

# Tribal Solutions

## Subsidized Employment Programs Serving American Indians and Alaska Natives

OPRE Report 2018-94

September 2018

**Tribal Solutions**  
**Subsidized Employment Programs Serving**  
**American Indians and Alaska Natives**

**Asaph Glosser**  
**Emily Ellis**

**OPRE Report 2018-94**

**September 2018**

# **Tribal Solutions**

## **Subsidized Employment Programs Serving American Indians and Alaska Natives**

OPRE Report 2018-94

September 2018

**Authors: Asaph Glosser and Emily Ellis**

**Submitted to:**

**Girley Wright, Project Officer**

Office of Planning, Research, and Evaluation  
Administration for Children and Families  
U.S. Department of Health and Human Services

**Project Director: Dan Bloom**

MDRC  
16 East 34th Street  
New York, NY 10016

Contract Number: HHSP 233-2010-0029YC

This report is in the public domain. Permission to reproduce is not necessary.

Suggested citation: Glosser, Asaph, and Emily Ellis. (2018). *Tribal Solutions: Subsidized Employment Programs Serving American Indians and Alaska Natives*. OPRE Report 2018-94. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

Disclaimer: The views expressed in this publication do not necessarily reflect the views or policies of the Office of Planning, Research, and Evaluation, the Administration for Children and Families, or the U.S. Department of Health and Human Services.

This report and other reports sponsored by the Office of Planning, Research, and Evaluation are available at [www.acf.hhs.gov/programs/opre](http://www.acf.hhs.gov/programs/opre).





# Overview

## Introduction

People served by public assistance programs such as Temporary Assistance for Needy Families (TANF) often have difficulty finding jobs in the competitive labor market. This report describes the ways in which eight TANF programs primarily serving American Indian and Alaska Native (AIAN) families use subsidized employment. Subsidized employment programs rely on public funds to subsidize the wages that employers pay when they provide jobs to individuals who cannot find them in the competitive labor market. It can be used to create jobs in areas where there are more people interested in work than there are available jobs. It can also help individuals with barriers to employment gain work experience while earning income.

## Primary Research Questions

The primary research questions of this report include the following:

- How do Tribal TANF programs use subsidized employment to engage TANF recipients in work activities?
- What challenges do Tribal TANF programs face in implementing subsidized employment programs?
- How do the approaches to subsidized employment taken by some Tribal TANF programs differ from other subsidized employment models used to serve low-income people?

## Purpose

The unemployment rate for AIAN individuals is consistently higher than for any other racial group in the United States, and many AIAN communities face substantial barriers to employment. To address these barriers, some Tribal TANF programs have implemented subsidized employment programs designed to increase both participants' income and their employability. This report highlights strategies that these programs have used and the contexts in which they operate.

## Key Findings

Key findings include the following:

- **Subsidized employment provides work opportunities for individuals in AIAN families with limited work experience and barriers to employment.** Tribal and state TANF programs are using an array of strategies to engage AIAN families in subsidized employment.

Along with income, these positions provide opportunities to build work experience, job skills, and marketability in the competitive labor market.

- **The local and economic context of the service area influences the approach state and Tribal TANF programs take in implementing subsidized employment.** In areas with more limited job availability, subsidized employment functions as an opportunity to provide TANF participants with a temporary job that may also benefit the local community. However, the broader limitations of the local economy minimize opportunities for their transition to unsubsidized employment. When the local economy is larger and more diverse, programs place a heavier emphasis on positions that can lead to unsubsidized employment.

## Methods

People served by the programs described in this report represent a range of regional, geographic, economic, and cultural diversity. However, they are not representative of the diversity of TANF programs serving AIAN families across the country. Instead, they were recommended to the research team by regional staff from the Administration for Children and Families' Office of Family Assistance as examples of active subsidized employment programs serving tribal people.

The research team contacted administrators at the recommended programs, and the staff members of programs described in this report participated in phone interviews. The research team also conducted site visits to two of the programs.

# Contents

<b>Overview</b>	iii
<b>List of Exhibits</b>	vi
<b>Acknowledgments</b>	vii
<b>Authors' Note</b>	viii
<b>Introduction</b>	1
<b>Overview of the Tribal TANF Program</b>	2
Flexibility in Tribal TANF Program Rules	2
Barriers to Employment in Tribal Communities	4
<b>TANF Programs Described in this Report</b>	7
TANF Program Structure	8
TANF Program Requirements and Offerings	10
Participation Trends and Caseload Size	10
Common Barriers	13
<b>Subsidized Employment in the Eight Programs</b>	14
Purposes of Subsidized Employment	15
Recruitment	16
Subsidized Job Development	16
Subsidized Employment Placement	17
Case Management and Mentorship	18
Subsidy Structures	18
<b>Participating Employers and Placement Practices</b>	22
Subsidized Employment with Tribal Councils	22
Subsidized Employment with Small Employers	23
Employer Motivations for Hiring Subsidized Placements	24
Aligning Placements with Participants' Interests	25
<b>Findings</b>	25
<b>Conclusion</b>	27
<b>Appendix</b>	
<b>A Spotlight on Tanana Chiefs Conference and White Earth Nation</b>	28
<b>References</b>	32

## List of Exhibits

### Table

1	Overview of Eight Tribal TANF Programs	11
2	Wage Subsidy Structure	19

### Figure

1	Tribal Subsidized Employment Program Service Area	9
---	---	---

### Box

1	Tanana Chiefs Conference Athabascan Values	5
A.1	Spotlight on Tanana Chiefs Conference	29
A.2	Spotlight on White Earth Nation	30

## Acknowledgments

We are grateful to the tribal communities who were so welcoming to us and to staff members at each of the eight programs profiled in this report who were so giving of their time. In particular, we appreciate the willingness of program staff at White Earth Nation and Tanana Chiefs Conference to host us for site visits.

We would like to thank Nicole Denmark, Mark Fucello, Naomi Goldstein, and Girley Wright of the Office of Planning, Research, and Evaluation of the Administration for Children and Families for their insightful comments and feedback on this report. We also thank Stan Koutstaal of the Office of Family Assistance for his thoughtful review.

We are also grateful to the many MDRC and MEF Associates staff members who provided guidance and feedback throughout our work on this report. Dan Bloom, Mary Farrell, Gayle Hamilton, and Alice Tufel provided extremely helpful comments on multiple drafts of the report. Liza Rodler provided valuable assistance conducting background research for the report. Abby Durgan skillfully coordinated report production and Paul Veldman was instrumental in designing report exhibits. Finally, we thank the publications staff at MDRC, especially Christopher Boland, who edited the report, and Ann Kottner, who prepared it for publication.

The Authors



## Authors' Note

As researchers, we always try to always be cognizant of our role as outsiders when we enter communities that are not our own. This means demonstrating respect for the norms, traditions, and unique cultural circumstances of each community in which we conduct research. This imperative is especially crucial when, as nonnatives, we conduct research in tribal communities. Each of the communities we discuss has a unique history and culture that influences who they are, how they govern themselves as a sovereign nation, and how they support the needs of their tribal members. As noted in a 2012 report on research in tribal communities, “Few nonnative researchers possess an awareness of Native American culture and belief systems, including the continuing effect of American colonialism on the peoples they seek to study.”<sup>1</sup> We do not presume to hold such an awareness. Instead, we hope that our work here demonstrates the respect we have for the communities operating the programs we profile in this report.

We take seriously the charge outlined by the Alaska Native Knowledge Network in its *Guidelines for Respecting Cultural Knowledge* that “Researchers are ethically responsible for obtaining informed consent, accurately representing the cultural perspective and protecting the cultural integrity and rights of all participants in a research endeavor.” Our goal is not to speak for the tribal communities in this report. Instead, our hope is that this report faithfully describes the work of the tribal communities we profiled in such a way as to inform future efforts to support the needs of low-income American Indian and Alaska Native people.

The Authors

---

<sup>1</sup>Harding et al. (2012).

## Introduction

People served by public assistance programs such as Temporary Assistance for Needy Families (TANF) often have limited work history, low education levels, or other barriers to employment that reduce their viability in the competitive labor market. TANF provides cash assistance and other services to low-income families with children. One strategy that local TANF programs use to help recipients move toward self-sufficiency is subsidized employment. Subsidized employment programs rely on public funds to subsidize the wages employers pay when they provide jobs to individuals who cannot find them in the regular labor market. It can be used to create jobs in areas where there are more people interested in work than there are available jobs. It can also help individuals with barriers to employment gain meaningful work experience while earning income. Along with state and county TANF programs, some TANF programs serving American Indians and Alaska Natives (AIAN) have turned to subsidized employment programs to meet the needs of these families.

