

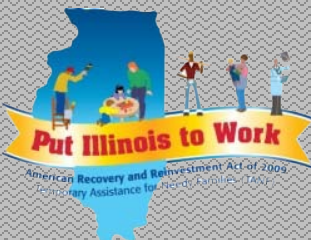
2010

# Put Illinois to Work Evaluation: *An Early Look*

SOCIAL **IMPACT** RESEARCH CENTER  
*...dynamic information on contemporary social issues*



Heartland Human Care Services, Inc.®



Social IMPACT Research Center at Heartland Alliance  
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## Study Information

**Social IMPACT Research Center Evaluation Team:** Amy Terpstra, Amy Rynell, Lindy Carrow, Jonah Kushner, Ian Mobley, Jeffrey Fiore, Michael Siciliano, and Nicole Juppe.

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*33 W. Grand Ave., Ste 500 | Chicago, IL 60654 | 312.870.4949 | [research@heartlandalliance.org](mailto:research@heartlandalliance.org)*

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## Executive Summary

Though the recession is technically over, the large gap between available jobs and people in need of work necessitates a further discussion about the role subsidized employment programs play in supporting disadvantaged workers and struggling businesses through the recovery. While rigorously assessing the impact of Illinois' subsidized job program, Put Illinois to Work, on individuals, businesses, and communities will take many months, this early look can be an important contribution to pending federal and state discussions about whether and how to continue funding and running subsidized jobs programs as a response to the economic crisis.

### BACKGROUND


**Funding Opportunity Seized:** An unprecedented opportunity provided by the TANF Emergency Contingency Fund, a part of the American Recovery and Reinvestment Act of 2009, allowed Illinois to create the subsidized work-relief program, Put Illinois to Work (PITW). PITW is a public-private collaboration between the Illinois Department of Human Services (DHS), and Heartland Human Care Services (HHCS), a direct-service organization with leadership and experience in running transitional jobs (an intensive subsidized jobs model). PITW, launched in the second quarter of 2010 and scheduled to end on November 30, 2010, provides a direct response to the devastating effects of the recession on Illinois communities: when the program began, there were 764,825 unemployed workers in the state and an unemployment rate of 11.5 percent. The TANF Emergency Contingency Fund ended on September 30 after Congress failed to extend funding. However, the state of Illinois committed two months of additional funding for PITW to assist workers and businesses in a still-struggling economy.

PITW is designed to provide unemployed and underemployed job seekers with **paid work experience** that will help them **support their families, gain job skills, and make professional connections.**

**Research Launched to Document the Initiative:** The Social IMPACT Research Center was commissioned to document and evaluate PITW's program model, outcomes, and impacts. This early report gives a brief overview of the program, explores an initial round of outcome data, and presents feedback from PITW workers and employers. Subsequent reports will present a fuller picture of outcomes, explore the details of and lessons learned from PITW's development and implementation, and assess in much greater detail the impact of the program on the lives of the workers and on the stability and viability of Illinois businesses.

### PROGRAM OVERVIEW

**Recovery-Oriented Goals Set:** PITW is designed to provide unemployed and underemployed low-income job seekers, called trainee-workers, with paid work experience and to offer businesses an opportunity to try out new workers for a period of time while their wages are 100-percent subsidized. By lowering the cost of hiring, PITW also helps stabilize fledgling and struggling



businesses with a low-cost workforce. As such PITW appears ideally adapted to respond to the recession.

**Program Investment Maximized:** PITW is built on the premise that directly subsidizing wages for low-income workers creates a ripple effect, generating activity in the broader economy. Because the target population for subsidized work-relief programs is often living from paycheck to paycheck, they are likely to spend wages immediately to purchase food, pay rent and utilities, or purchase other needed items. This generates sales tax revenue and demand for goods and services, enabling local businesses that might otherwise have failed or contracted under recessionary conditions to stay in business or increase purchasing and hiring.

PITW has paid nearly  
**\$107 million** in  
wages to over **27,000**  
Illinoisans.

**Program Design for Statewide Reach:** To facilitate these goals and to ensure statewide engagement, DHS and HHCS subcontracted with 26 organizations that have expertise in providing employment services and have connections to local communities. These organizations were charged with recruiting employers and jobseekers within geographic regions and with making matches between them. HHCS serves as the employer of record for all trainee-workers, who were paid \$10 an hour. To date there are PITW worksites in 71 of Illinois' 102 counties and trainee-workers from 84 of Illinois' 102 counties.

## EARLY FINDINGS

### Important Data Notes

Data for this report come from three main sources: The PITW central database, Heartland Human Care Services payroll records, and surveys of employers and trainee-workers carried out by IMPACT in September 2010. All program and participant data reflect a cutoff date of September 11, and data from surveys reflect only those received by September 30. This report was being written while PITW was still operating and while data collection and integrity efforts—both by the program itself and by the evaluation team—were still taking place. Therefore, all data are subject to change. This report should be considered an *initial* and incomplete look the program; subsequent reports will incorporate full data and report final analyses.

### **Put Illinois to Work was the single largest TANF Emergency Contingency Fund-supported adult program, in terms of number of placements, in the nation:**

In its relatively brief existence, PITW has paid nearly \$107 million in wages to over 27,000 low-income, unemployed and underemployed Illinoisans by placing them in jobs with 4,280 employers. On average:

- Each trainee-worker has been employed for 5.7 pay periods, or 11.5 weeks.
- Each trainee-worker has worked 384 hours, the equivalent of 48 eight-hour work days.
- Each two-week pay period, nearly \$9 million in wages are paid to trainee-workers. In the peak months of July and August, over \$15 million in wages were paid each pay period.

- Over \$1.1 million each pay period are generated in federal income, Medicare, and Social Security taxes on wages earned by trainee-workers.
- Over \$226,000 each pay period are generated in state income tax.

**Employers and trainee-workers alike had high levels of satisfaction with their PITW experience:**

- The vast majority of trainee-workers (92 percent) and employers (88 percent) indicate that they would participate in PITW or a similar program if it were offered again. An additional 10 percent of employers and 6 percent of trainee-workers would maybe participate.
- Even if the wage subsidy were halved, 40 percent of employers report they would participate, and 42 percent might participate.
- 52 percent of employers report that they would permanently hire half to all of their trainee-workers if they were financially able to do so. However, considering their financial situation, only 13 percent reported that they will be able to keep half to all of their trainee-workers.
- Of trainee-workers that have discussed the possibility of staying on permanently with their employer once PITW ends, 95 percent said they would accept that job if it were offered.

The **vast majority** of trainee-workers and employers indicate that they **would participate in PITW or a similar program again.**

**A wide variety of employers participated in PITW:**

- The majority of employers who participated were for-profit corporations (42 percent) and nonprofits (31 percent). PITW employers were primarily small businesses: two thirds of worksites had fewer than 15 employees before involvement with PITW, and over 90 percent had fewer than 100 employees.
- All trainee-workers were low-income parents or low-income young adults. Over half (52 percent) of all employers stated that they are more willing now to hire such individuals than they were before participating in PITW.

**Over 1 in 4** employers report that their business was **financially unhealthy or very unhealthy** before PITW.

**PITW employers faced difficult business conditions as a result of the recession:**

- Over 1 in 4 employers (28 percent) report that their business was financially unhealthy or very unhealthy before PITW.
- Over two thirds (69 percent) experienced cash flow problems, over half experienced reductions in sales (53 percent), and 44 percent had an increase in customers paying late or not at all.
- PITW employers implemented a variety of measures in an attempt to weather the recession. 39 percent report reducing employee hours, 37 percent report freezing hiring, and 32 percent report laying off employees.



**PITW benefited employers by improving financial health, increasing quality of work, and increasing productivity:**

- 57 percent report that the financial health of their business was better or somewhat better following participation in PITW, and 47 percent attributed at least half of that improvement directly to participation in PITW.
- 63 percent have seen the quality of their work improve as a result of having PITW trainee-workers.
- 68 percent have been able to serve more customers as a result of having PITW trainee-workers.
- 59 percent have seen customer satisfaction improve as a result of having PITW trainee-workers.

**The trainee-workers in the program were struggling with unemployment and extremely low-incomes at the time of entry into PITW:**

- 39 percent of the trainee-workers did not work in the 2 years prior to enrolling in PITW.
- Of those who did work in the 2 years before PITW, 46 percent were unemployed at the time of program entry but had never received unemployment insurance benefits, and 9 percent were unemployed and had exhausted their unemployment insurance benefits.
- The average length of unemployment for trainee-workers before PITW was 15.4 months.
- Nearly one third (32 percent) of trainee-workers report their household had no income in the month prior to entering PITW. For all trainee-workers, average monthly household income was \$710.
- Of the trainee-workers who worked in the two years prior to PITW, 62 percent earned less than the PITW wage of \$10.00 an hour. Only 19 percent earned \$12.00 an hour or more.

**Trainee-workers experienced immediate positive employment and income effects from PITW. The majority of trainee-workers expressed that the program:**

- was important in helping them make ends meet (87 percent).
- put more money at their disposal than they had before (78 percent).
- taught them new skills (78 percent).
- saved them from likely unemployment (75 percent).
- introduced them to new professional contacts who might be resources in future job searches (72 percent).
- Of trainee-workers who worked in the 2 years prior to PITW, 75 percent reported that their PITW jobs had a skill level at or above that of their prior job.

