Families Living in Poverty:  
A Community Imperative

The cost of housing, health care, child care, transportation and other basics is surpassing the income in America. Many families are barely getting by, even working multiple jobs. The situation has the greatest impact on lower-income families who walk a perpetual financial tightrope, unable to save for the future or an unexpected crisis.

In communities across the country, including the Capital Region, the most recent recession has created or exacerbated high levels of un- and underemployment, and has highlighted the mismatch between labor force skills and available jobs. At the same time, the recession has spurred non-traditional partners – local officials, nonprofits, labor unions, business leaders and community supporters – to come together to identify solutions to a common problem.

“Life in the Capital Region:  
2014 Assessment of Our Community”

To identify and understand the needs in our community, United Way of the Capital Region formed a partnership with the Harrisburg Regional Chamber, West Shore Chamber of Commerce, The Foundation for Enhancing Communities and Cumberland, Dauphin and Perry counties.

Throughout 2014, this partnership conducted a comprehensive assessment of life in our community, which captured data about trends in health and human service needs, as well as community perceptions about the issues and opportunities facing the Capital Region. The result was a unique and comprehensive look at our community.

“Life in the Capital Region: 2014 Assessment of Our Community” examined health and human service issues in Cumberland, Dauphin and Perry counties through the lens of community “building blocks” of health, education, income and basic needs, as these are essential for a good quality of life and strong community.

Key findings from this study:

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<th></th>
<th>DAUPHIN</th>
<th>PERRY</th>
<th>CUMBERLAND</th>
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<tbody>
<tr>
<td>Median Household Income • 2012</td>
<td>$53,000</td>
<td>$55,800</td>
<td>$58,900</td>
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<tr>
<td>Statewide average</td>
<td>$51,400</td>
<td>3% above statewide average</td>
<td>9% above statewide average</td>
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<td>15% above statewide average</td>
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Median Household Incomes since 2007

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<tr>
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<th>DAUPHIN</th>
<th>PERRY</th>
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<tbody>
<tr>
<td></td>
<td>-6%</td>
<td>+1.5%</td>
<td>-8.8%</td>
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STATEWIDE AVERAGE: $51,400
• The share of children eligible for subsidized school lunch doubled over the last decade in the Capital Region, partly because it tripled in Cumberland County. Children from families with incomes at or below 130 percent of the poverty level are eligible for free meals. The federal poverty level is used by the U.S. government to define who is considered poor. It’s based on a family’s annual cash income.

• “Self-sufficiency income” is used to measure how much money a family needs to make ends meet without public assistance. The share of people with income below this level ranged from 10.6 percent in Cumberland County to 26.5 percent in Perry County, to 29.1 percent in Dauphin County, compared to the statewide rate of 30.1 percent.

• Per capita income in the region now trails the state by five percent (more than $2,400) compared to two percent (about $880) in 2000. Most of the increase in the gap emerged from 2004 to 2007, presumably because top incomes grew dramatically in the state but not in the region.

State of the Region

Additional information about our region’s workforce and living standards help provide a complete picture of our region.

• The Capital Region has a total labor force of approximately 300,000 workers.

• The unemployment rate for the region is 4.7 percent (August 2016).

• The top sectors by employment in south-central Pennsylvania are:
  • Health care and social assistance
  • Manufacturing
  • Retail trades
  • Accommodations and food service
  • Transportation and logistics

• In the Capital Region, 26 percent of workers are earning poverty-level wages. Economists use 200 percent of poverty as a rough proxy for an income that supports a family without public assistance.

• Thirty-four percent of children in the Capital Region live in families below 200 percent of the poverty line.
A New Approach to
Solving Critical Community Issues

To meet its mission of improving lives in Cumberland, Dauphin and Perry counties, United Way of the Capital Region is helping lead the community in a new approach to problem-solving called collective impact.

This approach requires that everyone – businesses, cities and towns, nonprofits, schools, places of worship, labor unions, foundations and individuals - work together to find new and different ways to address the challenges facing our community and develop lasting solutions. In addition to collaboration, the core of collective impact includes several unique factors to include:

- The creation of solutions and strategies by nonbiased experts
- A leading backbone organization
- Common goals
- Methods to measure and report progress to the community
- Shared resources

In October 2015, United Way facilitated the creation of the Capital Region Income Task Force to develop potential solutions and strategies to move the needle on the critical issue of the rising number of children and families living in poverty. While United Way played the role of convener, the Income Task Force was a community effort.
Proposed Solutions and Strategies

After researching successful models and best practices, the Income Task Force recommends solutions and strategies focusing on family-sustaining employment as the best way to reduce the number of children and families living in poverty. This means an individual has a job that pays a wage that can support a family, provides paid sick leave and offers pathways for wage advancement.

The first step is to focus on the un- and underemployed who exhibit an eagerness for gainful employment, which include workers earning 200 percent or less of the poverty level. Workers in this earning bracket tend to be in low-wage jobs requiring limited skills with little prospects for advancement.