This report describes the ways in which eight TANF programs primarily serving AIAN families use subsidized employment. It discusses the unique geographic, economic, and cultural factors in such programs that influence the programs and the experiences of their participants. It also assesses the ways in which subsidized employment programs operated by Tribal TANF programs may differ from subsidized employment programs operated by state and county TANF programs. Finally, the report highlights some promising practices as well as challenges in Tribal TANF-run subsidized employment programs.

As of 2015, there were 70 Tribal TANF programs in the United States that were serving 284 federally recognized tribes and Alaska Native villages.<sup>1</sup> State TANF programs serve many other AIAN families. There is great diversity both within and across tribes and Tribal TANF programs. This report is not meant to be exhaustive, and the programs it features are not representative of all TANF programs that primarily serve AIAN families. Instead, the report adds to the relatively limited existing literature on how TANF programs serve AIAN families and the role subsidized employment plays.

Key findings from the report include:

- **Subsidized employment provides work opportunities for individuals in AIAN families with limited employment experience and barriers to employment.** Tribal and state TANF programs are using an array of strategies to engage AIAN families in subsidized employment. Along with income, these

---

<sup>1</sup>Office of Family Assistance (2017).

positions provide opportunities to build work experience, job skills, and marketability in the competitive labor market.

- **The local and economic context of the service area influences the approach state and Tribal TANF programs take in implementing subsidized employment.** In areas with more limited job availability, subsidized employment functions as an opportunity to provide TANF participants with a temporary job that may also benefit the local community. However, the broader limitations of the local economy minimize opportunities for their transition to unsubsidized employment. When the local economy is larger and more diverse, programs place a heavier emphasis on positions that can lead to unsubsidized employment.

This short report was produced as part of the Subsidized and Transitional Employment Demonstration (STED). STED is funded by the U.S. Department of Health and Human Services, Administration for Children and Families. STED is assessing whether various subsidized employment interventions affect key outcomes for participants, including employment and earnings. The project tests innovative subsidized employment programs targeting public assistance recipients, disadvantaged young people, and other low-income groups.<sup>2</sup> MDRC and its partners are evaluating these programs. Unlike the other components of STED, this study does not evaluate the effectiveness of the eight subsidized employment programs, instead it describes their implementation and promising practices.

## Overview of the Tribal TANF Program

Federally recognized AIAN tribes are eligible to administer their own TANF programs alone or as a consortium with other tribes. Seven of the eight programs described in this report are Tribal TANF programs. The eighth program is run by White Earth Nation in Minnesota, which administers a state TANF program to enrolled tribal members, and therefore, is subject to the state's TANF policies.

### Flexibility in Tribal TANF Program Rules

Federal TANF policy requires state programs to follow certain requirements and places some restrictions on the use of federal TANF funds. Key among those regulations are work par-

---

<sup>2</sup>STED is studying the effect of subsidized employment interventions in the following sites: Atlanta, Chicago, Los Angeles, Minnesota (Ramsey, Scott, and Dakota Counties), New York City, and San Francisco. More information on these tests can be found in Bloom (2015).

ticipation rates and TANF receipt time limits. The percentage of eligible clients who are participating in work activities is referred to as the “work participation rate.”<sup>3</sup> The federal law outlines 12 categories of work-related activities that can count toward a state’s work participation rate, though states may be more restrictive in defining which of the 12 activities can count.<sup>4</sup> Additionally, states cannot use federal funds to provide TANF cash assistance for more than 60 months to a family that has an adult recipient.<sup>5</sup>

Tribal TANF programs have additional flexibility in designing their programs. Tribal TANF programs can define work activities and supports to cover traditional and culturally relevant activities including, for example, subsistence activities such as hunting, fishing, and gathering, as well as traditional work activities such as pottery making, wood carving, and beading.<sup>6</sup> Further, Tribal TANF programs can count vocational training and participation in education with no time restrictions. Tribal TANF programs can also define the number of required work hours and can negotiate the work participation rate with the Administration for Children and Families based on economic conditions and the resources available. In 2015, the most recent year for which data are available, Tribal TANF programs’ negotiated work participation rates ranged from 20 to 50 percent, with an average of 32.9 percent.<sup>7</sup>

Tribal TANF programs or communities within their service areas may also be exempt from TANF receipt time limits based on local economic circumstances. For instance, months in

---

<sup>3</sup>The required work participation rate for all of a state’s TANF families is 50 percent, and the required rate for two-parent families is 90 percent.

<sup>4</sup>The 12 work-related activities include 9 core activities, and 3 non-core activities. The non-core activities can be counted toward work requirements only if participants engage in them concurrently with core activities. Core activities include unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience, and on-the-job training; job search and job readiness assistance; community service programs; vocational educational training (for up to 12 months); and providing child care services to an individual who is participating in a community service program. Non-core activities include job skills training related to employment, education directly related to employment, and attendance at a secondary school or in pursuit of a General Educational Development certificate. Office of Family Assistance (2012).

<sup>5</sup>States may exceed the 60-month limit for up to 20 percent of their caseloads through hardship exemptions. Office of Family Assistance (2009).

<sup>6</sup>Subsistence refers to the gathering, hunting, processing, and consumption of wild resources from the natural environment. The Bureau of Indian Affairs website reports that some Alaska Native people find the term subsistence objectionable and prefer the phrase “our way of life,” as these practices represent tribal values and traditions (Bureau of Indian Affairs, 2017). There are federal laws governing subsistence in Alaska that give rural Alaska residents priority access to federal public lands.

<sup>7</sup>Office of Family Assistance (2015).

which 50 percent or more of the adults in tribal communities are not employed do not count against the 60-month TANF cash assistance time limit.<sup>8</sup>

A 2013 study of four Tribal TANF programs found that each of the programs utilized the flexibility afforded by Tribal TANF to meet the unique geographical and cultural context of its respective tribal communities.<sup>9</sup> The study described how tribal culture plays an integral role in the design of programs, making them both relevant and empowering for program participants. These findings align with what many of the program staff members interviewed for the present study said about subsidized employment. These staff members emphasized how subsidized employment aligns with program goals and tribal values, particularly those related to self-sufficiency, such as working hard and supporting one's family.

### **Barriers to Employment in Tribal Communities**

In conversations with the research team, program administrators and staff members in the eight programs consistently described the strength and resilience of their tribal communities. They emphasized the way in which their cultures shaped their approach to supporting the needs of community members, the strong family connections that provide social support and sustain cultural identity, and the respect for elders that helps forge strong intergenerational bonds.

These perspectives align with prior research describing how family networks, activities connecting individuals to their cultural heritage, and community-based organizations provide sources of strength and resiliency to AIAN communities.<sup>10</sup> For example, AIAN young people report that their favorite aspects of their communities are most often derived from family networks, cultural traditions, and spiritual activities.<sup>11</sup> Activities that strengthen connections to tribal identity have also been described as “cultural buffers” that may work in opposition to some of the risk factors young people face, such as alcohol abuse and teenage pregnancy.<sup>12</sup> Beyond strength, communities' reliance on cultural tradition and efforts to retain connections to tribal histories also provide sources of resiliency. Evidence of this resiliency can be seen in tribes' efforts to teach tribal languages to AIAN youth.<sup>13</sup> Box 1 presents the Tanana Chiefs Conference's statement of

---

<sup>8</sup>This rule also applies to nonnative TANF recipients living on reservation lands. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 110 Stat. 2105, SEC. 408 (42 U.S.C. 608) (a) (7) (1996).

<sup>9</sup>Hahn, Healy, Hillabrant, and Narducci (2013). This study focused on the Navajo Nation, the Oneida Tribe of Wisconsin, the South Puget Intertribal Planning Agency, and the Tanana Chiefs Conference.

<sup>10</sup>Novins, LeMaster, Thurman, and Plested (2004).

<sup>11</sup>Mcmahon, Kenyon, and Carter (2012).

<sup>12</sup>Kaufman et al. (2007).

<sup>13</sup>Frey (2016).

Athabascan Values, an example of how one AIAN community sees its broader values applying to its public assistance services.

