Department of Labor & Workforce Development | Office of Reentry

Funding Opportunity Announcement
Grant Application Guide

July 1, 2026 – June 30, 2027

Community Reentry Reinvestment Grant (CRRG) & Pathway to Employment

Application Due Date: June 5th, 2026, 4:30 p.m. Central Time

Submit applications via email to: reentry@tn.gov

FUNDING OPPORTUNITY NUMBER: FOA-TN-CRRG-26-01

Assessment of Need

In Tennessee, many justice-involved individuals are prepared to enter the workforce; however, securing initial employment remains a significant barrier. Even after completing training programs, individuals often encounter challenges related to limited recent work history, lack of employer connections, and stigma associated with justice involvement.

Employers may also be hesitant to hire individuals from this population, particularly when onboarding and training costs are a concern. As a result, a persistent gap exists between training completion and successful employment.

Training alone is insufficient. Individuals require a direct pathway into employment where they can demonstrate their capabilities, earn income, and establish a stable work history. Without this connection, many remain unemployed despite being work-ready.

Wage subsidies serve as an effective strategy to bridge this gap by reducing financial risk for employers while providing participants with meaningful work opportunities. In many cases, once initial barriers are addressed, employers are more likely to retain individuals long-term.

Supportive services are equally critical. Access to transportation, stable housing, and essential work-related resources significantly impacts an individual's ability to obtain and maintain employment.

At the same time, employers across Tennessee continue to face workforce shortages, presenting a clear opportunity to connect an underutilized talent pool with available job openings.

This initiative is designed to integrate training, supportive services, and paid work experience to ensure participants not only complete programs but successfully enter and remain in the workforce.

This initiative recognizes two practical entry points into employment services: (1) individuals who are still incarcerated and approaching release, and (2) justice-involved individuals who are already in the community. Applicants should describe how participants move from pre-release engagement and transition planning into community-based employment services through warm handoffs, while also serving individuals who enter from the community through the same continuum of assessment, training, supportive services, paid work experience, placement, and retention support.

Program Purpose

The purpose of this program is to support justice-involved individuals in transitioning from workforce preparation to sustained employment.

This initiative extends beyond traditional training programs by directly connecting participants to paid employment opportunities while providing the support necessary for long-term success. It emphasizes the integration of skill development, barrier reduction, and employer engagement.

Participants will receive training aligned with workforce demand and will have opportunities to enter employment, earn wages, and demonstrate their abilities in real-world work environments.

Additionally, the program supports employers by reducing hiring risk and assisting in the development of a reliable workforce. The objective is to promote long-term employment outcomes rather than short-term placements.

This program is designed to create a clear, structured pathway from training through employment and retention, ensuring that participants do not experience gaps between program completion and workforce entry.

The program is intended to create practical pathways for individuals moving from incarceration into community-based employment services and for participants who are already in the community but continue to face barriers related to justice involvement. Program design should minimize gaps at release, align services across partners, and position participants to move rapidly into subsidized or unsubsidized employment.

Key Objectives

- **Rapid Employment**: Transition participants from training into paid employment as quickly as possible to support income generation, work experience development, and stability.
- **Practical Training and Job Placement**: Deliver training aligned with in-demand skills and ensure direct connections to employment opportunities in high-demand sectors.
- **Barrier Reduction**: Provide supportive services, including transportation, housing, childcare, and work-related necessities, to promote job retention and stability.

- **Reduce Employer Risk**: Use wage subsidies to offset hiring costs and encourage employer participation in hiring justice-involved individuals.
- **Post-Placement Support**: Maintain engagement with participants during the initial stages of employment to address challenges and support retention.
- **Long-Term Employment Focus**: Prioritize sustained employment and career advancement beyond initial job placement.
- **Continuous Improvement**: Monitor outcomes, evaluate program effectiveness, and adjust strategies to improve results over time.

Eligibility

This funding opportunity is open to organizations with demonstrated experience in workforce development or reentry services, or the capacity to rapidly implement such programs.

Eligible applicants include:

- State and local government agencies
- Nonprofit and community-based organizations
- Faith-based organizations

Applicants must demonstrate:

- Experience serving justice-involved or similar populations
- A clear understanding of workforce barriers faced by returning citizens
- Strong employer partnerships and access to viable job opportunities

Applicants must also:

- Be in good business standing with the State of Tennessee
- Demonstrate the ability to manage grant funds and meet reporting requirements
- Collaboration with Local Workforce Development Boards and other community partners

Applicants should be prepared to implement both workforce preparation and direct employment placement components.

