

# BACKGROUND: HOW BRAIDED FUNDING CAN CONNECT PATHWAYS FOR TODAY'S STUDENTS



## INTRODUCTION

Today's students follow myriad pathways to and through higher learning. Providing today's students with wraparound supports and tools to navigate complex career pathways systems can greatly boost their chances of success, but requires multiple resources. For students, this means the programs they rely on for career and income mobility have limited sets of resources from year to year.<sup>1</sup> A singular funding stream is often unreliable and insufficient for providing the full scope of program services or delivering a program at scale. Braided funding can bridge the gap and allow programs the resources needed to succeed.

## WHAT IS BRAIDED FUNDING?

Braided funding, sometimes referred to as blended funding or co-investing, combines different funding streams to support one program or activity at the institutional or state level. In the context of higher learning, braided funding is commonly used to scale successful programs, jumpstart a new initiative, or sustain long-term growth. Braided funds have been particularly useful for workforce development programs, combining public funds and the resources of nonprofit organizations and grants for those in need of workforce support. By exploring and implementing similar models of effective braided funding, programs providing career pathways for students can have sustainable and replicable funding.

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**Because of how our higher education system is structured, today's students are too often stumbling through a postsecondary pipeline ridden with cracks and widening fault lines.<sup>2</sup>**

– [“Today's Students' Policy Toolkit 3.0,”](#)  
Higher Learning Advocates

## ADVANTAGES OF BRAIDED FUNDING

Integrated K-12 and postsecondary career pathways programs provide an “increased number of skilled workers with credentials of value to the labor market” through cost-efficient programming.<sup>3</sup> The effectiveness of a career pathways approach is clear: it increases educational attainment, employment, and short-term earnings.<sup>4</sup> But institutions and states can't rely on one stream of funding to sustain these programs. Cuts in federal funding for workforce development programs make single funding streams unstable or inadequate. Braided funding can help create sustainable programs by diversifying funding sources so cuts or losses to any single source would not be as impactful on the overall financial health of the program. Leveraging existing funds and


programs will also reduce anticipated costs while still providing necessary services to students.

While braiding multiple sources of funding requires some administrative investment, building partnerships with multiple agencies or organizations also offers significant investment returns. Funding partnerships often come with technical support, increased exposure, and demonstrate the value of a program to other potential funders. Finally, braided funding can increase focus on equitable access to pathways for historically underserved communities because federal funding streams directly support access and reporting for those populations.<sup>5</sup>

## CASE STUDY: AMERICAN JOB CENTERS

American Job Centers are one-stop centers for workers that combine workforce and education programming and funding to meet local needs through a nationally established, locally led program.<sup>6,7</sup> The Centers provide resources for job seekers including training referrals, career counseling, and access to job postings, serving millions of Americans every year.<sup>8</sup>

The program demonstrates how several entities can come together to support a community's workforce needs. Digitally oriented American Job Center affiliates like MyPlan in Sunnyvale, California mark an important step forward as the COVID-19 pandemic and its effects continue to shift the experiences of workers.

 **What they braided:** American Job Centers are funded through the Workforce Innovation and Opportunity Act (WIOA) and leverage at least six different federal grant programs administered by multiple federal agencies.<sup>9</sup> In addition, the local centers are allowed to partner with and gain funding from other programs. On average, the centers studied in this review had 18 funding sources (ranging from 7 to 34) used by 10 partners (ranging from 5 to 22).<sup>10</sup>

## CASE STUDY: ARKANSAS CAREER PATHWAYS INITIATIVE (CPI)

Arkansas' Career Pathways Initiative (CPI) braids state and federal funding to provide direct education, training, and case management services to low-income parenting students. Since its inception in 2005, the program has reached over 30,000 students at 25 community and technical colleges across the state.<sup>11</sup> Arkansas CPI provides assistance for a range of educational expenses, including tuition, textbooks, child care, and transportation.<sup>12</sup> It is estimated that more than half of Arkansas CPI participants obtained a degree or credential, significantly higher than the state average, and participants also reported higher earnings as a result of the program.<sup>13</sup>

**What they braided:** Arkansas CPI combines funds from the Arkansas Department of Workforce Services, the Arkansas Department of Higher Education, and the state's community colleges and university technical centers. Its primary stream of federal funding includes the career and technical education block grants from the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).<sup>14</sup> Additionally, the program leverages funds from WIOA through local Workforce Investment Boards to cover student expenses.<sup>15</sup> The program helps students apply for Pell Grants and other direct student aid, allowing the CPI funds to be targeted to students' unmet needs.<sup>16</sup>

## BEST PRACTICES FOR BRAIDED FUNDING

Braiding funding streams — if done correctly — can be an efficient, scalable, and sustainable way to support programs and pathways for today's students. Workforce development programs, particularly when connected to one-size-fits-all job centers, need to be aligned with the complex web

of supports students have at their disposal. Program administrators must remain aware of available resources, the barriers and preconditions associated with certain funding sources, and the long-term strategies needed for programmatic growth.