To help advance workers from their current condition to family-sustaining employment will require:

- Employer engagement
- Resources from both the government and private sector
- Improved coordination and communication of existing support services
- Training opportunities
- Case management
- Child care assistance
- Help with transportation
- Other support services like access to health care

In addition, it is important for participants to improve their financial literacy. As wages and career prospects improve, participants will need to know how to manage their finances. An understanding of managing assets and debts while planning for a brighter financial future are essential to achieving financial independence. Financial literacy efforts will include topics such as budgeting, credit utilization, and good use of banking and financial products.
The Income Task Force is proposing the development of a pilot project to help un- and underemployed individuals achieve better paying jobs with prospects for growth. A pilot project is an excellent way to test proven best practices with a target population, learn what works and what doesn’t and adjust along the way to ensure the project meets the objective.

The purpose of the pilot project is to test new strategies to support the un- and underemployed through specific workforce development opportunities and financial literacy education and programs. The recommended pilot project is scalable to ensure it can grow in capacity to improve lives in the Capital Region and begin to move the needle on the priority issue of children and families living in poverty. The success of the pilot project involves the recruitment of the right solution partners with everyone working together toward the same goal. At all times, transportation, cultural competency and attention to diversity will be considered.

**COMMUNITY PERSPECTIVE**

Throughout February and March of 2016, the Income Task Force held six community events called community conversations to hear what local residents thought about workforce conditions. Approximately 110 people attended.

Participants generally supported the focus of the task force as outlined in this report; however, input was not limited to workers in this specific population. Conversation included opportunities for those unemployed individuals who had exhausted benefits, individuals with criminal histories and single parents.

Three quarters of the participants believed the best approach to workforce development is investing in training for in-demand jobs. Further, 90 percent believed it is essential to strengthen individual and family supports including transportation, child care and case management or job coaching.

Virtually every session included discussion around career-focused educational opportunities in public schools. Needs included:

- Ensuring students are proficient in basic math and reading.
- Making certain students are proficient in soft skills and basic work skills.
- Highlighting career and technical education opportunities.

Participants underscored the importance of committed employers to the pilot project. Attendees added that successes should be advertised and new role models highlighted in an effort to break the cycle of intergenerational poverty.
Phase 1: 
Organize Pilot Project
*(Estimated time frame October 2016 - January 2017)*

The pilot project will engage un- and underemployed individuals with an eagerness for gainful employment through targeted recruitment, screening, training, placement and support services for job opportunities with specific employers in identified growth industries in the Capital Region.

**Recommended Core Solution Partners**
*(for initial work of the pilot project)*

- **United Way of the Capital Region – Backbone Organization**

  As the backbone organization, United Way of the Capital Region would:

  - Serve as a convener of the core solution partners to help facilitate the development and implementation of the pilot project.
  - Take the initial lead on funding this project. In addition, United Way would mobilize funding to support the activities of the initiative as it grows.
  - Guide vision and strategy
  - Support aligned activities
  - Establish shared measurement practices
  - Build public will
  - Advance policy
South Central PA Works (SCPa Works) – Primary service provider

As the primary service provider, SCPa Works would:

- Identify potential participants for the pilot project
- Screen participants
- Secure training
- Place participants with appropriate employers
- Provide job related counseling
- Connect participants to wrap-around services

HACC, Central Pennsylvania’s Community College – Primary training provider

As the primary training provider, HACC, Central Pennsylvania’s Community College would:

- Develop and offer training programs related to the needs of the participating employers

Other core solution partners could include, but are not limited to:

- Additional employers
- Representatives from state and local government
- Representatives from organized labor
- Other funders like private foundations, corporations, grant-makers
- Community-wide financial literacy educator
- Subject experts

Pilot Employers(s)

The Task Force has identified two possible industries for the pilot project: logistics and material handling and health care. These industries offer a number of entry-level positions and have opportunities for advancement. In addition, these industries have a significant presence in the Capital Region, a number of available jobs, and the industries are growing.

Many entry-level jobs do not offer sustaining wages; however, they are critical for helping an individual join the workforce and provide experience. The pilot project will help participants make the connection to entry-level positions with pathways to long-term employment and making a living wage.
Logistics and Material Handling

Central Pennsylvania has a vigorous logistics and material handling sector offering a wide variety of entry-level positions. There are a significant number of potential employers to approach and engage in the pilot project. The terms and conditions for the employer participation will need to be developed and formalized in a memo of understanding.

Logistics and material handling work generally involves manually moving freight, stock, or other materials or performs other general labor.

There are a number of entry-level positions available, including:
- Dock worker
- Laborer
- Line tender
- Loader
- Material handler
- Merchandise pickup/receiving associate
- Receiver
- Receiving associate
- Shipping and receiving materials handler
- Warehouse worker
Health Care

Our region has a considerable number of health care providers offering a wide variety of entry-level positions. These potential employers range from large hospital systems to health clinics as well as skilled nursing and assisted living facilities. There are a significant number of potential employers to approach and engage in the pilot project.

Entry-level positions available in the health care field range from hospitals and clinics, to nursing homes to personal care facilities, and working in individual patient homes.