Funding Availability and Timeline

Maximum Award: Up to $300,000 per grantee
Total Funding Available: $2,900,000

Note: Establishing a maximum award amount supports consistency in application review and award distribution.

Grant Timeline:

- Funding Announcement Release: May 7th, 2026
- Application Deadline: June 5th , 2026 (4:30 p.m. CT)
- Review Period: June 8th – June 12th, 2026
- Award Notification: Week of June 15th, 2026
- Contract Period: July 1st, 2026 – June 30th, 2027

Applications must be submitted by the deadline to be considered. Late submissions will not be accepted.

Funding Information

This is a cost reimbursement grant. Grantees will be reimbursed for approved, documented expenses incurred during the contract period.

A total of $2,900,000 is available for this initiative. TDLWD anticipates awarding up to 10 grants across the state to ensure geographic diversity and impact.

This funding combines the Community Reentry Reinvestment Grant (CRRG) and Pathway to Employment resources under one announcement. Applicants must include:

- Training and supportive service costs (CRRG)
- Wage subsidy costs (Pathway to Employment)

Funding caps include:

- Up to $4,000 per participant for training and supportive services
- Up to $3,200 per participant for wage subsidies

Up to 15% of total funding may be used for administrative costs. The remaining funds must be allocated to direct participant services and program delivery.

Allowable costs include:

- Personnel costs directly associated with program implementation
- Training and instructional expenses
- Supportive services (e.g., transportation, housing assistance, tools, uniforms)
- Wage subsidies paid to employers
- Case management and job placement activities

All costs must be reasonable, necessary, and directly aligned with program objectives.

Budgets should reflect realistic average participant costs and utilization assumptions rather than assuming that every participant will draw the maximum amount in every cost category.

Given the maximum award amount, applicants should view this funding as a lever to secure other resources rather than a stand-alone grant. Applications should explain how CRRG and Pathway to Employment dollars will accelerate or coordinate the use of other allowable funding streams, partner resources, employer contributions, or in-kind supports to expand participant reach and improve continuity of services.

Applicants must clearly identify which activities and costs will be charged to each funding source and how any leveraged resources will support participant needs without supplanting, duplicating, or improperly charging costs across contracts.

Information Session

TDLWD will host a virtual information session for organizations interested in applying.

The session will be held on May 22nd, 2026, from 11:00 am to 12:00 pm Central Time. It will provide an overview of program design, funding requirements, and the application process. It will also allow prospective applicants to ask questions and seek clarification.

Attendance is not required but is strongly encouraged, particularly for organizations new to this funding model.

Additional details, including access instructions, will be posted on the TDLWD website.

Application Guidance

Applications must clearly describe how participants will transition from training to employment and long-term retention. Reviewers will prioritize applications that demonstrate a practical, implementation-ready approach.

Submissions should be clearly written, well-organized, and focused on outcomes.

Format Requirements:

- Narrative format
- 12-point font
- Clearly labeled sections
- Electronic submission by deadline

Applicants should address:

- Target population and recruitment strategy
- Training approach and alignment with labor market demand (Labor Market Reports)
- Job placement strategy and employer partnerships
- Supportive services provided
- Data tracking and performance measurement methods in Jobs4TN (Virtual One Stop/VOS)
- How participants will be served through two coordinated entry points: pre-release and community-based
- How training, supportive services, wage subsidies, and employer engagement will be sequenced to avoid gaps between release, enrollment, placement, and retention
- How the applicant will leverage other allowable funds, partner resources, or in-kind contributions and manage fund utilization to reduce reversion risk

Strong applications will demonstrate clear alignment between training, employment, and retention strategies.

Program Details

Eligibility Definition: Justice-Involved Participants

Eligible participants include individuals with direct involvement in the criminal justice system who are seeking employment. This includes individuals who:

- Have been arrested, charged, or convicted
- Are currently or formerly incarcerated
- Are on probation or parole
- Have participated in diversion or reentry programs

Individuals with foster care involvement may also be eligible if they demonstrate similar employment barriers.

All participants must be authorized to work and capable of participating in program activities.

