

# A Case Study on Braided Funding

## Worker Education and Resource Center



*Figure 1: PLACE program participants.*

The [Worker Education and Resource Center \(WERC\)](#) is a nonprofit organization and labor management partnership (with SEIU Local 721) that has provided quality workforce development programs in partnership with public service and safety net employers in Los Angeles County for 20 years. Over the years, WERC has evolved to deploy a braided funding strategy for their programming to bridge funding and sustain programs, expand their services, and provide more holistic support to their participants.

One program where this is evident is the Preparing Los Angeles for County Employment (PLACE). PLACE aims to prepare LA county residents for quality entry-level jobs for those who want to serve the public through county government positions. To sustain and grow this program, WERC has utilized funding from a variety of sources: public funding from the Los Angeles Department of Economic Opportunity (DEO) and High Road Training Partnership funding via the California Workforce Development Board, and philanthropic funding from the Broad Foundation, Ballmer Foundation, and the High Road Training Fund (see table below for details). The DEO funding served as the first and foundational funding source for PLACE, and as WERC continued to build capacity and develop a logic model for their goals, they intentionally expanded to braid additional funding sources for the program. This has allowed WERC to sustain PLACE, as well as expand the PLACE model to serve an increased number of participants.

## Funding Sources That Support PLACE

Funding Source	Use of Funds
Los Angeles DEO	<ul style="list-style-type: none"> <li>• Staffing and program funds for standard PLACE programming operations</li> </ul>
High Road Training Partnership Funding	<ul style="list-style-type: none"> <li>• Expand recruitment efforts to reach additional priority populations</li> <li>• Expand partnership building efforts to increase the number of partnering LA County departments</li> <li>• Increase the duration of job retention services</li> </ul>
Broad Foundation	<ul style="list-style-type: none"> <li>• Improve whole-person case management and supportive services model</li> <li>• Institutionalize and expand PLACE programming by creating a standard operating manual and learning, evaluation and improvement framework</li> </ul>
Ballmer Foundation	<ul style="list-style-type: none"> <li>• Establish a PLACE alumni program that supports workers in their longer-term career advancement</li> <li>• Provide additional stipends for PLACE and PLACE alumni participants</li> <li>• Increase staffing to hire a dedicated retention coordinator</li> </ul>
High Road Training Fund	<ul style="list-style-type: none"> <li>• Increase organizational infrastructure to support the sustainability of jobseeker and incumbent worker programs</li> <li>• Improve internal recruitment and retention to meet continual programming needs</li> <li>• Develop organizational communications and marketing materials to improve partner and participant outreach efforts</li> </ul>

WERC shares the following advice for other nonprofits or community-based organizations that are considering braided funding as a sustainability strategy:

1. **Braided funding is an incremental process.** The process to effectively braid funds for a specific program at an organization isn't typically an overnight implementation. WERC spent years developing the capacity to be able to braid funds and was intentional about the process.
2. **First develop your organization's logic model.** One of the first steps an organization can take is to create a [defined logic model](#) that outlines intended goals and impacts. Defining the organization's logic model offers helpful guideposts in navigating different funding

opportunities and identifying which funding opportunities truly align with their mission. Often, as smaller community-based organizations are growing, there can be a scarcity mindset when it comes to fundraising, which leads to pursuing funding that is not mission-aligned or does not fit fundraising criteria, such as a minimum grant amount. However, one of the primary challenges with braided funding as a strategy is managing different grant requirements across numerous funders. By being intentional about pursuing funding opportunities that align with their logic model, organizations can efficiently and strategically align these requirements across funders.

3. **Ensure the right systems are in place to support braided funding.** It's critical that organizations interested in braided funding have the necessary capacity and infrastructure in place to support it. For example, WERC has a dedicated staff member focused on fiscal and contracts administration, specifically tracking grant requirements and deliverables across different funding sources. In addition, necessary technological infrastructure is helpful in managing multiple funding sources, such as Salesforce for Nonprofits or Launchpad by Salesforce. Organizations must also understand the compliance requirements related to across different funding sources (e.g., allowable use of stipends for federal versus philanthropic funds).

While braided funding is typically defined as a strategic approach to support a single project or program by combining multiple funding streams, WERC takes this a step further. "Braided [funding] is enhancing and building on what we started with," according to Leona Smith Di Faustino, WERC's interim executive director. By keeping their mission and participants at the center of their approach, WERC has been able to develop a successful financial sustainability strategy for their programming.