the agency will assess contractors' efforts to collaborate with social services providers able to address barriers to placement and retention faced by job seekers (e.g. drug and alcohol abuse, family conflicts, mental health issues, illiteracy, etc.)

Finally, as the goal of the initiative is to devise strategies to increase economic opportunity and reduce poverty within the City, contractors will be asked to document the relative effectiveness of different strategies (and the process they use to make these assessments) and their timely revision of strategies, as appropriate, to achieve better outcomes.

It is anticipated that the outcomes achieved by the contractor for participants would include:

### **Employment**

- Employer engagement and participation in the development of matching, assessment, preparatory, retention and advancement programming;
- Outreach and recruitment of probationers;
- Referrals of participants by New York City Department of Probation and Workforce1 Career Centers (in conjunction with key stakeholders);
- Matching and assessment of all referrals
- Referral and tracking of participants to employment, retention, and advancement outcomes
- Demonstration of income gain (through access to wage gains, and employer-sponsored benefits);

### **Skill-Building**

- Demonstrated improvement in literacy levels for program participants;

- Successful participation in work readiness training as determined by instructor evaluations and employer feedback;
- Attainment of skill or educational certifications (GED, industry certifications such as ServSafe).

#### Employer Engagement

- Increase the Career Centers' number of accounts with employers who are receptive to hiring ex-offenders (in conjunction with Career Centers);
- Increase in number of employers hiring people with criminal records;
- Increase in the number of employers receiving wage subsidies, tax credits, bonding insurance for hiring people with criminal records;

#### Supportive Service and Recidivism Reduction Outcomes

- Demonstration of success in terms of numbers of ex-offenders positively engaged in employment and making progress;
- Linkages with providers skilled in addressing barriers to employment (e.g. addiction, alcohol abuse, family conflict, mental illness).
- Employee enrollment and satisfactory participation in social service programs responsive to their needs.
- Level of impact of social service program on problems interfering with employment and recidivism.
- Demonstration that individual is meeting the terms and conditions of their probation
- Reductions in recidivism, arrests and repeat offenses.

#### Continuous Quality Improvement and Identification of Replicable Best Practices

- Documentation of relative effectiveness of different strategies employed for employee recruitment, training, placement and retention and employer recruitment and retention.
- Documentation of process used to assess relative effectiveness of different strategies.

### **VII. Performance Reporting Requirements**

The Agency anticipates that the contractor would report regularly on its progress.

The Agency also anticipates that the contractors' success would be measured on the following outcomes, which would be reported through the Agency's established reporting system:

- Placement
- Job Retention
- Earnings Gain
- Job Advancement
- Employers Engaged
- Job Order Fill Rates

The contractor would also be responsible for reporting on other outcomes as the Agency deems necessary. The Agency would provide the contractor with data tracking requirements/systems, which the contractor will be expected to use.

Outcomes would include jobseeker placement, retention and advancement indicators; and business recruitment, turnover, and employee engagement indicators. The Agency will provide the selected contractor with data tracking systems, which the contractor will be expected to use.

The criminal justice programming is part of the City's Center for Economic Opportunity (CEO) initiative and will be evaluated to determine whether it is meeting its program goals and contributing to increasing the education, training, employment, earnings, and supports available to low-income individuals. The criminal justice programming contractors and any of its subcontractors would be required to comply with monitoring, evaluation, and reporting requirements as defined by the Agency and CEO. At a minimum, the criminal justice programming contractors would be required to maintain and submit client-level data (reflecting client and household characteristics, services provided, outcomes, and follow-up). Such data would be submitted on a monthly basis, or other frequency determined by CEO, in an electronic format that can be read by a commonly available commercial spreadsheet program, such as Microsoft Excel. The criminal justice programming contractors would be expected to participate in ongoing monitoring and evaluation activities led by CEO or its designee; such activities may include site visits, surveys, interviews, focus groups, administrative records review, and other data collection and evaluation strategies.

## **VIII. Planned Method for Evaluating Proposals**

### **Evaluation Criteria**

The Agency anticipates that the evaluation criteria would include:

- Demonstrated successful relevant workforce experience with individuals with criminal records
- Demonstrated organizational capacity and existing linkages to complementary social service providers
- Quality of proposed approach and strategies used
  - A successful proposal would use a demand-driven strategy to place probationers into jobs. The proposer's approach to business-driven employee retention and advancement strategies would also be a key component in the evaluation.
- Quantity and quality of proposed leveraged funding, resources and expertise
- Demonstrated effective processes for documenting outcomes, managing quality assurance, and continuous improvement,
- Evidence of strong data systems that support efficient data collection and effective tracking and case management and reporting
- Evidence of effective communications and marketing strategies to reach the target population

## **IX. Procurement Timeline**

The Agency anticipates the following timeline for this procurement:

- Release of RFP August 2007
- Proposal Due Date September 2007

- Award Announcement Date                      October 2007
- Contract Start Date                                February 2008

**X. Comments**

Comments on this concept paper or the anticipated RFP may be submitted in writing by August 11, 2007 at 2:00 PM to:

Sheridan Ameer  
Agency Chief Contracting Officer  
New York City Department of Small Business Services  
110 William Street, 7<sup>th</sup> Floor  
New York, NY 10038  
Re: RFP for Employment Initiative for Populations Involved in the  
Criminal Justice System