Two Entry Points: Pre-Release and Community-Based Participants

Programs must demonstrate a practical and coordinated pathway for both participants who are still incarcerated and approaching release and participants who are already residing in the community. For pre-release participants, services may begin prior to release and include recruitment, intake, assessment, career planning, employer engagement, training preparation, and release coordination. Whenever possible, participants should begin the screening and readiness process before release so that barriers can be identified early, documentation can be gathered, and a clear employment pathway can be established. These participants must then receive a warm handoff to community-based case management, supportive services, and job placement activities immediately upon release to avoid service gaps.

Community-based participants should move through a comparable process that includes referral, intake, eligibility determination, barrier assessment, training, supportive services, employer matching, placement, and retention support. Regardless of entry point, programs should demonstrate that participants are moving through the same overall employment pathway and that services are designed to prepare them for realistic job opportunities in sectors with documented hiring demand.

Program Components

1. **Training and Skill Development**

   Training must be practical, targeted, and aligned with real employment opportunities in in-demand sectors. Training should be designed to prepare participants for specific occupations and should include industry-recognized credentials, foundational employability skills, and work-based learning opportunities that connect directly to hiring employers.

   Job readiness training may be delivered in a cohort-based format to help participants build workplace expectations, communication skills, problem-solving abilities, time management, teamwork, and understanding of employer standards. A cohort model can also promote peer support, consistency, and engagement as participants move through training together.

   Training may also occur in tandem with subsidized employment, allowing participants to earn wages while learning in a real work setting. In these cases, the subsidized employment period should function as a transitional training and onboarding opportunity in which participants gain occupation-specific skills, demonstrate reliability, and build familiarity with the employer's expectations and work environment. Applicants should describe how training content, job readiness, and wage subsidy activities are integrated to support a successful transition into unsubsidized employment.

2. **Paid Work Experience and Employment**
   At least 70% of training completers must be placed into subsidized employment. Programs should aim to place participants within 30 days of training completion. Wage subsidies (up to $3,200 per participant) should support onboarding and transition to unsubsidized employment.

3. **Employer Partnerships**
   Grantees must establish strong employer partnerships in in-demand sectors and engage employers early in program design and implementation. Employer partners should help inform training content, hiring requirements, work readiness expectations, credential preferences, and placement opportunities so that participants are being prepared for actual openings rather than general employment goals alone. Partnerships should be tied to sectors with demonstrated local or regional demand and a clear likelihood of placement upon completion of training.

Programs should also describe how employers are involved in screening and candidate selection prior to enrollment or prior to training placement, as appropriate. This screening process should help determine whether participants are a good fit for specific training tracks and employment opportunities based on the employer's entry requirements, essential job functions, schedule demands, background considerations, and skill expectations. Screening should not serve only as a gatekeeping function; it should also inform individualized readiness planning. When participants do not meet employer requirements, programs should identify the gap and provide targeted assistance, such as job readiness preparation, documentation support, basic skills remediation, credential preparation, or supportive services, to help them become ready for training and employment.

4. **Supportive Services**
   Programs must provide or coordinate supportive services to address barriers that may interfere with training participation, employment placement, or job retention. Services should be individualized and based on participant needs identified through intake and ongoing assessment and may include transportation, housing assistance, work-related tools, uniforms, documentation assistance, childcare referrals, technology access, and licensing or credential support. Applicants should describe how supportive services will be delivered or coordinated at each stage of the program, including pre-release planning, enrollment, training, subsidized employment, and transition to unsubsidized employment. Supportive services should be used strategically to ensure participants are prepared to meet employer requirements, complete training, enter employment, and remain stable on the job.

5. **Case Management and Follow-Up**
   Grantees must provide ongoing case management throughout program participation and for at least 30 days after employment placement. Case management should continue during employment and include regular contact with both the participant and the employer to support retention, address challenges early, and resolve issues that may affect job stability. Grantees should describe how they will monitor progress, respond to attendance or performance concerns, coordinate supportive services, and help facilitate a successful transition from subsidized to unsubsidized employment.

Participant Flow

Programs must demonstrate a clear and intentional progression from referral and enrollment to training, employment placement, and long-term retention. At a minimum, applicants should describe the following flow: pre-release or community referral; intake and eligibility determination; barrier and readiness assessment; training and job readiness; supportive services; employer match; subsidized employment; transition to unsubsidized employment; and at least 30 days of retention support.

Intake and eligibility determination should be more than an administrative step. This phase should be used to assess the participant's needs, strengths, barriers, career interests, and readiness for participation prior to enrollment in a training track or placement activity. Programs should explain how they will determine whether a participant meets the minimum requirements for the targeted employer or industry pathway, including work readiness, interest, documentation, scheduling availability, educational level, credential prerequisites, transportation access, and other relevant factors. This early assessment process is intended to ensure that participants are enrolled into appropriate pathways and that they are not placed into training that does not match employer expectations.