**SUMMARY**

PITW was designed to alleviate hardship for individuals and their families, businesses, and by extension, Illinois communities. This early look indicates that it is doing just that. As these preliminary findings show, PITW was impressive in terms of people employed, businesses engaged, and commitment to providing income to individuals, businesses, and communities through subsidized jobs.



## Introduction

The State of Illinois Department of Human Services and Heartland Human Care Services seized on an unprecedented opportunity provided by a fund in the American Recovery and Reinvestment Act of 2009 to create the subsidized work-relief program, Put Illinois to Work (PITW), in response to the devastating effects of the recession on Illinois communities:

PITW has become the **largest program** of its kind in the nation, putting over **27,000 low-income, unemployed and underemployed Illinoisans to work.**

- When Put Illinois to Work began, there were 764,825 unemployed workers in the state and an unemployment rate of 11.5 percent.<sup>1</sup>
- Recession unemployment levels reached higher levels in Illinois and were also more persistent in Illinois than in the nation as a whole: the national unemployment rate peaked at 10.1 percent in November 2009—5.1 percentage points above its December 2007 level. Illinois' rate, on the other hand, did not peak until March 2010 at 11.5 percent—6.0 percentage points above its December 2007 level.<sup>2</sup>
- The true scale of unemployment was far worse than official unemployment figures show. Since the beginning of the decade, Illinois' labor force (people either employed or actively looking for work) had steadily increased. Beginning in March 2008—just months after the start of the recession—the labor force in Illinois began to steadily shrink as discouraged job seekers stopped looking for work altogether. By December 2009 the labor force had shrunk to November 2006 levels, meaning there were hundreds of thousands of out-of-work Illinoisans who were not captured in the unemployment rate.<sup>3</sup>

In light of these realities, PITW is targeted at low-income unemployed and underemployed Illinoisans and was designed to provide paid work experience to help them support their families while gaining job skills and making professional connections. Since April, PITW has become the largest program of its kind in the nation, putting over 27,000 low-income, unemployed and underemployed Illinoisans to work.


This early report provides a brief overview of the program, explores an initial round of analysis on outcome data, and presents feedback from some core stakeholders involved in PITW—the workers and the employers. Subsequent reports will present a fuller picture of outcomes, explore the details of and lessons learned from PITW's development and implementation, and assess in much greater

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<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics. *Local Area Unemployment Statistics: Create customized tables*. Retrieved from <http://data.bls.gov/cgi-bin/dsrv?la>. Seasonally adjusted, March 2010.

<sup>2</sup> U.S. Department of Labor, Bureau of Labor Statistics. *Local Area Unemployment Statistics: Create customized tables*. Retrieved from <http://data.bls.gov/cgi-bin/dsrv?la>. Seasonally adjusted.

<sup>3</sup> Ibid.



detail the impact of the program on the lives of the workers and on the stability and viability of Illinois businesses.

Though the recession is technically over, the large gap between available jobs and people in need of work necessitates a further discussion about the role subsidized employment programs play in supporting disadvantaged workers and struggling businesses through the recovery. While rigorously assessing the impact of PITW on individuals, businesses, and communities will take many months, this early look can be an important contribution to pending federal and state discussions about whether and how to continue funding and running subsidized jobs programs as a response to the economic crisis.

### **A Note on Timing and Data**

This report was being written while Put Illinois to Work was still operating and while data collection and integrity efforts—both by the program itself and by the evaluation team—were still taking place. Therefore, all data in this report are subject to change.

All program and participant data reflect a cutoff date of September 11, and data from surveys reflect only those received by September 30.

This report should be considered an *initial* and incomplete look the program; subsequent reports will incorporate full data and report final analyses.



## Creating the Opportunity for Put Illinois to Work: The American Recovery and Reinvestment Act's TANF Emergency Contingency Fund

Put Illinois to Work was created by the Illinois Department of Human Services and Heartland Human Care Services using funds made available through the Temporary Assistance to Needy Families (TANF) Emergency Contingency Fund.<sup>4</sup> The TANF Emergency Contingency Fund was authorized under the American Recovery and Reinvestment Act (ARRA).<sup>5</sup>

ARRA was signed into law in February 2009 in response to the economic recession of the late 2000s. Its main goals were to create new jobs, spur economic activity, invest in long-term growth, and foster accountability and transparency in government spending.<sup>6</sup> ARRA was intended not only to improve current economic conditions, but also to strengthen the country's physical infrastructure and human capital for the long term. It provided tax cuts for working families, increased funding for education, health care, and entitlement programs, and made funds available for federal contracts, grants, and loans.<sup>7</sup>

ARRA authorized a \$5 billion Emergency Contingency Fund under the Temporary Assistance for Needy Families (TANF) block grant, as one component designed to meet some of these goals.<sup>8</sup> The Emergency Contingency Fund was to be used under the same basic principles as the regular TANF program (see *Goals of the TANF Program* box).<sup>9</sup> With this funding states could be reimbursed for 80 percent of increased spending in three categories: basic assistance, short-term non-recurrent benefits, and subsidized employment programs.<sup>10</sup> These provisions encouraged states to create subsidized employment programs like PITW, which would create jobs by subsidizing wages. The 20 percent of spending not reimbursed by the TANF Emergency Contingency

### Goals of the TANF Program

The TANF Emergency Contingency Fund authorized by ARRA was a budgetary measure that gave states additional funding for use in their TANF programs. As such, activities supported with the Emergency Contingency Fund must meet the goals of the broader TANF program.

The Temporary Assistance to Needy Families program, created through passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, targets extremely low-income families with children with time-limited cash assistance, education, and training. The goals of TANF include promoting work, personal responsibility and self-sufficiency, reducing dependency on public benefits, and strengthening families.

<sup>4</sup> Also known as the TANF Emergency Fund.

<sup>5</sup> Also known as the Recovery Act or the Stimulus Bill.

<sup>6</sup> Recovery.gov. *The Recovery Act*. Retrieved from [http://www.recovery.gov/About/Pages/The\\_Act.aspx](http://www.recovery.gov/About/Pages/The_Act.aspx)

<sup>7</sup> Ibid.

<sup>8</sup> Recovery.gov. *Questions & answers on the American Recovery and Reinvestment Act of 2009: Temporary Assistance for Needy Families (TANF) Program Emergency Fund*. Retrieved from <http://www.hhs.gov/recovery/programs/tanf/tanf-faq.html>

<sup>9</sup> Ibid.

<sup>10</sup> Basch-Lower, E. (2009, November). *Questions and answers about the TANF Emergency Fund*. Washington, DC: Center on Law and Social Policy.



Fund could be provided by non-federal funds, other public or private funding or in-kind contributions, including training and supervision provided by participating employers.<sup>11</sup>

Thirty-seven states and the District of Columbia submitted TANF Emergency Contingency Fund applications to the U.S. Department of Health and Human Services (HHS) under the subsidized employment category. While the Emergency Contingency Fund was authorized by ARRA in February 2009, there were a number of delays and infrastructure issues that slowed state implementation. It took a few months for HHS to release its first guidance on the use of the Emergency Contingency Fund, and while subsidized employment was always an allowable use of funds under the TANF block grant, the influx of additional money through the Emergency Contingency Fund and high unemployment levels amplified interest in these program in states that previously had not dedicated their block grants for that purpose.


As a result, some states had to shore up their infrastructure to successfully implement the program. Additionally, some states struggled to identify the 20 percent of funds not reimbursed by the Emergency Contingency Fund until additional HHS guidance clarified that in-kind employer contributions in the form of training could be counted. Additionally, the lack of a sustainable funding stream at the level of the Emergency Contingency Fund after its September 30, 2010, expiration date discouraged other states from growing or developing subsidized employment programs that might have to be dramatically scaled back or ceased once the Emergency Contingency Fund expired. As a result, a handful of state programs never developed beyond the planning stages.

Despite these challenges, the TANF Emergency Contingency Fund presented states a timely opportunity to craft subsidized employment programs carefully tailored to local economic conditions, and it afforded states great flexibility to decide who their subsidized jobs program would serve and how the programs would be structured.<sup>12</sup> States took different approaches in terms of which groups they targeted for the program, ranging from TANF recipients or applicants, unemployment insurance recipients and exhaustees, non-custodial parents, and youth. In terms of program structure, some provided full reimbursement for entry-level wages, some provided wage subsidies that gradually declined over time, and others provided partial reimbursement for wages. Some states utilized their existing workforce development systems to implement subsidized jobs programs, while others used TANF employment-service providers and community-based organizations.

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<sup>11</sup> Schott, L. (2010). *Using TANF Emergency Funds to help prevent and address family homelessness*. Washington, DC: Center on Budget and Policy Priorities.

<sup>12</sup> Pavetti, L. (2010). *Going, going, almost gone: Job-creating TANF Emergency Fund set to expire. Fund will help place 240,000 unemployed individuals in jobs by end of September*. Washington, DC: Center on Budget and Policy Priorities.



