

National Transitional Jobs Conference Held in Chicago: Focuses on Individuals with Criminal Records

Alexa Eggleston

On January 27th and 28th individuals from local, state and national organizations gathered in Chicago for a Transitional Jobs Conference entitled, "Strengthening and Broadening the Transitional Jobs Field." The Conference was co-sponsored by the National H.I.R.E. Network, Chicago Metropolis 2020, the National League of Cities' Institute for Youth, Education, and Families and the National Transitional Jobs Network. The conference brought together

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Incarceration, Education, Recidivism: Is There a Connection?

The following is an excerpt of an article written by Ronald Armwood and Susan Hallett. For the full article, including statistics and citations, please visit the Resources and Assistance section of our website at www.hirenetwork.org.

The enhanced high school completion rates seen among minority men during the 1990s masked another reality: large segments of the African American community with little schooling were added to our nation's prisons and jails. As the educational prospects of most Americans improved during the 1990s, the growth of the prison system disguised how millions of Americans with substandard education are ending up behind bars.

Access to education, particularly higher education, is critically important for members of the African American community who have criminal backgrounds. There is a proven cause-effect relationship between education (or lack thereof) and one's employment possibilities and lifetime earnings potential. Additionally, educational attainment has been shown to reduce recidivism.

As a result of amendments to the Higher Education Act in the mid to late 1990s, access to student loans is now denied to those convicted of possession and/or sale of a controlled substance. Although this ban was originally intended as punishment for those already receiving federal aid, its application has been broadened to encompass students attempting to enter college as well. Barring this avenue of assistance virtually eliminates the opportunity for low-income students to continue their education and consequently get their lives back on track.

Moreover, states can find the money they need to re-invest in education and communities by reducing prison

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policy makers and representatives of workforce development, corrections and community-based organizations from different cities and states throughout the country who are either interested in starting a transitional jobs program or are currently operating a program that they want to expand to include individuals with criminal records, youth aging out of the foster system or individuals with refugee status.

The panels and workshops throughout the conference addressed the importance of transitional jobs, lessons learned from programs that are currently serving people with criminal records, how to sustain such programs, and identifying available resources to fund them, including public, philanthropic, and work-based and social enterprise funding sources and tax credits. The cities represented included Ft. Wayne, Chicago, and Baltimore, and the states included California, Ohio, Michigan, Washington, New York, Georgia, Minnesota, Wisconsin, as well as a combination of advocates from the Midwest states.

Transitional jobs are short-term, publicly subsidized jobs that combine real work, skill development, and support services to help participants find and keep unsubsidized jobs. Individuals who benefit from the transitional jobs structure typically face significant barriers to employment, often including criminal records, as well as low levels of education and recent work experience. Because participants in transitional jobs programs are able to earn a paycheck and receive services to address the barriers that often prevent them from obtaining suitable employment, these programs have successfully helped people with barriers to work prepare for, find and retain jobs. ❖

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The National H.I.R.E. Network is generously supported by the Charles Stewart Mott, Joyce, Public Welfare, and Annie E. Casey Foundations.

populations and creating alternatives to incarceration that would reduce costs. The state budget crisis and a shift in public opinion favoring treatment over incarceration have created a context where some states have begun to make cuts to their burdensome correctional costs.

Polling results show that public attitudes have shifted and voters are now ready to embrace a wide array of prevention, rehabilitation and alternative sentencing approaches. One recent survey found that the public believes that laws should be changed to reduce the incarceration of nonviolent offenders, and that rehabilitation should still be the top priority of the justice system.

By diverting funds spent on prisons to support a high quality education system and communities most impacted by high crime and high incarceration rates, policymakers can diminish one of the key factors associated with the risk of incarceration: lowered educational attainment and school failure. ❖



FUNDING OPPORTUNITIES!



American Express Economic Independence Fund. The American Express Foundation will award a minimum of \$500,000 to financial literacy and education projects. Any non-profit organization whose clients are representative of the under-served audiences targeted by the fund and who would benefit from financial literacy is eligible to apply. Grant amounts will range between \$15,000 and \$30,000. For more information, see <http://www.nefe.org/amexeconfundrfp/aeief2004rpf.html>.

Open Society Institute-Baltimore Community Fellowships Program. The Open Society Institute-Baltimore will be awarding up to ten awards to individuals who wish to work in Baltimore City in public or community service. The Community Fellowships Program was established by the Open Society Institute (OSI) to assist individuals wishing to apply their educational and professional attainments in service to disadvantaged communities. The goal of these fellowships is to encourage public and community service careers, to expand the number of mentors and role models available to youth in inner-city neighborhoods, and to promote initiatives and entrepreneurship that will empower those communities to

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Shout Out!