Where gaps are identified, programs should provide or coordinate assistance to prepare participants for successful entry into training and employment. This may include supportive services, short-term readiness activities, barrier reduction planning, referrals, or pre-training interventions designed to help participants meet employer requirements. The participant flow should clearly show how assessment results drive service planning, employer matching, and training placement so that participants receive the level of support needed to complete training, enter subsidized employment, and successfully transition into unsubsidized work.

Outcomes and Expectations

Grantees are expected to serve approximately 40 unduplicated participants during the grant period and achieve strong completion, placement, and retention outcomes. This target should be understood as a cumulative annual service goal rather than a fixed number of participants active at one time or a requirement that every participant receives the maximum level of financial assistance. A practical implementation model may include staggered cohorts or rolling enrollment, with an active caseload of approximately 20 to 25 participants at any given time and a larger referral pipeline to account for screening, attrition, delayed starts, and participant re-engagement.

Because participants may enter, disengage, and re-enter services at different points in the program, applicants should describe how they will manage participant flow, maintain referral volume, and support re-engagement without disrupting performance outcomes. Programs should demonstrate the ability to backfill participation as needed and track progress across enrollment, training, placement, and retention in a way that reflects participant movement through the program over time.

Applicants should also demonstrate an implementation timeline that makes the 40-participant target achievable within the contract period. Given the requirement to provide at least 30 days of follow-up after employment placement, enrollment, training, and employer matching activities should be front-loaded so that final placements occur with sufficient time to document retention outcomes before the end of the grant period. This means the participant target should be supported by a realistic recruitment and training schedule rather than assuming all participants will move through one uniform cohort.

The per-participant funding amounts should be treated as caps rather than required expenditure levels. Accordingly, a feasible 40-participant model may rely on variable participant costs, targeted use of wage subsidies for participants who complete training and are matched to employers, and coordinated supportive services tailored to individual needs. The program design should demonstrate the capacity to serve approximately 40 participants over the grant year while accommodating normal participant fluctuation and still achieving strong employment outcomes.

Performance Metrics and Outcomes

Grantees will be required to track and report on key performance indicators across all program stages.

Program data collection and reporting will use the Jobs4TN platform, and access will be provided to grantees.

TDLWD will use these metrics to monitor performance, provide technical assistance, and inform funding decisions, as needed.

Enrollment and Participation

- Total participants enrolled
- Percent entering training

Training Completion

- Completion rate (target: 75%)

- Credentials earned

Subsidized Employment Placement

- Placement rate (target: 70%)
- Placement within 30 days (target: 65%)

Unsubsidized Employment

- Transition rate (target: 50%)

Formal Application

To be considered for funding, applicants must submit a complete application that clearly outlines how the proposed program will be implemented.

Applications should reflect a realistic plan for moving participants from training into paid work and long-term employment. Incomplete applications or those that do not address required components may not be reviewed.

Each application must include the following:

1. Cover Sheet

Include basic information about the organization, including:

- Organization name
- Primary contact information
- Funding amount requested
- Service area

2. Program Narrative

Provide a detailed description of your program, including:

- Target population and recruitment strategy
- Training approach and how it connects to employment
- Employer partnerships and job placement plan
- Supportive services offered
- Case management and follow-up strategy

This section should clearly explain how participants will move from pre-release or community-based entry into training, subsidized employment, unsubsidized employment, and retention support.

3. Budget and Budget Narrative

Submit a detailed budget that:

- Clearly separates program costs and administrative costs
- For CRRG budgets and budget narratives, participant costs must reflect training and supportive-service costs
- For Pathway to Employment budgets and budget narratives, participant costs must reflect wage subsidies
- Stays within the 15% administrative cap
- Aligns with per-participant cost limits

The budget narrative should explain how funds will be used and support the proposed program design. It must clearly distinguish CRRG and Pathway to Employment costs, identify any leveraged or partner resources, and describe how costs will be allocated, tracked, and utilized on schedule to reduce reversion risk.