The subsidized-employment provisions of ARRA, and the flexibility afforded by these provisions, were intended to benefit workers and businesses struggling under recessionary conditions.<sup>13</sup> By raising the employment levels of people with low incomes, subsidized employment programs place stimulus dollars directly in the hands of those most likely to spend money in their communities immediately, thereby maximizing the impact of ARRA funds. By lowering the cost of hiring, these programs also encourage businesses that had put off planned expansions or delayed hiring to move ahead with their expansion plans or replace diminished workforces. Likewise, these programs help stabilize fledgling businesses with a low-cost workforce. Consequently, subsidized employment programs, like PITW, appear ideally adapted to respond to the recession.

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<sup>13</sup> Pavetti, L. (2010). *Going, going, almost gone: Job-creating TANF Emergency Fund set to expire. Fund will help place 240,000 unemployed individuals in jobs by end of September.* Washington, DC: Center on Budget and Policy Priorities.



## Put Illinois to Work's Design: A Program Overview

Illinois created the statewide subsidized work-relief program, PITW, to alleviate some of the crippling effects of the recession on Illinois families, businesses, and communities.

PITW is a public-private collaboration between the Illinois Department of Human Services (DHS) and Heartland Human Care Services (HHCS). To run PITW, DHS sought a partner with population knowledge, technical skill, demonstrated capacity, and proven infrastructure. HHCS is a well-established workforce provider in Illinois providing subsidized transitional jobs to an array of populations, including those facing significant barriers to employment. In addition, HHCS had the capacity to engage in such a large-scale project quickly and competently, and to recognize and comply with all federal and state requirements. Notably, HHCS could serve as the payroll manager and employer of record for all PITW trainee-workers, which provided the basis on which to build such a large-scale program.

While designing and implementing a program to serve thousands of jobseekers in a short timeframe posed daunting challenges, PITW held the potential to benefit multiple stakeholders affected by the recession. The program is designed to provide unemployed and underemployed job seekers, called trainee-workers,<sup>14</sup> with paid work experience that will help them support their families, gain job skills, and make professional connections that they can use to find employment in the future. They are paid \$10 an hour up to 40

PITW is designed to provide unemployed and underemployed job seekers with **paid work experience** that will help them **support their families, gain job skills, and make professional connections.**

### DHS and HHCS

The **Illinois Department of Human Services** is the state agency responsible for the administration of a variety of programs designed to help the most vulnerable Illinois families achieve maximum self-sufficiency, independence, and health. DHS administers the state's TANF, SNAP, and child care subsidy programs, as well as a variety of other services including disability services and violence and abuse prevention. For more information, visit [www.dhs.state.il.us](http://www.dhs.state.il.us).

**Heartland Human Care Services** is the leading direct service human rights organization developing and implementing solutions to the toughest societal challenges in metropolitan Chicago, the Midwest, and, on select issues, the nation. HHCS meets individuals where they are to fully prepare them to find a job, stay employed, and manage their money. For more information, visit [www.heartlandalliance.org/whoweare/corporatestructure/heartland-human-care-services](http://www.heartlandalliance.org/whoweare/corporatestructure/heartland-human-care-services).

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<sup>14</sup> PITW workers are called trainee-workers to reflect the program's emphasis on upgrading skills to help prepare the workers for employment after PITW.



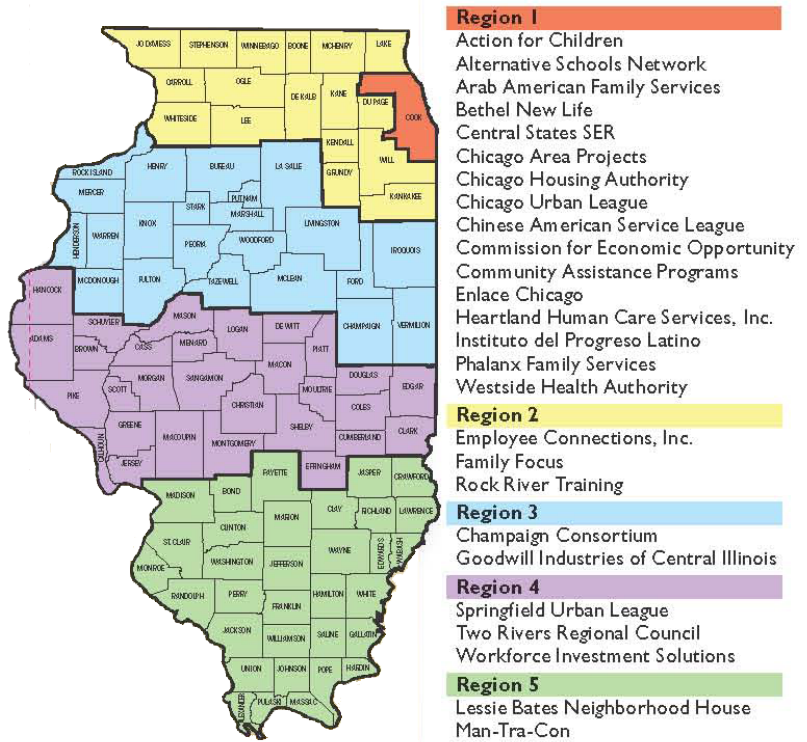
hours per week.

Additionally, businesses are offered an opportunity to try out new workers for a period of time while their wages are 100-percent subsidized, to train these workers and explore whether they are a good long-term fit, and to have the option to hire their trainee-workers once PITW ends. Businesses that hire trainee-workers are also be eligible for certain state and federal tax credits for hiring disadvantaged workers, increasing the attractiveness of participation for businesses.

Finally, by placing money in the hands of trainee-workers who will likely spend it locally and immediately and by helping businesses weather the recession, PITW can benefit community stakeholders beyond the trainee-workers and businesses that employed them.

**Figure 1. PITW Subcontractors by Region**

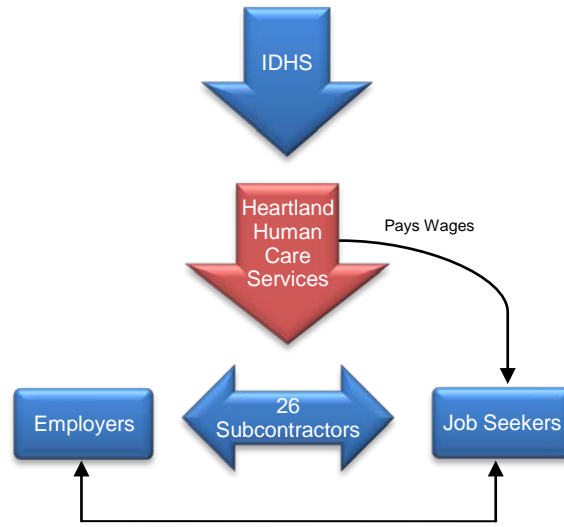
To facilitate these goals and to ensure statewide engagement, DHS and HHCS assembled a team of 26 organizations with expertise in providing employment services and with connections to local communities. These organizations, called subcontractors, were charged with recruiting employers and recruiting job seekers within one of five regions of the state, and with making matches between them (Figure 1).<sup>15</sup> In exchange for conducting employer outreach and matches, providing resume preparation, distributing transportation reimbursement until the trainee-worker's first paycheck, coordinating timesheet submission, and facilitating trainee-worker evaluations, among other tasks, subcontractors received a fee for each job seeker placed in a job. HHCS also received a fee for each placement in exchange for running the program and served as the employer of record for all trainee-workers. See the supplement available at [www.heartlandalliance.org/research](http://www.heartlandalliance.org/research) for brief descriptions of the 26 PITW subcontractor agencies.



<sup>15</sup> As of September 30, 2010, Jobs for Youth has replaced Chicago Area Project as a subcontractor.



**Figure 2. Organizational Structure of the Put Illinois to Work Subsidized Work-Relief Program**



To be eligible for PITW, employers and trainee-workers had to meet the following criteria:

**An Employer Must...**

- Provide Federal Employer Identification and DUNS numbers.
- Not be in default on payroll or business taxes.
- Comply with all applicable labor laws.
- Provide a minimum of 30 hours of work per week per trainee-worker.
- Provide necessary training and supervision to trainee-workers.
- Not employ immediate family members as trainee-workers.
- Not hire trainee-workers to comprise more than half of the workforce at each worksite.
- Not rehire individuals who were laid-off after March 15, 2010.
- Not belong to certain sectors, such as the adult entertainment industry, organizations that promote religious views or political affiliations, the sale and distributions weapons, golf courses, swimming pools, casinos, zoos, or aquariums.
- Be willing to sign a memorandum of understanding, indicating agreement to provide supervision and training, keep accurate timesheets, and serve as a reference.



### A Trainee-Worker Must...

- Be legally present in the United States and authorized to work.
- Be an Illinois resident.
- Be a parent of a minor child (custodial or non-custodial) *or* be between the ages of 18 and 21, living with a parent or caretaker relative.
- Have a household income under 200 percent of the federal poverty line (under \$44,100 a year for a family of four).
- Be willing to work at least 30 hours per week.
- Not be a registered sex offender.

PITW began in the second quarter of 2010 and is scheduled to end on November 30, 2010. The TANF Emergency Contingency Fund expired on September 30, after Congress failed to extend funding. However, the state of Illinois committed two months of additional funding for PITW to assist workers and businesses in a still struggling economy and to avoid dismantling the program's infrastructure, in hopes that Congress will yet dedicate additional funds for subsidized employment. Additionally, the short-term extension is intended to give the trainee-workers, the majority of whom began their PITW job in June or July, two more months on the job in which to glean more skills through the training and work experience.