**Box 1**

**Tanana Chiefs Conference Athabascan Values**

- Self-Sufficiency and Hard Work
- Care and Provision for the Family
- Family Relations and Unity
- Love for Children
- Village Cooperation and Responsibility to Village
- Humor
- Honesty and Fairness
- Sharing and Caring
- Respect for Elders and Others
- Respect for Knowledge and Wisdom from Life Experiences
- Respect for the Land and Nature
- Practice of Native Traditions
- Honoring Ancestors
- Spirituality

Despite these strengths, individuals interviewed often acknowledged the challenges that low-income people face in their communities. Each tribe or village has unique economic, geographic, historic, and cultural circumstances. However, many AIAN communities, both the eight programs discussed in this report and more generally, confront similar arduous barriers to employment. Reservations often have a limited number of employers, and in many cases, tribal gov-

ernments and other tribal-run entities, including schools and hospitals, are the primary employers.<sup>14</sup> The labor force participation rate among AIAN individuals is 61 percent, lower than for any other racial or ethnic group.<sup>15</sup> Similarly, the unemployment rate for AIAN individuals is among the highest of any racial group in the United States, at approximately 12 percent.<sup>16</sup> During the 2008 recession, unemployment for AIAN workers increased 60 percent more than it did for white workers, to a high of 15 percent in 2010.<sup>17</sup>

Although the size and circumstances of tribes vary greatly across the country, AIAN people, compared with the U.S. population as a whole, tend to report higher rates of poverty, health issues, and low educational levels — all of which present barriers to employment.<sup>18</sup> According to the U.S. Census Bureau, there are approximately 2.7 million people in the United States who identify solely as AIAN.<sup>19</sup> Just over 5.6 million people identify as AIAN and at least one other race, which is roughly 2 percent of the total U.S. population.<sup>20</sup> About 22 percent of AIAN families live in poverty — approximately twice the national rate.<sup>21</sup> High school graduation rates among AIAN people vary by state, but they tend to be lower than rates for other ethnic groups, averaging 80 percent across the country.<sup>22</sup>

Just over one-fifth of AIAN people live on reservation land.<sup>23</sup> Many reservations and villages lack the infrastructure to provide employment-related supportive services. For example, many communities experience a shortage of child care providers. Similarly, many communities do not have a public transportation system. Where in some areas public transportation is available, it is often limited in capacity and reliability.<sup>24</sup> Poor infrastructure also makes expanding access to transportation more difficult; over 66 percent of roads in the Indian Reservation Roads Program are unimproved earth and gravel and about one-fourth of bridges in this network have been classified as deficient.<sup>25</sup>

---

<sup>14</sup>In the United States, a reservation is an area of land reserved for occupation by American Indians by treaty or other agreement with the federal government. Reservations may also be referred to as villages, typically in Alaska.

<sup>15</sup>Bureau of Labor Statistics (2016).

<sup>16</sup>U.S. Census Bureau (2015).

<sup>17</sup>Austin (2013).

<sup>18</sup>Sarche and Spicer (2008).

<sup>19</sup>U.S. Census Bureau (2016).

<sup>20</sup>U.S. Census Bureau (2016).

<sup>21</sup>U.S. Census Bureau (2016). The federal poverty level for a family of four in 2017 was \$24,600.

<sup>22</sup>U.S. Census Bureau (2016).

<sup>23</sup>U.S. Census Bureau (2016).

<sup>24</sup>Boyles et al. (2006).

<sup>25</sup>National Congress of American Indians (2017).



Mental health and substance abuse issues create additional barriers to employment for AIAN individuals, who report some of the highest rates out of any racial or ethnic group in the country. More than one in five AIAN adults reported a mental illness in 2014, and the suicide rate for AIAN individuals ages 15 to 34 is 2.5 times the national average.<sup>26</sup> Binge drinking rates are reportedly higher for AIAN adults than the national average (31 percent, compared with 25 percent), and alcoholism-related mortality is over five times as high.<sup>27</sup> Higher rates of AIAN women and children also report exposure to domestic violence, which can have long-term effects on mental health and is associated with behavioral problems and substance abuse.<sup>28</sup>

## TANF Programs Described in this Report

***Participant Profile:** Kylie is a single mother with several children, the oldest of whom is in his 20s.<sup>29</sup> She identified herself as an alcoholic who has suffered from depression. She had suffered a recent relapse, but the program connected her with a crisis counselor who was able to get her medication to address her depression and she stopped drinking again. She had a previous career in commercial fishing, but her relapse made finding work in that area difficult. She was not enthusiastic about participating in subsidized employment — “I came to [the program orientation] kicking and screaming.” However, she found that the combination of job skills, motivational speakers, and teaching from tribal elders was exactly what she needed. She said the program changed her outlook, and “everything just got brighter.” She found it helpful to be around positive and supportive people and the experience made her excited to pursue employment.*

The AIAN people served by the programs described in this report represent a range of regional, geographic, economic, and cultural diversity. They are not representative of the variety of TANF programs serving AIAN families across the country. Instead, they were recommended to the research team by regional staff members from the Office of Family Assistance as examples of active subsidized employment programs serving AIAN people. Seven of the programs were selected in this manner, and one, White Earth Nation, was selected based on its involvement in the STED demonstration.<sup>30</sup>

---

<sup>26</sup>Substance Abuse and Mental Health Services Administration (2016).

<sup>27</sup>Center for Native American Youth at the Aspen Institute (2017).

<sup>28</sup>Sarche and Spicer (2008).

<sup>29</sup>This profile and all subsequent ones are based on a combination of direct conversations with participants and interviews with program staff and employers. Participant names and details have been changed to protect privacy.

<sup>30</sup>The White Earth Nation program was part of the Minnesota STED (MSTED) program, which participated in the STED study. While White Earth Nation had some flexibility in program implementation, the broader MSTED program defined the eligibility criteria and subsidy structure. Further, because White Earth Nation administers Minnesota’s TANF program, the Minnesota Family Investment Program, it is not afforded the flexibility in the design of its TANF program that Tribal TANF programs are allowed. The MSTED program in White Earth Nation operated from September of 2015 through April of 2016.

The report focuses on the following eight programs:

- Bristol Bay Native Association — Alaska
- Cook Inlet Tribal Council — Alaska
- Muscogee (Creek) Nation — Oklahoma
- Navajo Nation — Arizona, New Mexico, and Utah
- Owens Valley Career Development Center — California
- South Puget Intertribal Planning Agency — Washington
- Tanana Chiefs Conference — Alaska
- White Earth Nation — Minnesota

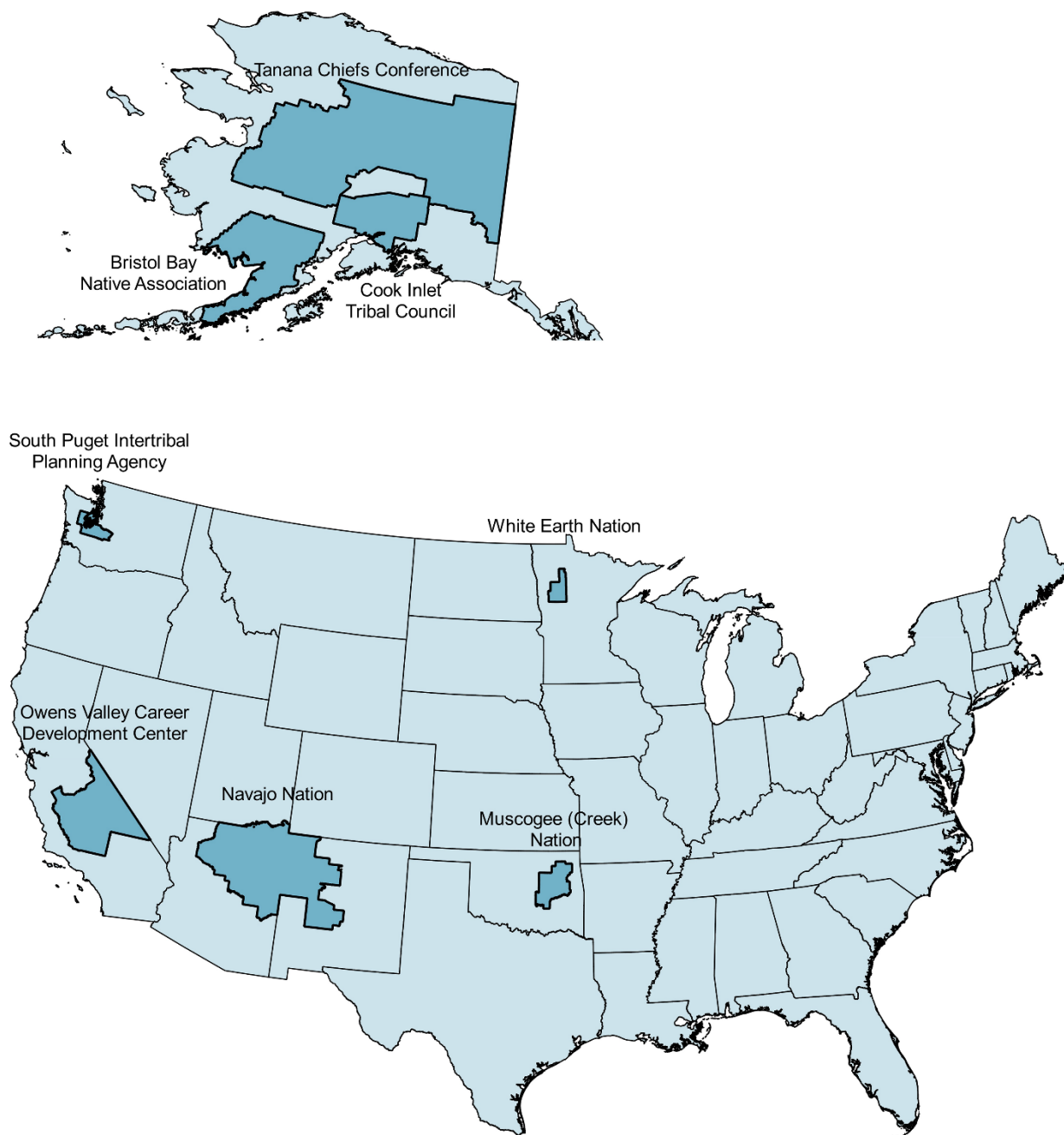
The research team contacted administrators at the eight recommended programs. Staff members from the programs participated in semi-structured interviews. Interviews were conducted over the phone for all programs except White Earth Nation. In addition, the research team conducted site visits to Tanana Chiefs Conference and White Earth Nation. Appendix A spotlights these two programs. Interviewees included program administrators, frontline staff, and employers participating in the subsidized employment program. At one program, the research team also interviewed participants and observed some program activities.