For career pathways programs, which rely on a web of institutional partnerships to support students' career development, ensuring that students understand all of their options can be challenging. Consolidating the entry point for students may be difficult, especially when braiding together multiple sources, but it is vital to ensure that student supports are understood and utilized.

**Several models exist that demonstrate how funds can be braided in a step-by-step fashion. One example from the U.S. Department of Health and Human Services (HHS) maps out a straightforward process for supporting a program or activity with braided funding.<sup>17</sup>**

- 1 Identify funding streams
- 2 Identify eligible populations and compare requirements
- 3 Build integrated data systems
- 4 Align requirements of funding streams
- 5 Develop shared goals and a plan for collaboration
- 6 Build state or local programs that use multiple funding streams
- 7 Develop governance structures to support collaboration
- 8 Support braiding at the provider level

## BRAIDING FEDERAL WORK-FORCE FUNDS

When attempting to reconcile the numerous funding streams necessary for program success, regulatory barriers posed by federal funding streams often create challenges for program administrators. In a 2019 report, the Government Accountability Office (GAO) identified more than 40 federal funding streams for employment and training programs, and found the vast majority of them overlap with each other in that they “provided similar services to a similar population.”<sup>18</sup> While this might seem like a great opportunity to braid funds, it can be difficult for organizations to navigate these funding opportunities. In another report, the GAO stated that “fragmented and overlapping federal programs result in administrative burdens, additional work for local service providers, and a confusing service delivery system for beneficiaries.”<sup>19</sup> Different application criteria can discourage institutions and states from seeking multiple funding sources, and because each program might have competing reporting requirements, the administrative burden of compliance might detract from time better spent optimizing services. Reporting criteria often focus on compliance rather than program outcomes, so multiple sets of compliance criteria are common and might not be the best measures of program success.<sup>20</sup>

In response to these issues, the GAO recommended that the Department of Labor create a strategic plan for greater coordination among agencies that provide employment and training services, which would be a helpful first step toward more accessible braided funding. Fragmentation and overlap are often caused by the slow build-up of programs and requirements over time, so taking stock of existing programs to ensure they can be used most effectively without depleting already limited resources is extremely beneficial. Ultimately, these challenges do not outweigh the benefits of braided funding, and a growing recognition of the importance of braided funding will be vital to continued improvements to the system over time.

## CONCLUSION

Braided funding has already been used by states and institutions to provide innovative pathways programs for today's students. For braided funding to reach its full potential, federal policymakers must understand

the challenges faced by program administrators and streamline their processes to ensure that braided funding remains an effective option for providing high-quality pathways to today's students.

## ENDNOTES

<sup>1</sup> Jenny Abamu, "Not All Career and Technical Education Programs Are Created Equal." EdSurge, August 1, 2017, <https://www.edsurge.com/news/2017-08-01-not-all-career-and-technical-education-programs-are-created-equal>.

<sup>2</sup> "Today's Students' Policy Toolkit 3.0," Higher Learning Advocates, September 2021, [https://higherlearningadvocates.org/wp-content/uploads/2021/09/HLA-toolkit-3.0\\_v.5.pdf](https://higherlearningadvocates.org/wp-content/uploads/2021/09/HLA-toolkit-3.0_v.5.pdf).

<sup>3</sup> "Career Pathways Systems," Perkins Collaborative Resource Network, <https://cte.ed.gov/initiatives/career-pathways-systems>.

<sup>4</sup> Laura R. Peck, Deena Schwartz, Julie Strawn, Christopher C. Weiss, Randall Juras, Siobhan Mills de la Rosa, Nathan Greenstein, Tori Morris, Gabriel Durham, and Charlotte Lloyd, "A Meta-Analysis of 46 Career Pathways Impact Evaluations," U.S. Department of Labor, Chief Evaluation Office, December 2021, [https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/A%20Meta-Analysis%20of%2046%20Career%20Pathways%20Impact%20Evaluations\\_final%20report.pdf](https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/A%20Meta-Analysis%20of%2046%20Career%20Pathways%20Impact%20Evaluations_final%20report.pdf).