*Future evaluation reports will review the development and administration of PITW in greater depth.*

### Evaluation Data Sources Explanation

Data presented in this report come from three main sources: The PITW central database, Heartland Human Care Services payroll records, and surveys of employers and trainee-workers carried out by the Social IMPACT Research Center.

Data from the PITW central database are reported as a percentage of those for whom the database contained a viable response. Therefore, the denominator for each percentage varies slightly among the different data points. Since any given data field contained complete and viable data for at least 97 percent of trainee-workers and 98 percent of employers, the total count (denominator) is not given in the text. This report only includes program data collected through September 11.

Information from the surveys (see pages 30-31) for more detail on methods and response rates) are reported as a percentage of those who responded to the question with a viable answer. All data from the surveys include, either in tables and figures or in footnotes, the total count of respondents from which percentages are derived. The high number of useable surveys in proportion to the total number of trainee-workers and employers gives high confidence (confidence level of 95 percent) that respondents are representative of all PITW trainee-workers (confidence interval of 3.56) and employers (confidence interval of 3.54). Since IMPACT is still collecting surveys, data here represent only those responses received by September 30.

This report contains just an initial look at the large quantity of information that has been collected and will be collected for this evaluation. Subsequent reports will report on complete program data and will explore additional sets of survey questions/responses, cross tabulations, and open-ended responses, among other things. *Therefore, all data in this initial report are subject to change.*

## Put Illinois to Work's Reach: Snapshots of the Program's Scope, Employers, and Workers

Subsidized work-relief programs targeted at low-income job seekers are a quick and effective way to infuse money into an ailing economy. Because the target population for these programs is often living from paycheck to paycheck, they are likely to spend new earnings immediately to purchase groceries, pay rent and utility bills, or purchase other items to meet basic needs. This generates additional sales tax revenue and heightens demand for goods and services, enabling local businesses that might otherwise have failed or contracted under recessionary conditions to stay in business or increase purchasing and hiring. In other words, direct investment in subsidizing wages for low-income workers creates a ripple effect, generating additional activity in the broader economy.

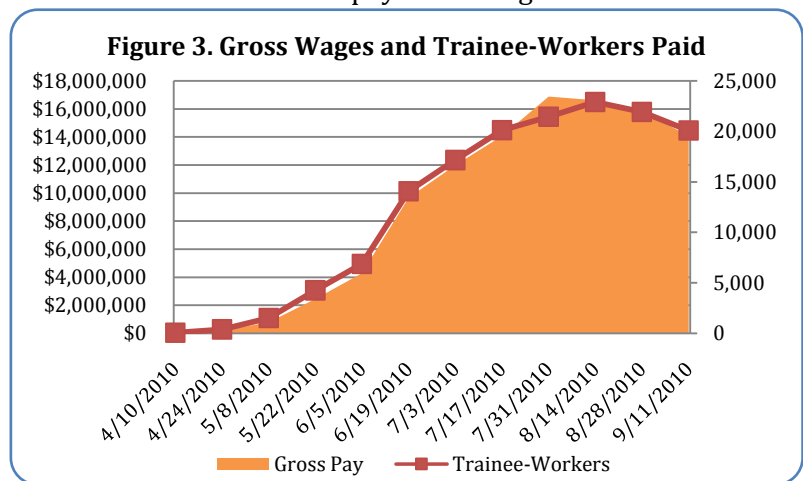
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**\$107 million in wages** to over  
**27,000** Illinoisans.

Determining the precise ripple or multiplier effect for PITW is beyond the scope of this evaluation report. However, studies of other programs that increase the purchasing power of people with low incomes suggest that these programs generate substantial additional economic activity. For example, every dollar invested in the Supplement Nutrition Assistance Program (SNAP/food stamps), generates \$1.73 of total economic activity.<sup>16</sup> In Michigan, every dollar spent on the Earned Income Tax Credit generates \$2.09 of total economic activity.<sup>17</sup>

PITW paid nearly \$107 million in wages to over 27,000 Illinoisans in about six months. This amount does not account for the economic ripple effect of the wages paid to trainee-workers, thereby greatly understating its true economic impact. However, even just examining the first tier of its reach—the wages paid to trainee-workers—and a bit of a second tier—income and other payroll taxes generated—reveal a program of impressive scope.

### On average:<sup>18</sup>

- There are 12,552 trainee-workers paid each two-week pay period. During the peak months of July and August, there was an average of 20,698 trainee-workers paid each pay period.



<sup>16</sup> Zandi, M. (2010, January 13). *The causes and current state of the financial crisis*. Written testimony of Mark Zandi, Chief Economist and Cofounder, Moody's Economy.com, before the Financial Crisis Inquiry Commission. West Chester, PA: Moody's Economy.com. The multiplier is estimated by the one-year dollar change in GDP for a given dollar increase in spending.

<sup>17</sup> Sallee, C.M. (2009, August). *Economic benefit of the Earned Income Tax Credit in Michigan*. East Lansing, MI: Anderson Economic Group.

<sup>18</sup> From April 10, 2010 to September 11, 2010, the cutoff date for this analysis.



- Each trainee-worker has been employed for 5.7 pay periods, or 11.5 weeks.
- Each trainee-worker has worked 384 hours, the equivalent of 48 eight-hour work days.
- Each pay period, nearly \$9 million in wages are paid to trainee-workers. In the peak months of July and August, over \$15 million in wages were paid each pay period.
- Over \$1.1 million each pay period are generated in federal income, Medicare, and Social Security taxes on wages earned by trainee-workers.
- Over \$226,000 each pay period are generated in state income tax.

PITW has generated nearly **\$13.6 million** in federal income, Medicare, and Social Security taxes and over **\$2.7 million** in state income tax.

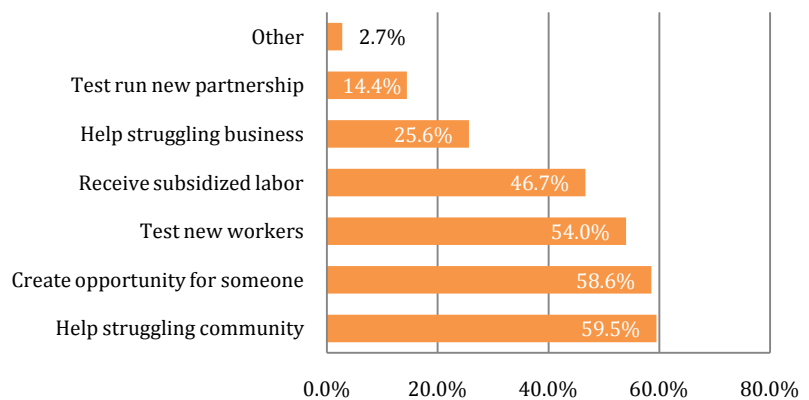
**In sum, to date:**<sup>19</sup>

- Trainee-workers have worked nearly 10.7 million hours and earned \$106,961,871.
- Illinois employers have received \$107 million worth of subsidized trainee labor.
- Nearly \$13.6 million has been generated in federal income, Medicare, and Social Security taxes.
- Over \$2.7 million has been generated in state income tax.
- Nearly \$374,000 in support orders (e.g., child support, alimony, family support) has been garnished.

*Snapshot of Employers*

A total of 4,280 employers (worksites) were involved in PITW.<sup>20</sup> The program succeeded in engaging businesses that had no prior involvement with this type of program: nearly two thirds had not participated in a subsidized work-relief program before their involvement in PITW.<sup>21</sup>

**Figure 4. Most Common Motivations for Employers for Getting Involved in PITW**



<sup>19</sup> From April 10, 2010, to September 11, 2010, the cutoff date for this analysis.

<sup>20</sup> Employers were tracked somewhat inconsistently by the program. In most instances, employers with multiple locations were tracked by establishment (i.e., worksite or location) not by firm (headquarters). However, there appear to be some instances where establishments were tracked using the firm's main headquarters' address. Therefore, the use of the terms employer and worksite are used interchangeably.

<sup>21</sup> Total responses for this question n=437.

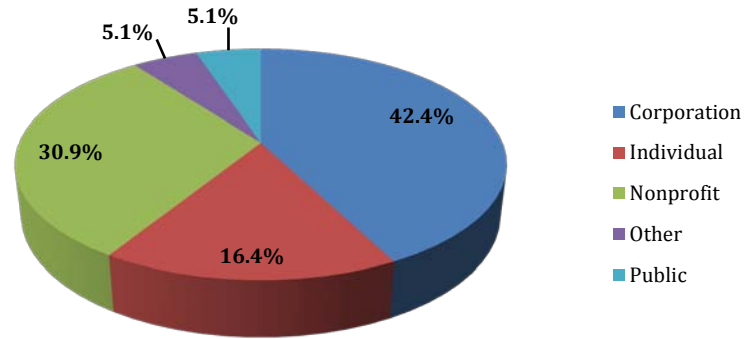
There were PITW worksites in 71 of Illinois' 102 counties. The majority of worksites (73 percent) were in Cook County, and an additional 8 percent were in the collar counties (DuPage, Kane, Lake, McHenry, and Will). The remaining 19 percent of worksites were in counties outside the Chicago region.