Typical job titles include:

- Certified Medication Aide (CMA)
- Certified Nurse Aide (CNA)
- Certified Nursing Assistant (CNA)
- Geriatric Nursing Assistant (GNA)
- Licensed Nursing Assistant (LNA)
- Nurses’ Aide
- Nursing Aide
- Nursing Assistant
- State Tested Nursing Assistant (STNA)
- Home Health Aide
- Personal Care Aide

Create Common Agenda – Using Income Task Force Report to Community:

- Develop common goal(s)
- Create framework for strategies and action
- Establish timeline for strategy/action framework
- Determine additional solution partnerships needed for strategy/action framework
Phase 2: Strategy/Action Framework Implementation

(Estimated time frame February – April 2017)

Recruit additional solution partners

- Representatives from banking and financial services
- Advocacy partners
- Other human services like child care providers, transportation and health services
- Major training and educational institutions

Define agreed upon roles for each solution partner

Establish shared metrics for all solutions partners (short-, mid- and long-term)

An important reason for starting with a pilot project is to measure success and course correct as needed. Overall program success will be determined through an aggregation of all participant information; however, the following list of indicators and information collected every six months are recommended to help measure outcomes and ultimately success.
Outreach Efforts:

- Community meetings held
- Flyers distributed
- E-mail and phone contacts
- Applications distributed
- Applications completed and received
- Financial costs incurred

Program Entry Information:

- Demographics (acceptance date, gender, age, ethnicity/race, address, contact information, veteran status)
- Education attainment (grade completed, degree(s) attained)
- Economic Information (wage on entry, job history)

Program Participation Information:

- Entry date
- Sessions/classes attended
- Supportive services received (transportation, child care, job search)
- Program completion
- Education degrees/classes obtained
- Workforce certificates obtained
- Completion date

Employment Information:

- Employment found (date, employer, position, wage, benefits, hours)
- Employment maintained (employer, position, wage, wage gains achieved, benefits, hours)

Develop and implement communication and marketing plan for pilot project

Secure additional funding (if necessary) to implement pilot project
Phase 3: 
Participant Phase – Implement Pilot Project

(Estimated time frame May 2017 – April 2019)

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<thead>
<tr>
<th>STEP 1.</th>
<th>Recruit participants</th>
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<tr>
<td>STEP 2.</td>
<td>Screen participants</td>
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<tr>
<td>STEP 3.</td>
<td>Train participants</td>
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<tr>
<td>STEP 4.</td>
<td>Place participants with employer</td>
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<tr>
<td>STEP 5.</td>
<td>Support participants through the first year of employment</td>
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<tr>
<td>STEP 6.</td>
<td>Support services (throughout steps 1-5)</td>
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<td>• Financial literacy (help participants build and manage financial assets, control debt and develop savings)</td>
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<tr>
<td>• Wrap-around services will be an important component to ensure participants receive placements and can remain successful in the position. These services include:</td>
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<tr>
<td>• Transportation assistance</td>
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<td>• Child care services</td>
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<td>• Case management to help participants successfully transition to employment</td>
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<td>• Networking</td>
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<td>• Access to health care</td>
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Both transportation and child care assistance will be time limited, with a cap on the costs. Child care assistance can be coordinated with existing services such as the Child Care Network. There are a significant number of child care providers in the region from large well-established human service agencies to small family run child care centers. It will be important to offer high quality child care and early learning to program participants’ needing child care services.

Case management services will be at the core of the pilot project’s success. Without effective support, a participant may have difficulty maintaining his/her job. Case management services will assist the participant in maintaining employment by providing information and referral to needed community resources, problem-solving support as well as intervention with employers when appropriate.

It will be important for the case management providers to have a track record of success and be able to work effectively with a diverse and geographically dispersed participant population.
The Road to Success

While the Income Task Force has worked to create this report, similar task groups in the areas of health and education have been working to propose solutions and strategies to move the needle on these critical issues facing our community. We know that each area impacts the other. When an individual and family have a good path to health, education and earning a living wage, they are on the road to breaking the cycle of poverty and creating a cycle of success. This work is critical to improving lives in the Capital Region.

For more information on this report, please contact United Way of the Capital Region at 717.732.0700.
THE ROAD TO SUCCESS
Increasing Workforce Development and Financial Literacy Opportunities in the Capital Region

Income Task Force Members

Co-chairs:
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David Black, Harrisburg Regional Chamber
Richard Bloomingdale, Pennsylvania AFL-CIO
Tim Fatzinger, United Way of the Capital Region
Michael J. Hussey, Widener University Commonwealth Law School
Michael Leader, Country Meadows Retirement Communities
Sue Mukherjee, PA State System of Higher Education
Kevin Perkey, South Central Workforce Investment Board
Glen R. Sponaugle, G.R. Sponaugle & Sons, Inc.
Daniel K. Sunderland, Sun Motor Cars, Inc.
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Capital Region Income Task Force

REPORT TO THE COMMUNITY
September 2016