### **TANF Program Structure**

The eight programs described in this report use one of three types of administrative structure. The three structures are (1) Tribal TANF program administered by a nonprofit tribal consortium or Alaska Native regional nonprofit made up of multiple tribes, (2) Tribal TANF program administered by a single tribe or village, and (3) state TANF program administered locally by a single tribe.

Most of the eight programs have large geographic service areas, encompassing multiple counties and in one case multiple states. In the case of consortia, the service area may include multiple reservations or villages. Seven of the eight programs have a service area that includes a blend of urban, suburban, and rural areas. Figure 1 shows the eight programs and their service areas.

**Figure 1**  
**Tribal Subsidized Employment Program Service Area**



## **TANF Program Requirements and Offerings**

The geographic diversity within each program's service area means there is also variation in economic opportunities within each service area. Additionally, some of the programs serve reservations that are exempt from TANF time limits due to rates of unemployment at or above 50 percent, as explained earlier. For programs that serve multiple tribes, some of the reservations within a service area may be subject to time limits, and some may be exempt. For programs operated by a single tribe, the entire reservation may or may not be exempt from time limits.

The administrators of the eight TANF programs profiled in this report indicated in interviews that there are different expectations for work depending on if the client is job ready or if the person faces barriers that would hinder successful employment, such as substance abuse or domestic violence. Some tribal programs exempt clients from work activities while they resolve these issues, while others count treatment as a work activity.

For those clients who are job ready and required to participate in work activities, common activities include work experience, job searching, and education (directly related to employment) or vocational training. These activities are among the 12 valid work-related activities defined by the federal TANF program.<sup>31</sup> All eight programs include job search components, though they vary in how structured the job search components are. Some involve one-on-one meetings with case managers, while others offer more formal job clubs in which clients undertake their job search in a facilitated, group setting.

The eight programs use the flexibility allowed in Tribal TANF programs to include additional activities, such as subsistence work and other traditional cultural activities. In some areas with limited employment opportunities, particularly in rural Alaska, interviewees indicated that these activities compose the majority of work activities. Administrators of other programs believed that while cultural activities are important, clients should engage in them in conjunction with other activities and should not primarily focus on them.

## **Participation Trends and Caseload Size**

Table 1 provides an overview of the eight tribal programs. The programs vary in terms of the number of individuals served. The average monthly adult caseload in 2015 ranged from 71

---

<sup>31</sup>Work experience, also referred to as community service in some TANF programs, is work done for an employer in return for TANF benefits. Participants gain experience working, but usually do not receive a wage for this work. Some of the programs examined in this report offer stipends and incentives for participation in work experience.

Table 1

## Overview of Eight Tribal TANF Programs

Program and Location	Administrative Structure	Service Population	Geographical Area	Exempt from Time Limits	Average Monthly Adult Caseload 2015 Fiscal Year
Bristol Bay Native Association — Alaska	Tribal TANF program administered by an Alaska Native regional nonprofit organization of 31 member tribes.	31 Alaska Native villages and all native and nonnative families in the Bristol Bay Region. Almost all of their clients are native.	Service area is 46,573 square miles. The hub, Dillingham, is more densely populated. Otherwise, it is extremely rural.	Of the 31 communities served by the program, 25 are exempt from time limits and 6 communities are subject to time limits.	129
Cook Inlet Tribal Council — Alaska	Tribal TANF program administered by an Alaska Native regional nonprofit consisting of 8 member tribes.	Members of a federally recognized tribe (and their spouses) residing within the service area.	Program serves Anchorage and the Matanuska Susitna Borough. Anchorage is more densely populated; Matanuska Susitna Borough is more suburban.	All communities are subject to time limits.	638
Muscogee (Creek) Nation — Oklahoma	Tribal TANF program administered by a single tribe.	At least one member of applicant family must be enrolled in a federally recognized tribe.	Service area includes 11 counties. Northern area is more densely populated with stronger economy; southern area is more rural with weaker economy.	The entire service population is subject to time limits.	164
The Navajo Nation — Arizona, New Mexico, and Utah	Tribal TANF program administered by a single tribe.	Native and nonnative individuals residing within the service area.	Service area is 27,425 square miles. It is mostly rural, with some more densely populated areas.	The entire service population is subject to time limits.	2,198
Owens Valley Career Development Center — California	Tribal TANF program administered by a nonprofit tribal consortium of 12 tribes.	Members of any federally recognized tribe and descendants of Native Americans included on California's judgment roles who are residing in the service area.	Service area is the 12 tribes' reservations, as well as Inyo, Kern, Tulare, Kings, Mono, and Fresno counties.	4 of the reservations are exempt from time limits.	899

(continued)

**Table 1 (continued)**

Program and Location	Administrative Structure	Service Population	Geographical Area	Exempt from Time Limits	Average Monthly Adult Caseload 2015 Fiscal Year
South Puget Intertribal Planning Agency (SPIPA) — Washington	Tribal TANF program administered by a tribal consortium of 5 member tribes.	Members of any federally recognized tribe residing in the service area, except for members of two of SPIPA's governing tribes that do not participate in SPIPA's TANF program.	Service area includes 3 reservations of member tribes, as well as Thurston, Pierce, Mason, and Kitsap counties. Area includes both rural and urban communities.	3 reservations are exempt from time limits.	404
Tanana Chiefs Conference — Alaska	Tribal TANF program administered by an Alaska Native regional nonprofit organization serving 37 member tribes.	Members of any federally recognized tribe residing in the service area.	Service area is 235,000 square miles. The hub is Fairbanks, an urban area. Otherwise, it is extremely rural.	2 villages are subject to time limits.	71
White Earth Nation — Minnesota	State TANF program administered locally by a single tribe.	Members of White Earth Nation and their descendants residing in the service area.	Service area includes 3 counties in Northwestern Minnesota and is very rural.	The entire service population is subject to time limits.	158

SOURCE: Data from the Office of Family Assistance; White Earth Nation program data from the Minnesota Department of Human Services.

at the Tanana Chiefs Conference to over 2,000 in the Navajo Nation. Staff members from several programs indicated that caseloads in these programs fluctuate throughout the year, often because TANF clients cycle on and off TANF due to the seasonal nature of employment. For example, Bristol Bay Native Association administrators shared that many clients participate in seasonal commercial fishing, and Tanana Chiefs Conference administrators reported that clients work in seasonal firefighting, as well as in the oil and gas industry. When employed in these industries, clients tend to leave the TANF rolls for their period of employment. However, when the season is over, they reapply for TANF benefits.

### **Common Barriers**

Administrators indicated that clients fare better in subsidized employment when they are not facing substantial personal barriers, such as mental health issues or substance abuse. The programs attempt to address these barriers before engagement in work-related TANF program activities, with the belief that this greater stability increases client success.

In addition to personal barriers, participants also face structural barriers, such as access to reliable transportation and child care. However, in many tribal communities, these structural barriers are exacerbated due to fewer service providers and more limited transportation options.

The limited financial resources of Tribal TANF recipients, combined with the large and remote geographic areas in which they live, make access to reliable and affordable transportation especially challenging for them. Automobile ownership and repair costs can be prohibitive, and public transportation is either nonexistent or limited. For example, in White Earth Nation, the bus service consists of only one route that runs in a single loop. This bus does not serve all the communities and has limited hours, and it can take up to two hours for passengers to reach their destination. At the Tanana Chiefs Conference, administrators said that there is a bus line in the urban area of Fairbanks, but it has limited hours that do not necessarily align with work shifts, particularly higher-paying night shifts. For both Tanana Chiefs Conference and Bristol Bay Native Association, many of the remote villages in their respective service areas are inaccessible by road and must be reached by plane or boat. Administrators in the Navajo Nation said that it is common for residents to have to drive two hours to work.