<sup>5</sup> "Braiding Funding To Support Equitable Career Pathways," New Skills Ready Network, [https://cte.careertech.org/sites/default/files/files/resources/Braiding\\_Funding\\_NewSkills\\_Jan\\_2022\\_0.pdf](https://cte.careertech.org/sites/default/files/files/resources/Braiding_Funding_NewSkills_Jan_2022_0.pdf).

<sup>6</sup> "American Job Centers," U.S. Department of Labor, <https://www.dol.gov/general/topic/training/onestop>.

<sup>7</sup> P. Holcomb, L. Rosenberg, E. Brown, B. English, K. Dunham, and H. Betesh, "An Institutional Analysis of American Job Centers: Study Highlights," U.S. Department of Labor, April 2018, [https://wdr.doleta.gov/research/FullText\\_Documents/ETAOP\\_2018-03\\_StudyHighlights\\_AJCs\\_508\\_Compliant.pdf](https://wdr.doleta.gov/research/FullText_Documents/ETAOP_2018-03_StudyHighlights_AJCs_508_Compliant.pdf).

<sup>8</sup> Elizabeth Brown and Pamela Holcomb, "An Institutional Analysis of American Job Centers: Key Institutional Features," Mathematica Policy Research, <https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/KeyFeaturesAJCs.pdf>.

<sup>9</sup> "American Job Centers."

<sup>10</sup> Holcomb, Rosenberg, Brown, English, Dunham, and Betesh, "An Institutional Analysis of American Job Centers."

<sup>11</sup> The Arkansas Career Pathways Initiative: Phase One Research Results," College Counts, 2016, <https://lincs.ed.gov/professional-development/resource-collections/profile-979>.

<sup>12</sup> AR Career Pathways," AR Career Pathways, <https://arpathways.com/>.

<sup>13</sup> Kate Kinder, Brooke DeRenzis, and Amy Ellen Duke-Benfield, "A Toolkit for State Policymakers, Human Service Agency Leaders, Community Colleges, and Partners," National Skills Coalition, December 2021, <https://files.eric.ed.gov/fulltext/ED617581.pdf>.

<sup>14</sup> Braiding Funding To Support Equitable Career Pathways," New Skills Ready Network, January 2022, [https://cte.careertech.org/sites/default/files/files/resources/Braiding\\_Funding\\_NewSkills\\_Jan\\_2022\\_0.pdf](https://cte.careertech.org/sites/default/files/files/resources/Braiding_Funding_NewSkills_Jan_2022_0.pdf).

<sup>15</sup> AR CPI CollegeCounts," Center for Law and Social Policy, April 2016, <https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/2016.04.07-AR-CPI-CollegeCounts-final-chart2-2.pdf>.

<sup>16</sup> Funding Career Pathways: A Federal Funding Toolkit", Center for Law and Social Policy, February 2016, <https://www.clasp.org/wp-content/uploads/2022/04/Career-Pathways-Funding-Toolkit-2015-8.pdf>.

<sup>17</sup> Katie Gonzalez and Pia Caronongan, "Braiding Federal Funding to Expand Access to Quality Early Care and Education and Early Childhood Supports and Services: A Tool for States and Local Communities," U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, August 2021, [https://aspe.hhs.gov/sites/default/files/2021-08/EC\\_Braiding\\_Toolkit.pdf](https://aspe.hhs.gov/sites/default/files/2021-08/EC_Braiding_Toolkit.pdf).

<sup>18</sup> "Department of Labor Should Assess Efforts to Coordinate Services Across Programs," Government Accountability Office, March 2019, <https://www.gao.gov/assets/gao-19-200-highlights.pdf>.

<sup>19</sup> "Homelessness: Fragmentation and Overlap in Programs Highlight the Need to Identify, Assess, and Reduce Inefficiencies," Government Accountability Office, May 2012, <https://www.gao.gov/products/gao-12-491>.

<sup>20</sup> Blended and Braided Funding: A Guide for Policy Makers and Practitioners," AGA, December 2014, <https://www.agacgfm.org/AGA/Intergovernmental/documents/BlendedandBraidedFunding.pdf>.

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