Employers reported a variety of reasons for participating in PITW. The most common motivations were wanting to help struggling communities and neighbors (60 percent) and wanting to create opportunity for someone who desired to upgrade his or her skills (59 percent), followed by the opportunity to test new workers (54 percent) and to receive subsidized trainee labor (47 percent)(Figure 4).<sup>22</sup>

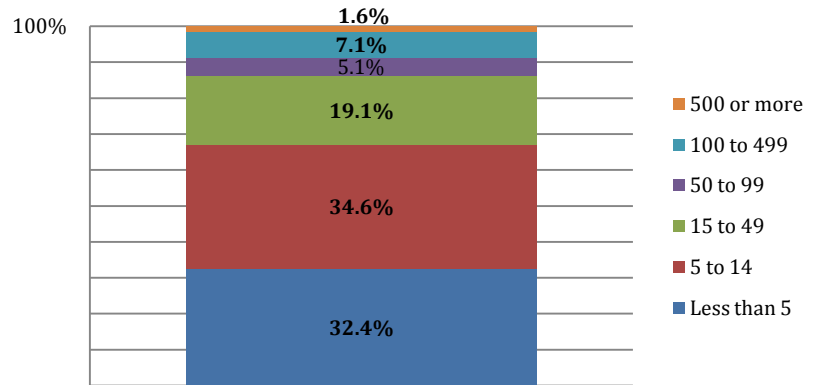
A wide variety of employers participated in PITW. For-profit corporations accounted for 42 percent of all employers, nonprofits for 31 percent, and individuals/self-employed persons for 16 percent. Together, these categories accounted for 90 percent of all PITW employers (Figure 5).

PITW employers were primarily small businesses. Two thirds of worksites had fewer than 15 employees before involvement with PITW, and over 90 percent had fewer than 100 employees (Figure 6). Fifty-eight percent of worksites employed fewer than five trainee-workers. Ninety-three percent employed fewer than 20 trainee-workers (Table 1).

**Figure 5. Worksites by Type of Business**



**Figure 6. Size of Worksite by Total Number of Employees Before PITW**



**Table 1. Worksites by Number of Trainee-Workers**

<i>n=4,280</i>	<i>Count</i>	<i>Pct</i>
1 trainee-worker	969	22.6%
2 trainee-workers	663	15.5%
3 trainee-workers	458	10.7%
4 trainee-workers	380	8.9%
5 trainee-workers	292	6.8%
6 trainee-workers	218	5.1%
7 trainee-workers	199	4.6%
8 trainee-workers	125	2.9%
9 trainee-workers	118	2.8%
10 trainee-workers	96	2.2%
More than 10 trainee-workers	762	17.8%
<b>Total</b>	<b>4,280</b>	<b>100.0%</b>

<sup>22</sup> Percentages do not add up to 100 because respondents could choose more than one answer.



## Snapshot of Trainee-Workers

27,393 Illinoisans to date have worked in a PITW job. Of these:

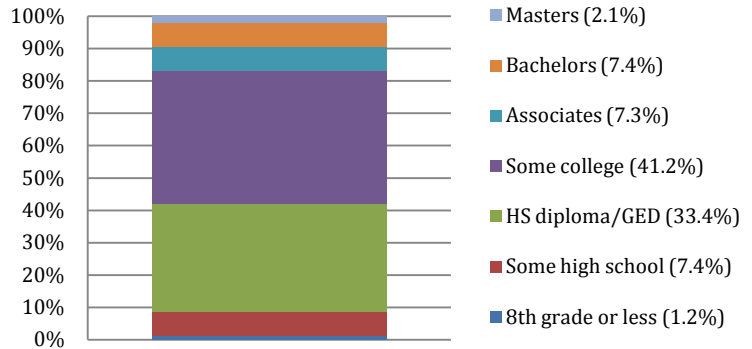
- 60 percent are female.
- 96 percent indicated on their W-2 forms that they are single.
- 62 percent are under the age of 30 (Table 2); the average age of a trainee-worker is 29 years; the average age of a trainee-worker in the young adult eligibility group is 20; the average age of a trainee-worker outside this group is 33.

**Table 2. Trainee-Workers by Age**

<i>n=27,248</i>	<b>Count</b>	<b>Pct</b>
21 and under	8,645	31.7%
22 to 29	8,293	30.4%
30 to 39	5,790	21.2%
40 to 49	3,227	11.8%
50 to 64	1,244	4.6%
65 and over	49	0.2%
<b>Total</b>	<b>27,248</b>	<b>100.0%</b>

- The average number of children among those with at least one child is 2.1.
- 98 percent live in a household with at least one other person; the average household size is 3.5 people.
- 53 percent are responsible for the day-to-day care of a minor child.
- 11 percent are a non-custodial parent to a minor child.
- 81 percent are African American, 10 percent Latino, 6 percent White, 1 percent Asian American, and 2 percent other.

**Figure 7. Educational Attainment of Trainee-Workers**



- 41 percent have taken some college courses, but have not earned a higher degree. An additional 33 percent had just a high school diploma (Figure 7).<sup>23</sup>
- 92 percent report the primary language spoken at home to be English alone or English in combination with another language.
- 39 percent did not work in the 2 years prior to enrolling in PITW.<sup>24</sup>
- The average length of unemployment before PITW was 15.4 months.<sup>25</sup>
- 32 percent report that their household had no income in the month prior to entering PITW. Average monthly household income (including both earned and unearned income) was \$710, which translates to \$8,520 a year—well below the poverty threshold for any size family.

<sup>23</sup> Total responses for this question n=730.

<sup>24</sup> Total responses for this question n=720.

<sup>25</sup> Total responses for this question n=522.



## Put Illinois to Work's Relevance:

### A Preliminary Look at the Effect of the Recession and PITW on Employers and Workers

PITW was designed to alleviate hardship for individuals and their families, businesses, and by extension, Illinois communities. While future analyses will more rigorously examine the program's economic impact, this section provides an initial glimpse at how Illinois businesses and unemployed workers were faring in the recession and how PITW affected their experiences.

**Over 1 in 4 employers report that their business was financially unhealthy or very unhealthy before PITW.**

#### Effects of Recession on Employers and Trainee-Workers

PITW employers faced difficult business conditions as a result of the recession. Over 1 in 4 employers (28 percent) report that their business was financially unhealthy or very unhealthy before PITW; half report that their business was neither healthy nor unhealthy; and 22 percent report that their business was healthy or very healthy.<sup>26</sup> Table 3 shows common impacts of the recession reported by PITW employers. Only around 1 in 6 employers reported no negative impacts on their business.

**Table 3. Most Common Impacts of the Recession on PITW Employers**

<i>n=128</i>	<i>Pct</i>
Cash flow problems	68.6%
Reduced sales	53.1%
Increase in customers paying late/not at all	44.5%
Reduced access to capital	31.3%
Other	25.0%
Supply chain disrupted	15.6%
No effects	15.6%

\*percentages do not add up to 100 because respondents could choose more than one answer.

PITW employers implemented a variety of measures in an attempt to weather the recession. Thirty-nine percent of employers report reducing employee hours, 37 percent report freezing hiring, and 32 percent report laying off employees (Table 4).

**Table 4. Most Common Actions Taken as a Result of Economic Conditions**

<i>n=190</i>	<i>Pct</i>		<i>Pct</i>
<b>Financial Actions</b>		<b>Operations Actions</b>	
Operated with a deficit	37.9%	Put off upgrade or expansion plans	37.4%
Spent down reserves	34.2%	Restructured operations to reduce costs	35.8%
Drew on a line of credit	16.8%	Cut or eliminated "non-essential" services	34.2%
Considered selling or merging business	13.2%	Changed hours of operation	22.1%
Sold off assets	9.5%	Changed prices for certain goods or services	17.4%
Restructured/refinanced debt	8.4%	Stopped offering certain products or services	13.2%
		Other	7.9%
		Changed quality of certain goods or services	4.2%

<sup>26</sup> Total responses for this question n=197.



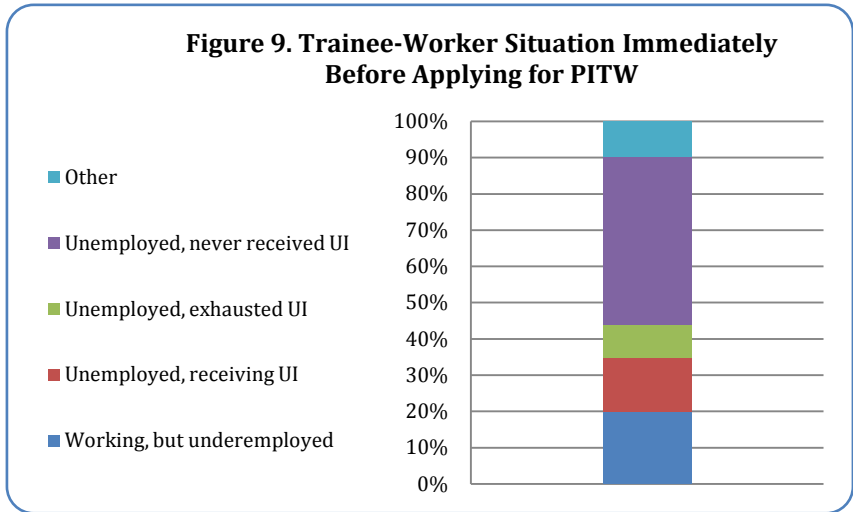
**Workforce Actions**

Reduced employee hours	38.9%
Froze hiring	36.8%
Laid off employees	32.1%
Cut employee pay	12.1%
Reduced employee benefits	6.8%
Offered early retirement	1.6%

\*percentages do not add up to 100 because respondents could choose more than one answer.