Child care is also a challenge. Administrators emphasized the advantages of center-based care, given that it offers greater stability than home-based or other more informal care arrangements in which backup support is limited. However, the number of centers is small, especially in more rural areas. For example, in White Earth Nation, the closest center for many families is up to 22 miles away. Multiple program administrators indicated that even where child care centers and associated subsidies are available, there are often few open slots for children. Thus, many families must depend on family and social networks, which can result in gaps in child care coverage. Additionally, many families prefer to use known networks and are not comfortable with



placing their children in centers, even when slots at a center are available. Administrators shared that they work with families to develop backup plans, though child care remains a barrier. For example, one participant shared that she and her boyfriend worked opposite shifts, and her boyfriend cared for her child when the participant worked. Two months into the subsidized position, the participant and her boyfriend broke up, resulting in the loss of this child care arrangement. The participant was subsequently fired from her position because she had to miss work to look after her child.

## Subsidized Employment in the Eight Programs

***Participant Profile:** Cole is in his mid-40s and lives with his wife and family in a rural village. He has prior experience as a handyman, helping to repair homes in his village and occasionally doing repair work for the tribal council. He has also done seasonal work as a firefighter. He hunts and fishes, though he emphasized that restrictions by the state's department of fish and game have made it harder to get enough food to feed his family and to sell for income. He reported that, aside from the tribal council and the post office, there are few employment opportunities in his village — "The only job available is mother nature. But you need more help than living off mother nature."*

*He and his wife have been on and off TANF in recent years, and program staff told them they were required to participate in the program if they wanted to avoid sanction. He was excited about the opportunity and the fact that he would get a job when he returned to his village. His goal is to get more work in construction, specifically rehabilitating houses in the village and doing construction work for the tribal housing authority.*

The eight programs designed their subsidized employment programs to meet the unique needs of the people they serve. However, there were some commonalities across these programs. This section describes the subsidized employment programs in these eight programs. In addition, where appropriate, comparisons are made between these eight programs and the subsidized and transitional employment programs that participated in STED and in the Enhanced Transitional Jobs Demonstration (ETJD), another large demonstration funded by the U.S. Department of Labor.<sup>32</sup> STED and ETJD focused on subsidized and transitional employment programs operated by cities, state and county TANF programs, workforce development programs, and community-based organizations.

---

<sup>32</sup>Employment and Training Administration (2017). ETJD used randomized controlled trials to test the effect of subsidized and transitional employment programs targeting noncustodial parents and previously incarcerated individuals.

## Purposes of Subsidized Employment

TANF and other social service programs have traditionally used subsidized employment for two primary purposes: (1) to provide work opportunities to individuals with barriers to employment that may lead to unsubsidized employment, and (2) to create temporary jobs when there are more people who want to work than there are available jobs.<sup>33</sup> The first purpose is evident for the programs participating in STED and ETJD, as well as in the eight tribal programs profiled in this report. However, to varying degrees, the eight tribal programs also use subsidized employment for the second purpose.

The local economy drives the approach that the eight tribal programs take to implementing subsidized employment. Given the geographic and economic diversity of each program's service area, approaches to and expectations for subsidized employment can also vary *within* each program.

In areas where the local economy is relatively large, programs tend to view subsidized employment as an option for providing participants with work opportunities that are similar to the experience they might have in an unsubsidized job. In these areas, programs place greater emphasis on identifying positions that have the potential to lead to regular, unsubsidized employment. In areas with more restricted economies, programs view subsidized employment as a way to provide temporary jobs to participants.

While administrators interviewed for this report all described subsidized employment as a tool to move participants toward unsubsidized work and to reduce dependency on government benefits, their programs vary in the degree to which they prioritize identifying positions that will most likely lead to unsubsidized employment.

The Tanana Chiefs Conference is one program whose approach varies within its service area. In Fairbanks, administrators reported that it is possible for participants to find positions that continue beyond the subsidy period. In the rural and remote villages, though, administrators viewed subsidized employment as a way to provide a client with a temporary job, infuse the local economy with some money, and fund work that supports the needs of the community.

Administrators from South Puget Intertribal Planning Agency, Owens Valley Development Center, and Bristol Bay Native Association expressed similar sentiments, noting that they have had less success with transitioning clients from subsidized to unsubsidized employment in rural areas, and greater success doing so in more densely populated areas. However, even when an employer is unable to hire a participant after the subsidy period, subsidized employment provides participants with jobs and allows them to earn income doing necessary work.

---

<sup>33</sup>MDRC (2017).

Muscogee (Creek) Nation is a program that places strong emphasis on finding positions with a likelihood of transitioning clients to unsubsidized employment and into positions that will lead to a career. The tribe typically only uses subsidized employment in the northern part of its service area, which has a stronger economy than in the south. Because the goal is to place participants in positions that will lead to a career, the Muscogee (Creek) Nation does not subsidize positions that typically experience high turnover, such as positions in the restaurant industry.

### **Recruitment**

The eight programs differ in how they identify and engage potential subsidized employment participants.

- **Voluntary participation**

In all but one of the programs, participation in the subsidized employment program is voluntary. Often, the small scale of these programs makes it easier for staff members to customize job development and placement to the needs of individual participants. Administrators indicated that the TANF programs maintain lists of job-ready clients and notify certain clients if a subsidized job opportunity becomes available in an area of interest to them. Case managers may refer certain clients who they determine may be interested in and may benefit from a subsidized position. Caseworkers from the White Earth Nation and Navajo Nation refer potential participants to another staff person who provides an overview of the program. The Navajo Nation's program also includes an intensive marketing campaign that encourages clients to inquire about the program. In these programs, while case workers may refer clients, it is still the client's decision to participate or not.

- **Mandatory participation**

For the Tanana Chiefs Conference, subsidized employment is the main work activity available to clients who are required to participate in work activities, are not engaged in education or training, and do not have unsubsidized jobs. Case managers identify these individuals and refer them to the Tanana Chiefs Conference's subsidized employment program. For these individuals, participation in subsidized employment is a mandatory activity, and the program can impose sanctions for nonparticipation.

### **Subsidized Job Development**

The programs described here generally use one of the following three different approaches to develop subsidized positions: (1) employers notify program staff of openings that could be subsidized, (2) program staff regularly contact employers to develop new subsidized positions, and (3) participants are responsible for securing subsidized positions. In some cases,

programs use a combination of these approaches, and they may also vary their approach within a service area based on economic conditions. Programs participating in STED and ETJD also used the latter two approaches to job development.

- **Reliance on employers to notify the program about available positions**

Muscogee (Creek) Nation, Cook Inlet Tribal Council, and South Puget Intertribal Planning Agency largely rely on employers to notify them when positions are available. Program staff market the benefits of the program to these employers, such as the wage subsidy and assistance in filling open positions, and the employers proactively notify the program when potential positions are available. Program staff then consult the list of job-ready clients and discuss the work opportunity with clients who may be a good fit. Administrators of these programs noted that employers in the area are familiar with the program, and, particularly in areas with limited employment opportunities, there is little reason to continually reach out to employers. However, program staff indicated that they do sometimes actively develop jobs with new employers as necessary, typically in areas with greater employment. Cook Inlet Tribal Council also encourages participants to identify positions of interest.

- **Contacting employers to identify subsidized employment positions**

Other programs, including Owens Valley Career Development Center, Bristol Bay Native Association, White Earth Nation, and Navajo Nation, have staff members focused on identifying subsidized employment opportunities for participants, often customizing job development based on the strengths and interests of a given client. For example, White Earth Nation has a designated employment specialist who develops relationships with employers relevant to the unique interests of program participants.

- **Participant-led job development**

Some programs place the primary responsibility for job development on individual participants. For example, the Tanana Chiefs Conference expects participants to reach out to potential employers. The program provides participants with lists of employers who have previously accepted subsidized positions, as well as a letter for employers explaining the specifics of the program.

## **Subsidized Employment Placement**

The overall number of individuals enrolled in subsidized employment in the eight programs is relatively low. Each program reported that fewer than 50 individuals participated in subsidized employment in 2016 and three reported fewer than 10 participants.

## **Case Management and Mentorship**

The programs often use customized case planning to support participant success in finding and remaining employed. At Tanana Chiefs Conference, job coaches serve as both mentors for participants as well as intermediaries between the program, employers, and participants. Job coaches are paid members of the community recruited by Tanana Chiefs Conference to provide job leads to participants and support them in their period of subsidized employment. Job coaches regularly check in with participants and employers to proactively resolve any issues and communicate problems to the program's case workers when they need to step in. In White Earth Nation's program, participants work with a designated job developer to find subsidized positions. This job developer provides support to participants throughout the period of subsidized employment, and regularly checks in with employers.

## **Subsidy Structures**

Table 2 provides an overview of the subsidy structures, including maximum amounts, duration, the percentage of wages subsidized and any other employer expenses that are reimbursed, whether subsidized earnings are disregarded for the purposes of calculating the TANF grant amount, and whether the client is placed directly on the employer's payroll or whether the tribe serves as the employer of record.