Congratulations to **Elizabeth Gaynes**, Executive Director of the Osborne Association, and her daughter Emani Davis on their nomination for the World's Children's Prize for the Rights of the Child. Liz and Emani are the first-ever U.S. finalists and are being nominated for their groundbreaking and tireless work on behalf of children of incarcerated parents. They will be honored with two other finalists in April 2004 at Gripsholm Castle in Sweden where Queen Silvia of Sweden will announce the winner of the award. We are extremely proud of Liz and Emani!

Bravo to **Julio Medina**, Executive Director of Exodus Transitional Community in New York City, who attended President Bush's State of the Union address on January 20, 2004. Julio and his staff receive funding from the U.S. Department of Labor's Ready4work Initiative, a partnership that includes the criminal justice system, faith based organizations and businesses to aid in reducing the rate of recidivism in communities. Exodus serves as a model for the President's proposed 4 year, \$300 million prisoner reentry initiative. Congratulations for being recognized for your important work!❖

Taking Full Advantage of the Earned Income Tax Credit

John M. Jeffries, PhD

This is the second part of an article that began in last month's newsletter on the importance of taking full advantage of the Earned Income Tax Credit (EITC) and its benefits to low income workers, including labor force participants with criminal records.

In addition to determining whether or not you are eligible to file the EITC, taxpayers with criminal records, and the workforce development, housing, social service, and public health intermediaries working on their behalf, should:

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increase opportunities and improve the quality of life for their residents.

Fellowship awards are in the amount of \$48,750 for a term of 18 months. Other entities, including the host organization, may augment the stipend. OSI may provide limited relief for graduate school debt payments on a case-by-case basis. The Open Society Institute expects host organizations to provide medical benefits, space, and overhead costs as necessary. In cases of extreme hardship, OSI will reimburse the host organization or individual for the cost of medical insurance. *The deadline for applications is March 8, 2004.* For more information about Community Fellowships or to receive an application, call the Open Society Institute-Baltimore office at (410) 234-1091.

The Office of National Drug Control Policy (ONDCP) and the Office of Juvenile Justice and Delinquency Prevention (OJJDP) announce the availability of Fiscal Year 2004 Drug-Free Communities Support Program funding. The purpose of the program is to reduce substance abuse among youth and, over time, among adults. Approximately 180 grants of up to \$100,000 each will be awarded to community coalitions that are working to prevent and reduce substance abuse among youth.

Community coalitions whose members have worked together on substance abuse reduction initiatives for at least 6 months and that meet all eligibility requirements outlined in the program announcement are invited to apply. Coalitions may be umbrella coalitions serving multicounty areas, and statewide coalitions may apply provided that they meet all other eligibility requirements. *The deadline for applications is March 26, 2004.* To view the Program Announcement, go to <http://ojjdp.ncjrs.org/dfcs>

Federal Grants Website: As a reminder, the U.S. government has a website with information about federal grants available in a range of topics, including Employment, Labor and Training, and Law, Justice, and Legal Services. See www.usgrants.gov. ❖

1. Take advantage of particular changes made in the EITC as of 2001;
2. Determine if you are eligible to take advantage of the Child Tax Credit (CTC);
3. Get information on the Internal Revenue Service's (IRS) "pre-certification demonstration" and its implications, if any, for your clients;
4. Take advantage of your state's or locality's analogous EITC;
5. Actively seek free or low-cost tax preparation advice or services; avoid "refund anticipation loans" and other usurious private financial tools; and
6. Investigate asset building services and products as part of your tax preparation.

EITC Changes as of 2001

Claims by custodial parents have priority. However, if the parent chooses not to claim the EITC, another eligible relative living with the child can claim the credit.

In general, any qualifying child must live with the person making the claim for at least six months. Prior to 2001, the residency requirement for foster children was one year. The IRS has changed the residency period to six months for all children.

In an effort to maximize the potential benefits available to anyone filing the EITC, non-taxable income will no longer be considered when determining EITC eligibility and benefits. Similarly, the use of a "modified" Adjusted Gross Income (AGI) has been suspended in favor of the standard AGI.