The employment situation for trainee-workers before they entered the program was similarly bleak. Thirty-nine percent of trainee-workers did not work at all in the 2 years prior to PITW.<sup>27</sup> Of those who did work in the 2 years before PITW (Figure 9):<sup>28</sup>

- 46 percent were unemployed but never received unemployment insurance benefits.
- 20 percent were working, but were underemployed.
- 15 percent were unemployed and receiving unemployment insurance benefits.
- 9 percent were unemployed and had exhausted their unemployment insurance benefits.
- 10 percent report a different situation.



Of the trainee-workers who worked in the two years prior to PITW, 62 percent were earning less than the PITW wage of \$10.00 an hour (Table 5), indicating that for most PITW was at least a lateral job move or a step up. Only 19 percent earned \$12.00 an hour or more.

**Table 5. Hourly Pay in the Last Job Held Prior to PITW**

<i>n=429</i>	<i>Count</i>	<i>Pct</i>
Less than \$9.00 an hour	206	48.0%
\$9.00 - \$9.99 an hour	59	13.8%
\$10.00 - \$10.99 an hour	68	15.9%
\$11.00 - \$11.99 an hour	16	3.7%
\$12.00 an hour or more	80	18.7%
<b>Total</b>	<b>429</b>	<b>100.0%</b>

**Relevance of PITW for Employers and Trainee-Workers**

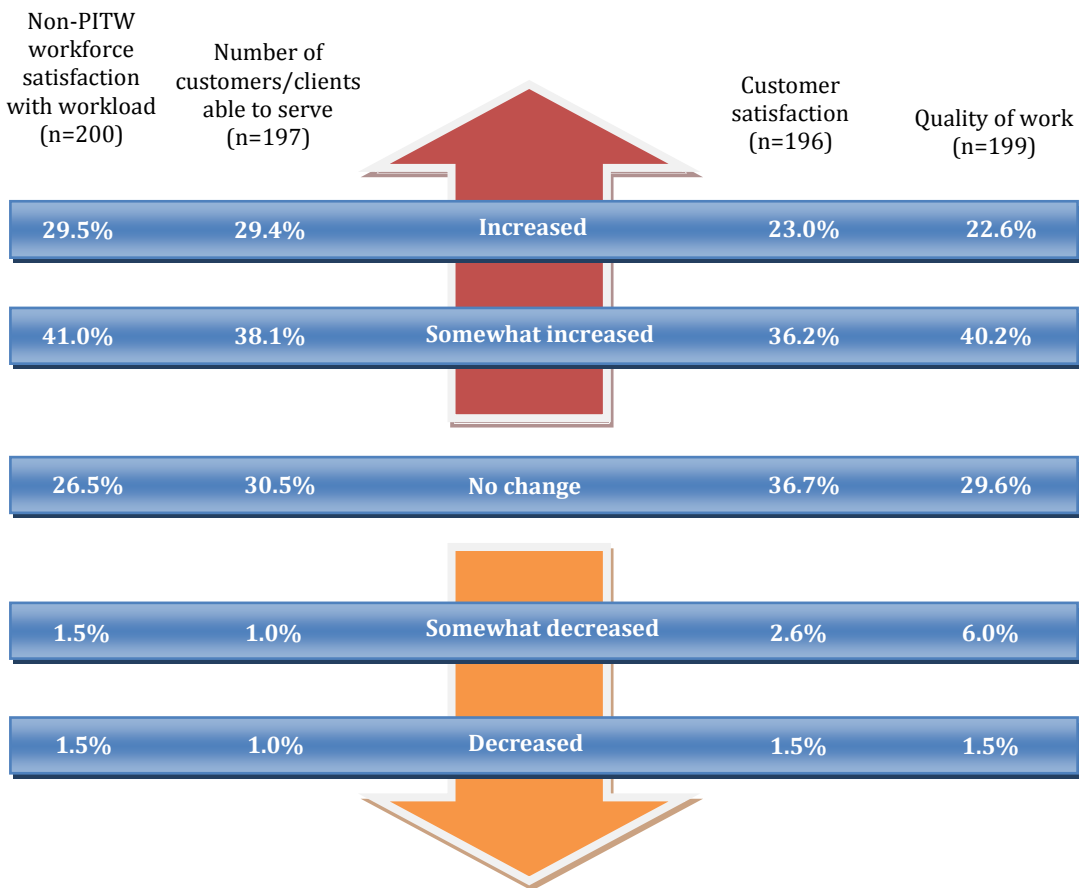
PITW benefited employers by improving financial health, increasing quality of work, and increasing productivity (Figure 10):

<sup>27</sup> Total responses for this question n=720.  
<sup>28</sup> Total responses for this question n=422.



- 57 percent report that the financial health of their business was better or somewhat better following participation in PITW,<sup>29</sup> and 47 percent attributed at least half of that improvement directly to participation in PITW.<sup>30</sup>
- 63 percent have seen the quality of their work improve as a result of having PITW trainee-workers.<sup>31</sup>
- 68 percent have been able to serve more customers as a result of having PITW trainee-workers.<sup>32</sup>
- 59 percent have seen customer satisfaction improve as a result of having PITW trainee-workers.<sup>33</sup>
- 71 percent have experienced increased satisfaction with workload among non-PITW employees as a result of having PITW trainee-workers.<sup>34</sup>

**Figure 10. Change in Business on the Following Dimensions as a Result of Having PITW Trainee-Workers**



<sup>29</sup> Total responses for this question n=199.

<sup>30</sup> Total responses for this question n=110.

<sup>31</sup> Total responses for this question n=199. Total of somewhat increased and increased responses.

<sup>32</sup> Total responses for this question n=197. Total of somewhat increased and increased responses.

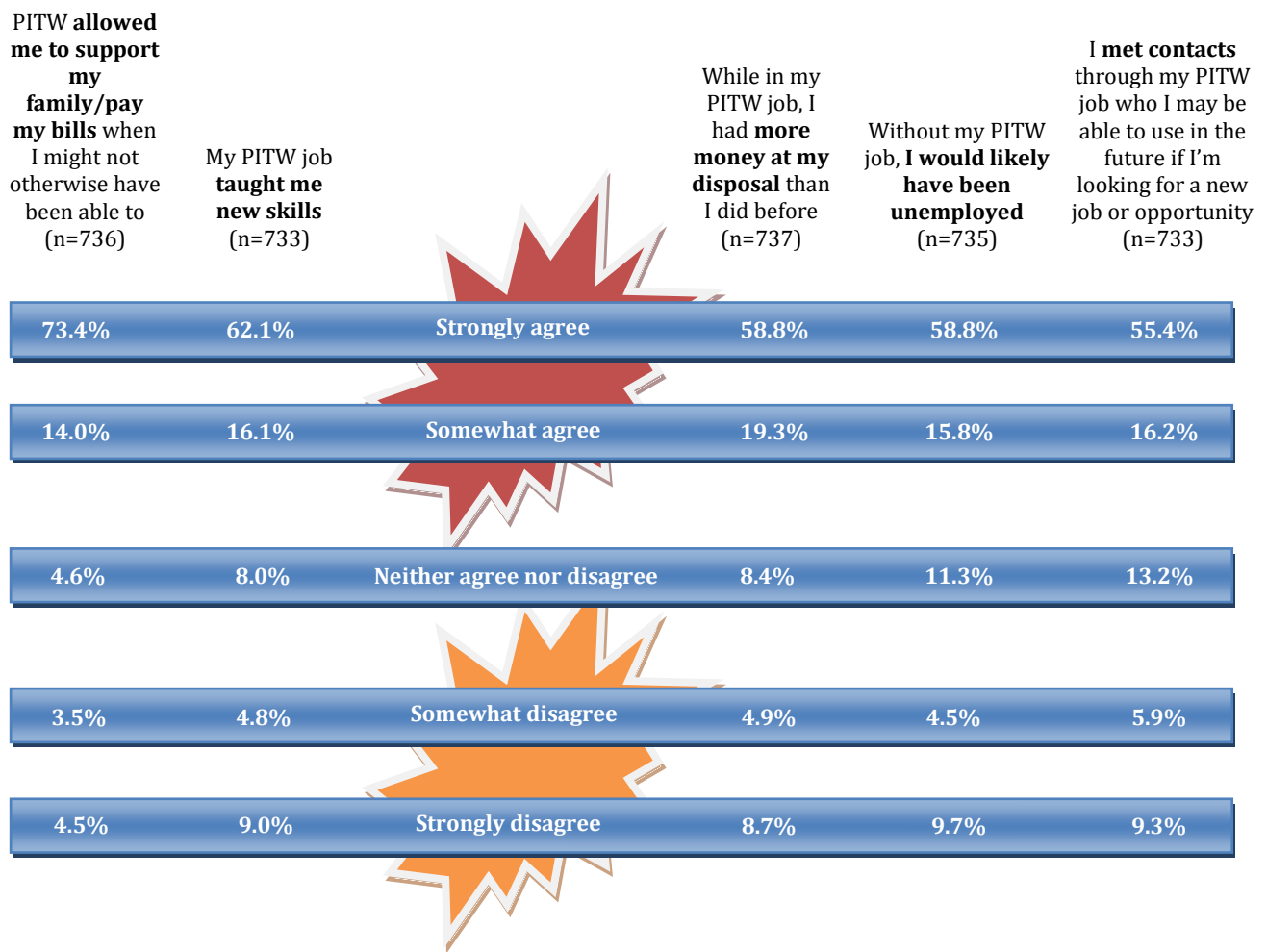
<sup>33</sup> Total responses for this question n=196. Total of somewhat increased and increased responses.