Generally, the programs offer longer subsidy periods, higher wages for participants, and higher rates of wage reimbursement to the employer, compared with recently evaluated nontribal subsidized employment programs that have been evaluated.

- **High hourly wage subsidies**

Five of the programs have no cap on the hourly wage subsidy. Instead they pay market wages for any job a participant finds. The Tanana Chiefs Conference pays a flat \$15 per hour rate, and South Puget Intertribal Planning Agency pays up to \$20 per hour. White Earth Nation pays up to \$15 per hour for private sector jobs and \$9 per hour for nonprofit or public sector jobs. While the nontribal programs included in STED and ETJD offer a range of wage subsidy options, most of them reimbursed wages at levels closer to minimum wage.

- **Long subsidy duration**

The eight tribal programs offer a subsidy for a longer duration than the nontribal programs evaluated in STED and ETJD. Almost all them provide subsidized employment for up to six months, and three programs, Cook Inlet Tribal Council, South Puget Intertribal Planning Agency, and Tanana Chiefs Conference, allow participants to extend the subsidy period or

**Table 2**  
**Wage Subsidy Structure**

Tribal Organization	Maximum Subsidy per Participant	Duration	Subsidy Level	Subsidized Employment Earnings Disregard	Employer of Record
Bristol Bay Native Association	No maximum.	Up to 6 months; typically 2 or 3 months.	100% wages.	Some earnings are disregarded, but the site did not provide details.	Employer.
Cook Inlet Tribal Council	No maximum.	6 months; clients can do 3-month extension on case-by-case basis if additional time on subsidy is likely to lead to unsubsidized employment.	100% wages, Federal Insurance Contributions Act (FICA), worker's compensation insurance, unemployment insurance, 401k.	No disregard.	Employer.
Muscogee (Creek) Nation	No maximum.	Up to 6 months.	100% wages and worker's compensation for first 3 months; 50% wages and 100% worker compensation insurance for next 3 months.	No disregard.	Employer.
The Navajo Nation	No maximum.	6 months.	100% wages, FICA, worker's compensation insurance, and unemployment insurance. Employers are also eligible for a 10% administrative cost fee, and private sector employers are eligible for Work Opportunity Tax Credit.	100% disregard.	Employer.
Owens Valley Career Development Center	No maximum.	Up to 6 months.	100% wages, FICA, worker's compensation insurance, unemployment insurance, and any costs associated with job training.	Flat \$500 disregard; in addition, 50% of the remaining earnings are disregarded.	Employer.

(continued)

**Table 2 (continued)**

Tribal Organization	Maximum Subsidy per Participant	Duration	Subsidy Level	Subsidized Employment Earnings Disregard	Employer of Record
South Puget Intertribal Planning Agency	\$20/hour maximum.	Up to 6 months per 12 month period.	For positions paying \$20/hour, 100% wages. For positions paying less than \$20/hour, 100% wages and FICA up to the \$20/hour maximum.	\$800 disregard (per case, combined).	Employer.
Tanana Chiefs Conference	Subsidy amount is a flat \$15/hour for all participants.	6 months; clients may participate in subsidized employment for up to 3 times.	100% wages, FICA taxes, and worker compensation insurance.	No disregard. Wages take the place of a TANF check and the case is closed.	Employer.
White Earth Nation	Subsidy amount is up to \$9/hour in nonprofit or public sector jobs (referred to as structured work experience). In private-sector jobs, subsidy amount is up to \$15/hour (referred to as subsidized employment).	Up to 16 weeks; it may cover the transition between structured work experience and subsidized employment.	100% wages, FICA taxes, and worker compensation insurance.	\$65 disregard of earned income, plus half of the remaining earned income per month.	White Earth Nation when structured work experience; Employer when subsidized employment.



partake in multiple periods of subsidized employment. In contrast, many of the other programs that have been evaluated in STED and ETJD offer a subsidy for only three to four months.

- **Full wage subsidy in most programs and reimbursement for other employer costs**

All but two of the eight programs provide full wage reimbursement to the employer for the entire period; the remaining programs, Muscogee (Creek) Nation and White Earth Nation, reimburse less than 100 percent of total wages in the second half of the subsidy period. In addition, all but one of the eight programs reimburse employers for costs such as worker's compensation insurance or FICA (Federal Insurance Contributions Act) contributions. In the programs participating in STED and ETJD, most offer a lower rate of reimbursement for a portion of the subsidy period. These programs also usually impose a maximum subsidy per participant, and wages tend to be reimbursed at a lower rate.

- **Earnings disregard allowed in some programs**

Five of the eight tribal programs disregard earned income for the purposes of calculating the TANF benefit, allowing participants to earn income in addition to the TANF check. The Navajo Nation offers the most generous disregard of 100 percent, allowing participants to earn wages through subsidized employment in addition to the full amount of the TANF benefit.

- **Participants are on the employer payroll in most programs**

In addition to the wages from subsidized employment, there are additional benefits available to participants in these eight programs. In all but one program, participants are on the employer's payroll during the subsidy period, as opposed to the payroll of an intermediary, such as the human services agency.<sup>34</sup> Often, subsidized employment programs use intermediaries to mitigate the risk employers perceive in hiring TANF recipients with limited or spotty work histories. In these situations, the assumption is that the participant will stop working for the employer at the conclusion of the subsidy period. However, when the participant is placed directly on the employer's payroll, employers are instead forced to act, if they want to terminate or lay off the participant. Additionally, being on the employer's payroll ensures that the participant is eligible for unemployment insurance.

---

<sup>34</sup>The White Earth Nation is the exception to this rule. When the participant was in a structured work experience position, the White Earth Nation was the employer of record. When the participant was in a subsidized position, the employer was the employer of record.

## Participating Employers and Placement Practices

***Participant Profile:** When Tracy was referred to the program, she was involved with the child welfare system. She previously had a chemical dependency and her children were placed in alternative care. At the time of her involvement with the program, Tracy had regained custody of two of her children, but was still working to regain custody of the third child. The desire to regain custody of her children motivated Tracy. Tracy had relatives supporting her with child care and rides to work, significant barriers for other TANF clients.*

*Tracy was first placed in a position doing administrative work with a nonprofit partner. While she occasionally had to miss work due to child care or transit challenges, the supervisor was understanding. She completed 24 weeks in total, after which point the employer hired her in a full-time unsubsidized position.*

All of the administrators interviewed indicated that their programs are open to placing participants with a full range of employers, including public sector or tribal agencies, nonprofits, and private sector employers. However, most said that placements in positions with tribal councils, small businesses, and small nonprofits are most common.

### Subsidized Employment with Tribal Councils

The eight programs most commonly place clients in subsidized positions within tribal government agencies. Tribal entities that operate as a consortium or Alaska Native regional nonprofit may also offer subsidized positions within their own departments.

Administrators indicated that tribal councils are more inclined to accept subsidized placements than other employers because they are more familiar with the TANF program, and they have a desire to help members of their community. Further, the tribal government is often one of the only employers in the area, especially in rural communities and on reservations, and therefore one of the only employers available to accept subsidized positions. Positions with tribal councils are often administrative, though they may vary by tribe and by economic circumstances. Tribal councils may create positions that mutually benefit the employee and the community, particularly in very rural areas.

Subsidized employment can play a critical role in supporting tribal operations, especially in rural areas. For example, Bristol Bay Native Association paid for two clients' training in water and sewer operations and then placed them in subsidized positions performing that skilled trade in a tribal village. Similarly, a rural village in the Tanana Chiefs Conference's service area employed a participant as a general maintenance person for tribal facilities.

While placements in positions with tribal councils are common for these subsidized employment programs, they are not without challenges. Multiple administrators reported that tribal councils usually do not have the funds to offer participants regular, unsubsidized employment

after the subsidized period ends. For instance, while the Navajo Nation has placed many clients in subsidized positions at a local tribal chapter (local government entity) with which it partners, the chapter is unable to hire them after the subsidy period ends. Administrators from the Navajo Nation indicated that in the future they plan to explore opportunities with more private businesses that have greater capacity to hire participants after the subsidy period ends.

Additionally, some staff members indicated that internal politics or preferential treatment drives who gets jobs, particularly in rural communities with only a handful of unsubsidized positions, limiting the ability of participants who are placed in subsidized positions to make the transition to unsubsidized employment after the subsidy period ends.

Tribes are often affiliated with for-profit entities. Examples of these entities include casinos, lumber and construction companies, oil and gas companies, and, in Alaska, Alaska Native corporations, which manage the tribes' business endeavors. However, none of the administrators interviewed reported regularly working with these entities for subsidized positions.