The Child Tax Credit

Many low-income working families will be eligible for both the EITC and the CTC. However, the eligibility rules for the two credits and the procedures for claiming them differ in important ways. The Center on Budget and Policy Priorities' "2004 EITC Toolkit" succinctly compares the two programs' criterion for eligibility (see page 6 of *Facts About the Child Tax Credit* at <http://www.cbpp.org/eic2004/ctc04-factbook.pdf>.)



Hot Off the Press Recent Reports

By Design: Engaging Employers in Workforce Development Organizations, by Carol Clymer of Public/Private Ventures (December 2003). By Design describes strategies used by three organizations to effectively engage employers in workforce development efforts. Jewish Vocational Service, San Francisco; Training, Inc., Boston and WIRE-Net, Cleveland, have successfully involved employers in a variety of different ways—from including them on the Board of Directors to having them teach training classes. By Design outlines employer-engagement strategies in detail to help other organizations substantively involve employers in daily activities and services. To read this report, go to http://www.ppv.org/ppv/publications/assets/151_publication.pdf

Outside the Walls, by Amy L. Solomon, Michelle Waul, Asheley Van Ness, and Jeremy Travis of the Urban Institute (January 2004). Outside the Walls provides descriptions of a broad array of prisoner reentry activity across the country, as well as briefing papers that discuss what is known about reentry as it pertains to employment, health, housing, family, faith, and public safety. The Urban Institute produced this report in collaboration with Outreach Extensions as part of the National Media Outreach Campaign, a new effort to encourage discussion and decision-making about solution-based prisoner reentry programs among local community and faith-based organizations. The Urban Institute conducted a national scan of reentry programs that are addressing the needs and risks facing returning prisoners, their families, and communities. The report benefited significantly from the input of national experts who nominated programs that are implementing innovative approaches to easing the reentry process in their local communities. To read the report, go to http://www.urban.org/UploadedPDF/410911_OTWRResourceGuide.pdf

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Some working families eligible for the CTC will not be eligible for the EITC. Most notably, non-custodial fathers who claim their children as dependents may take the CTC, but cannot claim their children on the EITC because the children do not live with their fathers.

What Is the IRS's "Pre-Certification" Demonstration and Why Is It Being Conducted?

In 2002, the IRS and the U.S. Department of the Treasury formed an internal task force to develop a strategy designed to limit the number of EITC claim errors. Data collected by the IRS indicated that workers in the following categories were more prone to submit EITC claims with errors regarding the child's residency:

- Grandparents, aunts uncles, and other relatives who were raising their grandchildren, nieces or nephews;
- Stepparents, foster parents; and
- Single fathers claiming their own child.

In December 2003 the IRS planned to send a new EITC form -- Form 8836 "Qualifying Child Residency Statement" -- to a pilot test group of 25,000 tax filers. In effect, Form 8836 requires that the recipients -- men and women in the demographic categories listed above -- supply verification from third parties substantiating that any child claimed for the EITC lived with the filer for more than half of 2003. Included among the third party verifiers are school officials, physicians, clergy, and/or child care providers. Form 8836 and the EITC are to be forwarded to the IRS together.

Concerned providers should canvass their clients and the communities they serve to learn if families have received and are required to submit the new IRS Form 8836 and then refer them to not for profits and others with the capacity to assist EITC filers. There is a concern among advocates and intermediaries working on behalf of poverty stricken communities and specific populations that this "pre certification" demonstration will have a chilling effect on the number of low income and otherwise eligible filers. Many otherwise eligible families may ultimately decide not to file because they are intimidated, confused by, or otherwise deterred by the receipt of

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Financing Transitional Jobs Programs: A Strategic Guide to Federal Funding Sources, by David S. Kass of the Finance Project. This report, jointly published with the National League of Cities, offers an overview of financing for transitional jobs, identifies examples of successful transitional jobs programs for people with criminal records and other populations, and highlights federal funding streams available to support transitional jobs programs. To read the report, go to http://www.nlc.org/nlc_org/site/files/reports/Transitional%20Financing%20Special%20Report.pdf

Prisoners Once Removed: The Impact of Incarceration and Reentry on Children, Families, and Communities, edited by Jeremy Travis and Michelle Waul. The authors of this book explore the issue of reentry from the psychological impact of imprisonment on prisoners and the difficulty of reentering free society to the challenges faced by communities who must integrate the prisoners once they return. The book includes recommendations to improve the interaction between the corrections and health and human services. This book is available in paperback from the Urban Institute Press (ISBN 0-87766-715-2, \$32.50). Order online (www.uipress.org) or call (877) 847-7377.