4. Letters of Support

Applicants must include letters from key partners, such as:

- Workforce Development Boards
- Employers
- Nonprofit or community-based organizations
- County jails, detention facilities, or correctional institutions
- Halfway houses, recovery residences, or other transitional housing providers
- Drug courts, reentry courts, or other specialty courts
- Probation, parole, or community supervision offices
- Behavioral health or substance use treatment providers

Letters should demonstrate active partnerships and a commitment to supporting the program, including correctional or jail referral partners, specialty courts, halfway houses or recovery residences, probation or parole partners, workforce development boards, community-based service providers, and employers committed to placement opportunities.

Where applicable, letters should describe specific roles such as pre-release referral, transition planning, warm handoff upon release, supportive service coordination, employer placement commitments, or post-release case management support.

5. Past Performance Documentation

Provide information on your organization's experience with:

- Workforce development programs
- Serving justice-involved or similar populations
- Employment placement outcomes

Be specific about results where possible.

6. Chief Elected Official/Executive Director Letter

Include a signed letter from your organization's leadership confirming:

- Commitment to the program
- Ability to meet requirements
- Support for implementation

Submission Instructions

Applications must be submitted electronically to:
reentry@tn.gov

All applications are due by:
June 5th, 2026, at 4:30 p.m. Central Time

Late or incomplete applications will not be accepted.

The goal of the application is to show that your organization has a clear, workable plan and partnerships in place to deliver real employment outcomes.

Expenditure and Fund Utilization

Grantees must expend funds consistently and in accordance with approved budgets. TDLWD will monitor expenditures quarterly.

Applicants should include a fund utilization plan with projected monthly or quarterly targets for enrollment, training starts, subsidized placements, transitions to unsubsidized employment, invoicing, and reimbursement requests.

Plans should also identify alternate referral sources, waitlist or backfill strategies, and corrective actions that will be used if implementation or spending falls behind schedule so that funds can be fully utilized and reversion concerns are minimized.

Failure to meet expenditure expectations may result in corrective action, funding adjustments, or reallocation of funds.

This FOA is subject to the appropriation and availability of State or Federal funds. If the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate or suspend this FOA upon written notice to the Grantee.

Funding Structure and Application Requirements

This Funding Opportunity Announcement (FOA) includes two (2) distinct funding sources:

(1) Community Reentry Reinvestment Grant (CRRG) funds; and
(2) Pathway to Employment funds.

Applicants must submit integrated program designs with separate budgets for each funding source.

Applicants may leverage other allowable resources in support of the program; however, all costs must remain clearly assigned to the correct funding source and supported by separate budgets, financial records, and internal controls.

Awards will result in two separate contracts, each independently managed and enforced.

Application Requirements

Respondents must submit one application package. The application must clearly show each funding component. At a minimum, respondents must do the following:

- Provide a single, comprehensive program narrative describing the integrated service delivery model;
- Submit separate budgets and budget narratives for each funding source; and
- Include all required forms, certifications, and supporting documentation applicable to each funding component.

If costs are not separated and justified by funding source, the application may be considered non-responsive.

Award and Contracting

Awards from this announcement will result in two separate grant contracts, one for each funding source. Signing one contract does not guarantee the other will be signed.

Each contract shall:

- Be independently enforceable;
- Follow all State of Tennessee laws, rules, and grant requirements; and
- Have its own scope of services, budget, reporting, and performance measures.

The State reserves the right to:

- Award one or both funding components;
- Adjust funding amounts between components; and
- Decide not to award either component, depending on application review and funding availability.

Grant Management System (SmartSimple)

The State will create two funding opportunities in the SmartSimple system. Each will match one funding source.

Successful Respondents shall:

- Complete all required actions in SmartSimple for each funding opportunity;
- Submit required documentation separately for each contract; and
- Follow all reporting and invoicing requirements for each funding source.

Failure to meet SmartSimple requirements may delay reimbursement or affect the contract.

Program Integration Requirement

Respondents must design and operate a fully integrated program that connects both funding sources. The program must show a direct connection between the following:

- Training and supportive services funded through CRRG; and

- Employment placement and wage subsidy activities funded through Pathway to Employment.

Integrated programs should demonstrate how services begin during incarceration or pre-release when possible and continue seamlessly after release, while also serving participants who enter from the community through the same service continuum.

Programs that do not coordinate funding components may be subject to corrective action or termination for non-performance.

Compliance and Allocation

Funds from each contract may only be used for approved costs tied to that funding source and its budget.

The Contractor must keep separate financial records for each funding source.

- The Contractor must ensure costs are properly allocated and not duplicated across contracts.
- The Contractor must comply with all applicable cost principles, audit requirements, and State policies.