In some cases, programs choose not to work with these entities because they do not offer opportunities that are aligned with clients' interests. For example, the casino affiliated with White Earth Nation is the largest employer in the area, but the program does not consider the jobs they offer to be good fits for clients seeking subsidized employment. In other cases, the programs choose not to work with these entities because it takes too long for administrative approvals. Staff members from Bristol Bay Native Association noted that the lengthy time it takes the affiliated Alaska Native corporation to approve necessary paperwork for subsidized positions makes it challenging to work with them. This observation aligns with findings from STED and ETJD, in which employers expressed concerns about the administrative challenges associated with the paperwork required by subsidized employment programs.

### **Subsidized Employment with Small Employers**

Subsidized employment is often attractive to small businesses and nonprofit organizations that have thin financial margins and are concerned about the financial risks associated with expansion. Subsidized employment helps to offset labor costs for these employers and to mitigate the risk associated with new hires for those interested in expanding their business. For example, one program partnered with a business owner who hired a subsidized employment participant to do a unique task for which the company would have otherwise needed to hire a contractor. She described the program as "a great opportunity to employ somebody and not have to take on a risk."

Administrators indicated a preference for working with small employers because they find the staff members who have the authority to make decisions about the company's participation in the program to be more accessible. Further, small employers are often more willing to take

on clients who may have barriers to employment. For example, one very small business hired a client for a subsidized position who had relevant work experience, but who had also lost multiple jobs due to substance abuse issues. The employer was very pleased with the client's performance and relied heavily on the client during the subsidy period. The employer described the decision to hire the client as "a no brainer." Another small business owner said that when deciding whether a client is a good fit for a subsidized position, he looks for an ability to multitask and "for a good heart. That's pretty much it." This finding that small employers are often more willing to participate in the tribal subsidized employment programs and to take on clients with barriers to employment generally aligns with findings from STED and ETJD implementation evaluations.

While all employers interviewed had positive reactions to subsidized employment, some expressed frustration with the wage reimbursement process when it was not timely. Additionally, while subsidized employment does stand to provide substantial benefits to small employers, developing jobs with small employers can be labor intensive for programs since few small employers are able to take on multiple placements.

### **Employer Motivations for Hiring Subsidized Placements**

Both employers and program administrators indicated that subsidized employment is attractive to employers because it offers economic benefits and strengthens communities. One program administrator said that "many employers participate because of a sense of contribution to the community. They understand our mission and what it is we're trying to do which is provide opportunities for people who are low income." One manager of a nonprofit organization said she chose to participate in the subsidized employment program because there was a job opening that needed to be filled, and because "everyone needs second chances." Some employers themselves had previous experience participating in job training programs or receiving cash assistance and felt a desire to give back.

Employers' motivations for participating in subsidized employment programs were similar in STED and ETJD. Participating nonprofit organizations and public sector agencies expressed a similar sentiment about the desire to help communities. Across the programs in these demonstrations, multiple small businesses reported that they believed clients would receive sufficient support from program staff to be successful in a subsidized job placement. In a Los Angeles-based program participating in STED, for example, many employers reported that it was easier to find good candidates for low-wage positions through the subsidized employment program than to find them through traditional means. At least one employer participating in a tribal program and who accepted clients for subsidized positions also expressed this sentiment.

## **Aligning Placements with Participants' Interests**

Programs aim to place participants in subsidized positions that align with their skills and interests. Across programs, administrators indicated that common interests and job placements include receptionist and positions in administration, child care, cooking and food service, and maintenance. In areas with stronger labor markets, there was greater variation in the types of jobs available. For example, one program with a more densely populated service area reported that one participant already had a massage therapy certificate and was placed in a subsidized job working as a massage therapist.

Some programs have explored ways to link vocational training with subsidized employment, though with varying success. As noted above, Bristol Bay Native Association paid for two individuals to complete the training necessary to become water and sewer operators. Established in 2016 and still a new program at the time of the interviews, Navajo Nation had plans to integrate truck driving and heavy equipment training into the program. White Earth Nation had planned to integrate a welding training with subsidized employment; however, the training course had a high attrition rate and thus could not be aligned with subsidized jobs.

## **Findings**

This report discusses how eight TANF programs serving American Indians and Alaska Natives use subsidized employment to increase individuals' participation in work and support their transition to unsubsidized employment. This section highlights some of the promising practices in these programs along with the challenges they encounter.

- **Subsidized employment provides work opportunities for individuals with limited employment experience and barriers to employment.**

Each of the eight programs successfully places participants in subsidized positions that provide employment opportunities for individuals who have not been successful in securing unsubsidized employment. These positions, in both the public and private sectors, provide participants with real world work experience that generally approximates the responsibilities and environment they would experience in an unsubsidized position.

- **Subsidized employment can play a vital role in supporting tribal operations, especially in rural areas.**

Several of the tribes and tribal organizations operate in remote rural areas, where there is often a limited labor force and few funds for the provision of essential services. TANF recipients participating in subsidized employment can help fill important gaps in organizational infrastructure, providing meaningful services in their local communities. These gaps include maintenance

and child care positions in rural villages as well as clerical positions that enhance tribal programs' abilities to administer key social service programs.

- **Staff members suggested that placements were most successful when employers both perceived an economic benefit and had a desire to give back to their community.**

Employers chose to hire participants through subsidized employment programs because of a combination of altruism and financial benefit. They asserted that the benefits to their bottom line clearly outweighed the subsidized employment program's occasionally cumbersome administrative processes, particularly those for reimbursing the wages they paid to program participants. Moreover, subsidized employment programs provide employers with an opportunity to engage with and give back to members of their community.

- **Small, rural tribal communities have limited opportunities for transitions to unsubsidized employment and job growth.**

Subsidized employment can provide substantial near-term benefits to rural communities with few resources and a limited labor force. However, the very circumstances that make these positions so valuable to these communities also limit the post-subsidy work opportunities for participants. In villages with only a few hundred residents, economic growth is limited and there are few unsubsidized employment opportunities. As a result, even if a participant acquires meaningful job skills and work experience, it is difficult to secure longer-term employment in the community.

- **It can be difficult to implement a subsidized employment program that has a goal of full-time, year-round unsubsidized work in the context of subsistence living or economies with highly seasonal employment.**

The eight tribal programs see full-time, unsubsidized work as the goal for individuals participating in their subsidized employment programs. However, many of the individuals served by these programs are engaged in subsistence activities (such as hunting or fishing) that are seasonal. In other cases, participants work in unsubsidized seasonal positions for part of the year (for example, during the commercial fishing season). For these individuals, TANF receipt is a way to help make ends meet in between work opportunities or during the time when they are building food stores for the season. These participants are often more focused on near-term income support as opposed to subsidized employment experiences that will lead to full-time, year-round work.

- **Placing participants directly on the employer's payroll may have economic benefits for participants and increase employers' stake in participants' success.**

Seven of the eight programs place participants on employers' payroll, whereas many state and county TANF programs place subsidized employment participants on the payroll of an intermediary organization, such as a workforce board or a fiscal agent. Placing participants directly on an employer's payroll has several potential benefits to participants. For one, it may increase the probability of the position converting to an unsubsidized position after the subsidy period. It also ensures that the participant is eligible for unemployment insurance. Finally, employing the individual directly may increase the likelihood that the employer will invest in the development of the participant's job skills.

## **Conclusion**

With 70 Tribal TANF programs operating across the country, these eight Tribal TANF-run subsidized employment programs are not representative. Instead, they demonstrate examples of the ways in which Tribal TANF programs can provide employment opportunities to their participants. These eight programs have each taken distinct approaches to designing and implementing their subsidized employment programs, reflecting the unique strengths and needs of their participants and communities. However, their collective experience suggests that subsidized employment can increase participants' income in the near term, can give them practical work experience, and can help support the operation of essential tribal programs.

**Appendix A**

**Spotlight on Tanana Chiefs Conference and  
White Earth Nation**



## Appendix Box A.1

### Spotlight on Tanana Chiefs Conference

Tanana Chiefs Conference has a large service area of 235,000 square miles that includes 42 villages and the city of Fairbanks, Alaska. Much of the area is extremely remote, accessible only by air or boat. Tanana Chiefs Conference began a large-scale subsidized employment program in 2010 using funds from the American Reinvestment and Recovery Act and has continued to operate it as a central component of its TANF program.

#### Subsidized Employment Program Components

- **Job-readiness conference.** Subsidized employment begins with an intensive four-day conference in Fairbanks, where the program pays for participants' airfare, lodging, and meals. The conference is called "GILA!" which means "Let's go!"
- **Job coaching.** Each participant is assigned a job coach who provides participants with job leads, helps facilitate the application process, and acts as an intermediary between the TANF program and the employer. Job coaches regularly check in with employers and participants during the subsidy period.
- **Job search and placement.** Participants are expected to find employment and approach employers on their own. Participants who fail to secure a subsidized employment position within six weeks after GILA! are subject to penalties, including case closure, but the program makes exceptions if it identifies barriers during this period.