Side by Side Comparison of Title I Provisions in House and Senate WIA Reauthorization Bills, by Nisha Patel, LeaAnne DeRigne, Mark Greenberg, and Andy Van Kleunen. The Workforce Investment Act (WIA) expires this year and must be reauthorized. This table, completed by CLASP and the Workforce Alliance, provides a side-by-side comparison of the current WIA law and the bills passed by the House and Senate. To read this report, go to http://www.clasp.org/DMS/Documents/1073926942.45/WIA_SBS_0104.pdf ❖

Form 8836. Eligible EITC filers, who have been asked to fill out and return Form 8836 and do not, will have their EITC claim denied. In general, the IRS has noted that those selected to receive Form 8836 should expect to experience delays in receiving their EITC refunds.

State and Local EITCs

Currently, the following states and the District of Columbia offer state EITCs based on a percentage of the federal credit: Illinois, Indiana, Kansas, Maryland, Massachusetts, Minnesota, New Jersey, New York, Oklahoma, Vermont, Wisconsin. Five states offer nonrefundable credits: Illinois, Iowa, Maine, Oregon, and Rhode Island. Maryland offers both; taxpayers may choose one or the other but not take advantage of both.

Two localities offer EITCs. They are Montgomery County, Maryland; and Denver, Colorado.

For a more detailed analysis of the status of state and local EITCs and their efficacy, please see *A Hand Up: How State Earned Income Tax Credits Help Working Families Escape Poverty in 2003* written by Nicholas Johnson, Joseph Llobrera, and Bob Zahradnik at the Center for Budget and Policy Priorities, www.cbpp.org.

Access to Free or Low Cost Tax Preparation Is a Necessity

A recent report from two leading consumer advocacy organizations, the Consumer Federation of America and the National Consumer Law Center, documents that one in 10 American taxpayers took out "refund anticipation loans" (RALs) in 2002; over half of them were low-wage workers receiving the EITC. RALs are very high interest bank loans "given" to taxpayers by private financial services outfits and tax preparation firms. Taxpayers agree to pay back the loan when they receive their tax refund from the IRS. These "quick refunds," as they are also known, cost American taxpayers approximately \$1.14 billion in loan fees in 2002, plus an additional \$406 million in other miscellaneous fees. The advent of these usurious private financial instruments has grown rapidly, particularly in low-income communities. Very few states and localities have opted to regulate the interest charged by these financial firms and there is evidence of increased collusion between financial firms and firms in the tax preparation business specifically.

In order to keep the economic benefits of the EITC



H.I.R.E. on the Hill

President Bush Highlights Reentry in his State of the Union Address

Alexa Eggleston

During his State of the Union address on January 20, 2004, President Bush proposed a four-year, \$300 million initiative to reduce recidivism and the societal costs of reincarceration by helping individuals find work when they return to their communities from incarceration. A collaboration between the Department of Labor (DOL), the Department of Housing and Urban Development (HUD), and the Department of Justice (DOJ), the initiative would expand job training and placement services, provide transitional housing, and help newly released prisoners get mentoring, including from faith-based groups. President Bush emphasized the importance of assisting individuals with their transition from prison or jail to the community in his proposal and stated "We know from long experience that if they can't find work, or a home, or help, they are much more likely to commit crime and return to prison. America is the land of second chance, and when the gates of the prison open, the path ahead should lead to a better life." Please visit the attached link to learn more about the initiative: <http://www.whitehouse.gov/news/releases/2004/01/print/20040123-4.html> Look for future updates on this initiative, including information on the President's FY 2005 Budget, in H.I.R.E. Network News and Legal Action Center's Washington Roundup!❖

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flowing to families, advocates, providers, and community organizers must ensure that credible, skilled, low-cost tax preparation is readily available.

Investigate Asset Building Products and Services During Tax Preparation

Providers may want to act more proactively with those clients receiving EITC refunds by suggesting the gradual building of saving accounts, individual development accounts, and other modest asset building tools and instruments. ❖

Upcoming Conferences of Interest

Feb. 10-12, 2004

P/PV: Working Ventures

Working with Employers: Partners in Difficult Times

San Antonio, TX

Contact: Brian Rolon

Tel: 212-822-2413

Email: brolon@ppv.org

www.ppv.org

Feb. 18-20, 2004

Women Work! 2004 National Conference, Celebrating 25 Years of Transitions & Triumphs

Washington Wyndham Hotel

Washington, DC

Contact: www.womenwork.org

March 14-16, 2004

National Association of Workforce Boards Forum 2004: "A Skilled Workforce-A Stronger Economy"