<sup>34</sup> Total responses for this question n=200. Total of somewhat increased and increased responses.

Trainee-workers experienced immediate positive employment and income effects from PITW. The majority of trainee-workers express that the program (Figure 11):<sup>35</sup>

- was important in helping them make ends meet (87 percent).
- put more money at their disposal than they had before (78 percent).
- taught them new skills (78 percent).
- saved them from likely unemployment (75 percent).
- introduced them to new professional contacts who might be used as a resource in future job searches (72 percent).

**Figure 11. Degree to Which Trainee-Workers Agree or Disagree with the Following Statements**



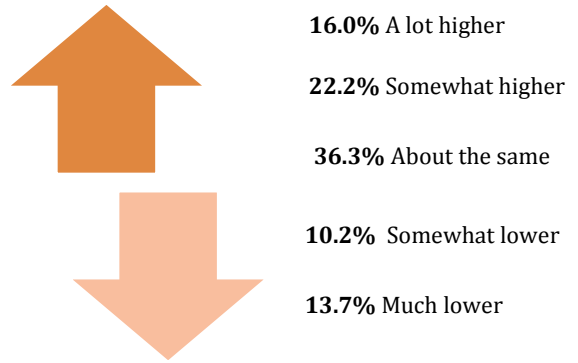
Of trainee-workers who worked in the 2 years prior to PITW, 75 percent report that their PITW jobs had a skill level at or above that of their prior job (Figure 12).

<sup>35</sup> Total of agree and strongly agree responses.

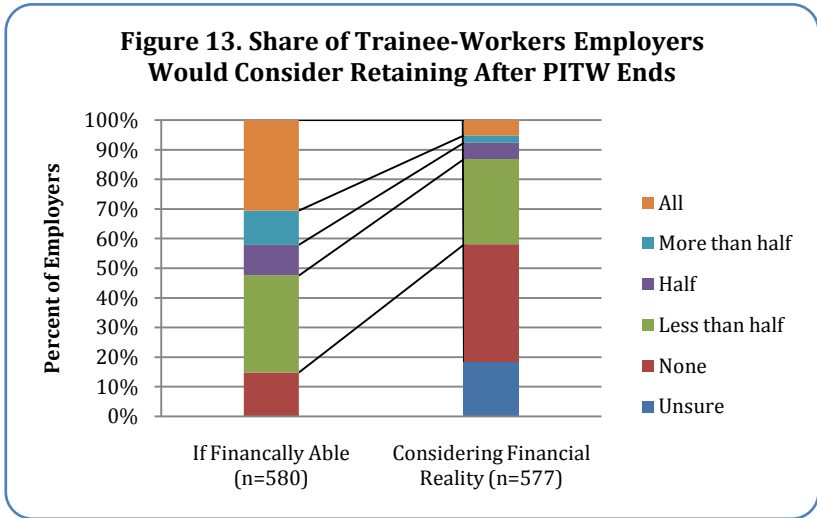


**Figure 12. Skill Level of PITW Job Compared to Job Held Prior to PITW (n=432)**

All trainee-workers were low-income parents or low-income young adults. Over half (52 percent) of all employers stated that they are more willing now to hire such individuals than they were before participating in PITW; 39 percent were as likely as before to hire these individuals, and only 9 percent stated that they were less likely or somewhat less likely to hire low-income parents or low-income young adults.<sup>36</sup>



Fifty-two percent of employers report that they would permanently hire half to all of their trainee-workers *if they were financially able to do so*. However, *considering their financial situation*, only 13 percent of employers report that they will be able to do so (Figure 13).<sup>37</sup>



Fifty-one percent of trainee-workers have discussed the possibility of staying on permanently with their employer once PITW ends.<sup>38</sup> Of these trainee-workers, 75 percent felt that it was likely they would get a permanent job with their PITW employer,<sup>39</sup> and 95 percent said they would accept that job if it were offered to them.<sup>40</sup>

The vast majority of trainee-workers (92 percent)<sup>41</sup> and employers (88 percent)<sup>42</sup> indicate that they would participate in PITW or a similar program if it were offered again. An additional 10 percent of employers and 6 percent of trainee-workers would maybe participate. Even if the wage subsidy were halved, 40 percent of employers report they would participate, and 42 percent might participate.<sup>43</sup>

**The vast majority of trainee-workers and employers indicate that they would participate in PITW or a similar program again.**

<sup>36</sup> Total responses for this question n=392.  
<sup>37</sup> Of respondents who answered both questions.  
<sup>38</sup> Total responses for this question n=702.  
<sup>39</sup> Total responses for this question n=334.  
<sup>40</sup> Total responses for this question n=345.  
<sup>41</sup> Total responses for this question n=734.  
<sup>42</sup> Total responses for this question n=598.  
<sup>43</sup> Total responses for this question n=579.

## Put Illinois to Work's Scale: A State-by-State Comparison

As a result of the flexibility afforded by the TANF Emergency Contingency Fund, no two subsidized employment programs across the country look exactly alike. Some states operated multiple programs, with each program targeting a different population (e.g., adults or youth) or a different geographic area (e.g., a particular city or neighborhood), or using a specific model (e.g., transitional jobs, in which subsidized-job holders are connected with training, work supports, or other services).

PITW is **impressive** in terms of federal funding used, people employed, and commitment to providing income to individuals, businesses, and communities through subsidized jobs.

States were not required to provide standardized reports on the structure and outcomes of Emergency Contingency Fund-supported subsidized employment programs. Consequently, comparing programs across states is very challenging. However, HHS tracks the use of these funds by state, allowing comparisons of the scale of various programs supported by the Emergency Contingency Fund. States vary by the extent to which they used available dollars and by the extent to which they devoted available funds to subsidized employment programs.

Each state implemented a different combination of the three allowable uses of the TANF Emergency Contingency Fund (basic assistance, short-term non-recurrent benefits, and subsidized employment programs), ranging from using just one category to using all three in combination.

Some states opted to spend a larger portion of their funds on the subsidized jobs category while others chose to focus on the other two categories. Twenty-five percent of all TANF Emergency Contingency Fund dollars were used for subsidized employment programs across all states. Of the 37 states that established subsidized employment programs, Illinois ranks fifth highest in terms of the proportion of these dollars spent on the subsidized employment category, having used over three quarters on its subsidized work-relief programs (Table 6).

The TANF Emergency Contingency Fund made over \$1 billion available for subsidized employment programs. Illinois used 19 percent of this overall total, more than any other state except California, which used 21 percent of the total (Table 7).

**Table 6. Top Ten States by Percent of Total TANF Emergency Contingency Fund Used for Subsidized Employment, as of September 9, 2010<sup>44</sup>**

<i>State</i>	<i>Pct</i>	<i>State</i>	<i>Pct</i>
1. North Dakota	100.0%	6. Florida	68.9%
2. Mississippi	94.2%	7. Arkansas	64.4%
3. Georgia	89.4%	8. Texas	62.6%
4. Kentucky	87.4%	9. Pennsylvania	62.4%
<b>5. Illinois</b>	<b>76.8%</b>	10. Rhode Island	59.3%

<sup>44</sup> U.S. Department of Health and Human Services, Administration for Children and Families. *Table 1. Approved state, territory, and DC TANF Emergency Fund applications by category*. Retrieved from <http://www.acf.hhs.gov/programs/ofa/tanf/apprTANFemerfund.html>. As of September 9, 2010.

The number of individuals placed into subsidized jobs using these funds varied greatly among states. The diversity of programs prevents a precise comparison of program scale: each program relied on different combinations of Emergency Contingency Fund, state, and private funding, and programs varied by the extent to which they built on existing programs as a foundation—some states used the Emergency Contingency Fund to expand an existing workforce development or jobs program.

The different populations targeted by each program and different time frames over which each program operated also prevents a precise comparison: some states ran year-round adult programs, while others ran summer youth programs, while still others ran both. For example, 15,000 of the 35,000 placements planned in California were summer youth slots in Los Angeles.<sup>47</sup> Similarly, Illinois programs included not only PITW, but also Youth Employment for Summer—a program for young workers—and JobStart—a transitional jobs initiative offering employment and supportive services to historically high-unemployment neighborhoods in Chicago. PITW was by far the largest of Illinois’ programs, accounting for the lion’s share of Illinois’ TANF Emergency Contingency Fund dollars.

PITW is the **largest** Emergency Contingency Fund-supported adult subsidized jobs program in the country, **employing over 27,000** individuals.