#### Varied Subsidized Employment Experiences Based on Geography

- **Fairbanks.** There are multiple employers in the city who hire subsidized employment participants and staff members indicated that it is relatively easy for participants to secure placements. However, jobs are often with small businesses and nonprofits, which are unable to hire participants after the subsidy period.
- **Villages.** Subsidized jobs in the villages are scarce, and subsidized positions are usually with the tribal council. Subsidized employment plays a unique role for tribal members in Alaska's seasonal economy, especially those in the villages. Many individuals survive on subsistence work for part of the year, work in seasonal employment for part of the year, and fill the gaps with subsidized employment for another part of the year. Administrators emphasized the non-wage benefits of subsidized employment, including the Earned Income Tax Credit and unemployment insurance benefits.

## Appendix Box A.2

### Spotlight on White Earth Nation

White Earth Nation is the largest reservation in Minnesota, located in the Western part of the state roughly 60 miles from Fargo, North Dakota. The reservation is extremely rural. It includes five incorporated cities and five major villages, all of which, with one exception, have populations under 1,000. Roughly 10,000 individuals live on the reservation. White Earth Nation began its subsidized employment program in September of 2015, after receiving funding from the Minnesota Department of Human Services to implement Minnesota STED (MSTED), one of the sites participating in STED.\* The White Earth Nation Employment and Training Department administers Minnesota's TANF program, the Minnesota Family Investment Program, to enrolled tribal members and their descendants living in White Earth Nation's service area.

White Earth Nation ended its subsidized employment program in April 2016. The Reservation Tribal Council (RTC), the largest employer in the area, began requiring background checks of participants interested in being placed in positions with RTC. Because this requirement conflicted with the MSTED model, the program elected to stop operations.

#### Subsidized Employment Program Components

- **Referrals to subsidized employment.** Employment counselors referred work-ready clients interested in employment to the subsidized employment program.
- **Orientation.** Group orientations were held every other week, usually with two or three participants in attendance.
- **Application.** After the orientation, interested individuals would fill out an application and take an assessment (O\*NET) to understand their employment strengths and interests.
- **Background check.** Participants were required to pass a drug test to be placed in a position. Any placements with child care also required a criminal background check.
- **Job search.** Participants worked on their résumé with the job developer and interviewed with employers. The job developer identified jobs for participants based on the results of the O\*NET assessment and used an existing list of RTC agencies and other employers in the area with whom the department had previously worked.
- **Placement.** The program placed some individuals with nonprofits, but largely utilized positions within the RTC.

#### Limited Placement Opportunities

- **Rural geography.** The White Earth Nation reservation and surrounding counties offer limited subsidized employment opportunities. Few participants have cars, and public transportation is often not a viable option. Formal child care is also extremely limited, and people rely on informal and relative care.

#### **Appendix Box A.2 (continued)**

- **Limited employers.** There are few employers on the reservation. The two largest employers are the Shooting Star Casino and the RTC.

---

NOTE: \*The other sites in MSTED (Hennepin, Ramsey, and Dakota Counties) participated in an impact study that used random assignment to determine which TANF clients could access the subsidized employment program. White Earth Nation did not participate in the impact study, but was included as part of the implementation study.

## References

- Alaska Native Knowledge Network. 2000. *Guidelines for Respecting Cultural Knowledge*. Anchorage, Alaska: Alaska Native Knowledge Network.
- Austin, Algernon. 2013. *High Unemployment Means Native Americans Are Still Waiting for an Economic Recovery*. Washington, DC: Economic Policy Institute.
- Bloom, Dan. 2015. *Testing the Next Generation of Subsidized Employment Programs: An Introduction to the Subsidized and Transitional Employment Demonstration and the Enhanced Transitional Jobs Demonstration*. OPRE Report 2015-58. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.
- Boyles, Benjamin, Erin Brinton, Anne Dunning, Angela Mathias, and Mark Sorrell. 2006. "Native American Transit: Current Practices, Needs, and Barriers." *Transportation Research Record: Journal of the Transportation Research Board* 1956, January:103-110.
- Bureau of Indian Affairs, U.S. Department of the Interior. 2017. "Subsistence Branch." Website: [www.bia.gov/regional-offices/alaska/subsistence-branch](http://www.bia.gov/regional-offices/alaska/subsistence-branch).
- Bureau of Labor Statistics, U.S. Department of Labor. 2016. *Labor Force Characteristics by Race and Ethnicity, 2015*. Washington, DC: Bureau of Labor Statistics, U.S. Department of Labor.
- Center for Native American Youth at the Aspen Institute. 2017. "Fast Facts on Native American Youth and Indian Country." Website: [www.cnay.org/resource-hub/fast-facts](http://www.cnay.org/resource-hub/fast-facts).
- Employment and Training Administration, U.S. Department of Labor. 2017. "Enhanced Transitional Jobs Demonstration (ETJD)." Website: [www.doleta.gov/reports/etjd.cfm](http://www.doleta.gov/reports/etjd.cfm).
- Frey, Susan. 2016. "Preserving Native American Languages by Teaching the Youngest Students." *EdSource*. Website: [edsources.org/2016/preserving-native-american-languages-by-teaching-the-youngest-students/565007](http://edsources.org/2016/preserving-native-american-languages-by-teaching-the-youngest-students/565007).
- Hahn, Heather, Olivia Healy, Walter Hillabrant, and Chris Narducci. 2013. *A Descriptive Study of Tribal Temporary Assistance for Needy Families (TANF) Programs*. OPRE Report 2013-34. Washington, DC: Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.
- Harding, Anna, Barbara Harper, Dave Stone, Catherine O'Neill, Patricia Berger, Stuart Harris, and Jamie Donatuto. 2012. "Conducting Research with Tribal Communities: Sovereignty, Ethics, and Data-Sharing Issues." *Environmental Health Perspectives* 120, 1: 6-10.
- Kaufman, Carol, Jennifer Desserich, Cecelia K. Big Crow, Bonny Holy Rock, Ellen Keane, and Christina M. Mitchell. 2007. "Culture, Context, and Sexual Risk Among Northern Plains American Indian Youth." *Social Science and Medicine*, 64, 10: 2152-2164.

- MDRC. *Subsidized Employment Is a Strategy for Tough Economic Times and for the Hard-to-Employ*. 2017. New York, NY: MDRC.
- Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services. 2009. "Q & A: Time Limits." Website: [www.acf.hhs.gov/ofa/resource/q-a-time-limits](http://www.acf.hhs.gov/ofa/resource/q-a-time-limits).
- Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services. 2012. "Q & A: Work Participation Rate." Website: [www.acf.hhs.gov/ofa/resource/wpr](http://www.acf.hhs.gov/ofa/resource/wpr).
- Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services. 2015. "Tribal TANF FY 2015 Work Participation Rates (WPR)." Washington, DC: Division of Tribal TANF Management, Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services.
- Office of Family Assistance, Administration for Children and Families, U.S. Department of Health and Human Services. 2017. "Tribal TANF." Website: [www.acf.hhs.gov/ofa/programs/tribal/tribal-tanf](http://www.acf.hhs.gov/ofa/programs/tribal/tribal-tanf).
- McMahon, Tracy R., DenYelle Baete Kenyon, and Jessica S. Carter. 2012. "My Culture, My Family, My School, Me: Identifying Strengths and Challenges in the Lives and Communities of American Indian Youth." *Journal of Child and Family Studies*, 22, 5: 694-706.
- National Congress of American Indians. 2017. "Transportation." Website: [www.ncai.org/policy-issues/economic-development-commerce/transportation](http://www.ncai.org/policy-issues/economic-development-commerce/transportation).
- Novins, Douglas K., Pamela LeMaster, Pamela Jumper Thurman, and Barbara Plested. (2004). "Describing Community Needs: Examples from the Circles of Care Initiative." *American Indian and Alaska Native Mental Health Research*, 11, 2: 42-58.
- Sarche, Michelle, and Paul Spicer. 2008. "Poverty and Health Disparities for American Indian and Alaska Native Children: Current Knowledge and Future Prospects." *Annals of the New York Academy of Sciences* 1136: 126-136.
- Substance Abuse and Mental Health Services Administration. 2018. "Racial and Ethnic Minority Populations." Website: [www.samhsa.gov/specific-populations/racial-ethnic-minority](http://www.samhsa.gov/specific-populations/racial-ethnic-minority).
- U.S. Census Bureau. 2015. "American FactFinder: Selected Population Profile in the United States, 2015 American Community Survey 1-Year Estimates." Website: [factfinder.census.gov](http://factfinder.census.gov).
- U.S. Census Bureau. 2016. "American FactFinder: Selected Population Profile in the United States, 2016 American Community Survey 1-Year Estimates." Website: [factfinder.census.gov](http://factfinder.census.gov).