Renaissance Washington DC Hotel

Washington, DC

Contact: NAWB

Tel: 202-775-0960

Fax: 202-775-0330

Email: nawb@nawb.org

www.nawb.org/forum2004.default.asp

March 21-24, 2004

National Correctional Industries Association Enterprise 2004 National Training Conference and Exposition: "Transformation: The Challenge of Change"

Adams Mark Hotel

St. Louis, MO

Contact: NCIA



Kernels that Pop: Lessons from the Field

Roberta Meyers-Peeples

We are pleased to inaugurate this quarterly column that will highlight "kernels" of information the H.I.R.E. Network staff gather from members and others all over the country engaging in policy and practice related to the employment of people with criminal records. If you have a "kernel" of information you would like to share with our members, please send an email to Roberta Meyers-Peeples, our Field Educator and Organizer, at rampeeples@hirenetwork.org.

****Employers are part of a three-member **partnership** that includes the workforce development provider, job seeker, and employer. The number of job placements an intermediary makes can be a measure of the strength of his or her relationship with employers. It is important to cultivate a strong partnership with employers to guarantee successful placements.

****Many employers experience high turnover and spend considerable resources recruiting new employees. A third-party intermediary partner could be an ideal solution to cut high recruiting costs. Therefore, workforce development providers must promote their value to an employer in dollars and cents! Do not be afraid to tell an employer how much money you can save them.

****A "RAP" sheet (**R**ecord of **A**rrest and **P**rosecution) is a report maintained by a state criminal record repository or the Federal Bureau of Investigation.

****Although corporate businesses have legal departments and attorneys at their disposal, most of their hiring managers do not know of or take advantage of the Federal Bonding Program or the Work Opportunity Tax Credit. Never assume that large employers would not be interested in utilizing these incentives.

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Tel: 410-230-3972
Fax: 410-230-3981

April 14-16, 2004

Center for Mental Health Services & Criminal Justice Research First Biennial Conference: "Reentry to Recovery: People with Mental Illness Coming Home from Prison or Jail"

The Sheraton Society Hill Hotel
Philadelphia, PA

Contact: Kristen Gilmore
Tel: 732-932-1225

Email: cmhs&cjr@ihhpar.rutgers.edu

May 12-14, 2004

The National GAINS Center for People with Co-Occurring Disorders in the Justice System 2004 Annual National Conference: "From Science to Services: Emerging Best Practices for People in Contact with the Justice System"

Contact: <http://www.gainsctr.com/b/Default.asp>
Tel: 800-311-GAIN

May 19-21, 2004

Pennsylvania Partners 2004 Employment, Training and Education Conference

Hershey Lodge and Convention Center
Hershey, PA

Contact: www.papartners.org

May 23-26, 2004

National Association of Workforce Development Professionals 15th Annual Conference: Expedition to Professionalism

Hilton Portland & Executive Tower
Portland, OR

Contact: www.nawdp.org

Tel: 202-589-1790

Fax: 202-589-1799

June 17-19, 2004

The 11th National Roundtable for Women in Prison

Sheraton Hotel
Atlanta, GA

Contact: www.takingaim.net/2004roundtable

Tel: 404-755-3262

Fax: 404-755-3294

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****Many employers who use credit reporting agencies as a means of doing background checks to verify applicants' criminal histories are not aware of how inaccurate these reports can be. Job seekers should always request a copy of the report an employer receives in order to be certain the information is reported accurately. The subject of the record has the right to dispute any inaccuracy in writing to the credit reporting agency and to the employer.

****Direct service providers can play an integral role in advocacy because they have direct contact with the people who are affected by the laws and policies that create barriers to employment; sharing this information with policymakers is key to addressing these barriers and promoting employment for clients with criminal records.

****It is not sufficient to focus on addressing a criminal history on a job application. Individuals must be prepared to address questions that may arise during an interview. Body language is just as telling as the oral story itself. Direct eye contact and straight posture are signs of maturity and legitimacy. ❖

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July 18-22, 2004

The 2004 National Association of Blacks in Criminal Justice: Making a Difference in the American Justice System

Adams Mark Hotel

Jacksonville, FL

Contact: Ornetta Lockette Slaughter

Tel: 703-299-2190

Email: ornetta_slaughter@vaed.uscourts.gov

Sept. 24-26, 2004

Fifth Annual Conference on Addiction and Behavior

St. Louis Marriott Downtown

St. Louis, MO

Contact: <http://www.gwcinc.com/ncacbmainpg.htm>