Even with these caveats in mind, the scale of Illinois’ subsidized employment programs is impressive (Table 8). With 27,393 of Illinois’ placements, Put Illinois to Work is by far the single largest Emergency Contingency Fund-supported adult program, in terms of number of placements, in the nation.<sup>48</sup>

**Table 7. Approved TANF Emergency Contingency Fund Applications – Subsidized Employment, as of September 9, 2010<sup>45</sup>**

<i>Top 10 States</i>	<i>Subsidized Employment</i>	<i>As Pct of U.S. Total</i>
1. California	\$215,203,310	20.7%
<b>2. Illinois</b>	<b>\$194,274,376</b>	<b>18.7%</b>
3. Texas	\$100,912,817	9.7%
4. Florida	\$93,873,229	9.0%
5. Pennsylvania	\$60,968,938	5.9%
6. Georgia	\$59,002,184	5.7%
7. Ohio	\$56,528,928	5.4%
8. Kentucky	\$26,298,822	2.5%
9. New York	\$25,575,383	2.5%
10. New Jersey	\$18,716,402	1.8%

**Table 8. Top Ten States by Number of Adult TANF Emergency Contingency Fund Subsidized Job Placements<sup>46</sup>**

<i>Top 10 States</i>	<i>Placements</i>
<b>1. Illinois</b>	<b>28,993*</b>
2. California	20,000
3. Texas	14,400
4. Pennsylvania	12,864
5. Washington	7,200
6. Minnesota	6,802
7. Florida	6,000
8. New York	4,217
9. Mississippi	3,300
10. Wisconsin	2,500

\*Illinois’ total was updated from that reported in the source with PITW and JobStart program data.

<sup>45</sup> U.S. Department of Health and Human Services, Administration for Children and Families. *Table 1. Approved state, territory, and DC TANF Emergency Fund applications by category*. Retrieved from <http://www.acf.hhs.gov/programs/ofa/tanf/apprTANFemerfund.html>. As of September 9, 2010.

<sup>46</sup> Schott, L., & Pavetti, L. (2010, September 2). *Walking away from a win-win-win: Subsidized jobs slated to end soon are helping families, businesses, and communities weather the recession*. Washington, DC: Center on Budget and Policy Priorities.

<sup>47</sup> Pavetti, L. *The Recovery Act’s best kept secret, Cont.* Retrieved from <http://www.offthechartsblog.org/the-recovery-act%e2%80%99s-best-kept-secret-cont>

<sup>48</sup> Schott, L., & Pavetti, L. (2010, September 2). *Walking away from a win-win-win: Subsidized jobs slated to end soon are helping families, businesses, and communities weather the recession*. Washington, DC: Center on Budget and Policy Priorities.



As these funding and enrollment data show, PITW is impressive in terms of its use of federal funding, number of people employed, and commitment to providing income to individuals, businesses, and communities through subsidized jobs.



## **Put Illinois to Work Evaluation in Brief: Research Questions and Methods**

The Put Illinois to Work evaluation began in August 2010 and was designed to answer the following research questions:

- 1) What spurred the creation of Put Illinois to Work, how did the initiative come together, and what are the core and unique features of how the program is administered?
- 2) What has been Put Illinois to Work's progress on meeting stated goals?
- 3) What has been Put Illinois to Work's impact?
- 4) What lessons have been learned?

While the state of Illinois eventually extended PITW through November 2010, the Social IMPACT Research Center's (IMPACT) approach to the evaluation was shaped by the looming September 30, 2010, expiration date for federal funding. Many stakeholders, including employers, trainee-workers, and subcontractor staff, would be disconnected from PITW if the program ended on September 30, and so it was necessary to prioritize data collection to capture their voices before they became hard to reach.

In light of the expectation that the program was soon ending, the first phase of evaluation activities included analysis of existing program data, program documentation review, and data collection in the form of surveys to employers, trainee-workers, and subcontractors and their staff. At the time of this writing, not all data sets from these efforts were sufficiently complete to include in this preliminary report. Instead, this report draws mostly on four data sources:

### **The Put Illinois to Work Central Database**

All 26 subcontractor agencies are required to record information about trainee-workers and employers in this centralized database. It includes demographic and placement information for trainee-workers and details on employers.

### **Heartland Human Care Services Payroll Data**

Heartland Human Care Services maintains payroll records for all trainee-workers, including hours worked, gross wages, exemptions, deductions, taxes paid, and so on.

### **Surveys of Employers and Trainee-Workers**

A sample of employers and a sample of trainee-workers received surveys developed by IMPACT with the input of many program and policy experts.

The trainee-worker survey was sent to a stratified (on geography) random sample of 9,247 individuals. Trainee-workers outside of Cook County were oversampled at 50 percent to ensure adequate representation. Cook County trainee-workers were randomly sampled at 25 percent.



Roughly half of sampled trainee-workers received a paper version via the postal service (those without an email addresses on file) and the other half received an electronic version via email. As of the cutoff date for this analysis (September 30), 739 usable surveys were returned for a response rate of 8.0 percent. The high number of useable surveys in proportion to the total number of trainee-workers gives high confidence (confidence level of 95 percent) that respondents are representative of all PITW trainee-workers (with a confidence interval of 3.56).

There were three different versions of the employer survey, each focusing on a different aspect of the program or the business, with some repeated questions. One survey focused on employers' experiences with the trainee-workers, another on employers' experiences with the program and its partners, and the last on employers' financial conditions. Each version of the survey went to a similarly sized sample, with a total of 2,486 employers receiving a survey. Employers outside of Cook County were oversampled at 100 percent to ensure adequate representation. Employers in Cook County were randomly sampled at a 50 percent rate. Roughly half of sampled employers received a paper version of the survey via the postal service (those without an email addresses on file) and the other half received an electronic version via email. As of the cutoff date for this analysis (September 30), 650 usable surveys were returned for a response rate of 26.1 percent. The high number of useable surveys in proportion to the total number of employers gives high confidence (confidence level of 95 percent) that respondents are representative of all PITW employers (with a confidence interval of 3.54).

As of this writing, follow-up with non-respondents was just beginning, and so these response rates and resulting findings are expected to change.

### **Document Review**

To develop the program overview and explanation, IMPACT reviewed contracts, Illinois Department of Human Services and Heartland Human Care Services publications, media stories, the Put Illinois to Work website, and numerous policy and program guides on the TANF Emergency Contingency Fund.

These data sources, and therefore this initial report, only partially answer the four evaluation research questions. Ongoing evaluation efforts will examine program implementation and impacts more precisely. These efforts will incorporate complete and final data from the above sources as well as additional data sources and methods of analysis, including a longitudinal study of PITW trainee-workers' wages, work history, and public benefits receipt before and after PITW. These additional evaluation efforts will result in further briefs and reports throughout 2011.

*The Put Illinois to Work evaluation was approved by the Research Review Committee of Heartland Alliance for Human Needs & Human Rights.*

## Appendix:

### Total Gross Wages by County through Pay Period Ending September 11, 2010

#### Total Gross Wages by County through Pay Period Ending September 11, 2010

<i>County</i>	<i>Gross Wages</i>	<i>County</i>	<i>Gross Wages</i>	<i>County</i>	<i>Gross Wages</i>
Adams	\$470,123	Grundy	\$13,413	Montgomery	\$15,531
Alexander	\$121,400	Hancock	\$2,443	Morgan	\$166,145
Boone	\$57,953	Henry	\$34,813	Moultrie	\$2,455
Brown	\$2,598	Iroquois	\$88,838	Peoria	\$497,200
Bureau	\$13,210	Jackson	\$190,840	Perry	\$39,680
Calhoun	\$2,080	Jasper	\$2,010	Piatt	\$16,675
Carroll	\$2,320	Jefferson	\$91,678	Pike	\$92,038
Cass	\$2,733	Jersey	\$18,408	Pulaski	\$21,108
Champaign	\$670,569	Johnson	\$3,100	Randolph	\$109,160
Christian	\$18,773	Kane	\$1,338,162	Richland	\$10,565
Clark	\$14,418	Kankakee	\$1,731,266	Rock Island	\$177,480
Clay	\$49,343	Kendall	\$159,725	Saline	\$27,061
Clinton	\$33,048	Knox	\$245,885	Sangamon	\$1,432,605
Coles	\$234,213	Lake	\$1,335,733	Schuyler	\$27,105
Cook	\$84,768,648*	LaSalle	\$51,283	St. Clair	\$3,606,751
Crawford	\$13,938	Livingston	\$1,420	Stark	\$380
DeKalb	\$36,805	Logan	\$5,200	Stephenson	\$5,225
DeWitt	\$6,873	Macon	\$581,987	Tazewell	\$137,598
Douglas	\$6,115	Macoupin	\$66,118	Union	\$21,953
DuPage	\$759,820	Madison	\$3,855,210	Vermillion	\$44,598
Edgar	\$19,565	Marion	\$121,665	Wabash	\$3,755
Edwards	\$7,370	Marshall	\$2,318	Warren	\$6,358
Effingham	\$8,718	Mason	\$11,668	Wayne	\$9,885
Ford	\$5,463	Massac	\$4,955	Whiteside	\$6,983
Franklin	\$56,880	McDonough	\$10,183	Will	\$1,304,266
Fulton	\$36,865	McHenry	\$42,387	Williamson	\$158,248
Gallatin	\$16,453	McLean	\$137,325	Winnebago	\$858,910
Greene	\$9,568	Menard	\$4,645	Woodford	\$3,360

77 percent of this was earned by Chicago trainee-workers.

These figures do not add up to the state total since county of residence was unknown for some trainee-workers.