

**TEDC Workforce Excellence Award Nomination –
City of Austin and Capital IDEA
April 2015**

PROGRAM SUMMARY

The City of Austin departments for Economic Development and Health & Humans Services worked together in facilitation of workforce development strategy and programming conducted through Capital IDEA, a local non-profit created from the efforts of Austin Interfaith and the Central Texas business community.

The innovative program fulfills two community needs—first, the need for low-earning and unemployed adults to be able to receive the training they need to obtain good jobs; and second, the need of the Central Texas business community to have access to a well-trained, diverse, locally-based workforce to fill high-demand jobs in our area.

Designed to strengthen the universal support services by making an effective re-careering institution available to all who may find themselves in need because of the obsolescence of technical skills in a dynamic, fast-changing economy. It both rescues them from need and prepares them to take advantage of new opportunities.

The strategy put forth was a family and community-based approach to the primary goal of transitioning individuals out of poverty and is designed to permanently break the cycle of poverty. By increasing the earning power of a low-income adult, the strategy enables the adult to provide for their children and to pay taxes to the community. Adults successful in education and career model these pathways and achievements for their immediate family as well as within their larger communities.

This approach chosen through Capital IDEA is targeted to goals for strengthening the community safety net and infrastructure by transforming person into dependent upon public assistance into taxpayers. This both reduces the current pressure on social safety net institutions and increases the resources available to them in the future.

Programming with Capital IDEA creates a powerful, independently verified earnings gain for participants. The University of Texas' Ray Marshall Center has objectively tracked the steady earnings gains of program participants. Earnings gains enable families to make the successful transition out of poverty and into the middle class while simultaneously reducing their dependency on the social safety net and increasing their contributions to service resources through increases taxes.

Programming provides the financial and emotional support that non-traditional, adult learners need to succeed in higher education, and includes the following:

- Tuition, fees, and books for education towards in-demand, high-paying careers;

- Wrap-around support for childcare, transportation and emergency assistance;
- Case management and counseling in both a peer group setting and individually;
- Individual training strategy developed with a Career Navigator; and
- Post-employment support services for up to two years.

TARGET AUDIENCE

The participants in the Capital IDEA program are men and women who desperately want a chance at a good career and a better life, but who do not have the financial and emotional support to complete a long-term education program. The high cost of living, an inability to pay for childcare, lack of funds for tuition, books, and fees, and poor academic preparation keep these Central Texans living in poverty, working dead-end jobs, and deferring their dreams.

Capital IDEA targets communities in Austin with the highest levels of poverty and unemployment, and holds recruitment orientations in neighborhood churches, schools, and community centers. In addition, Capital IDEA works with workforce partners to identify new areas of training needed to properly educate the next generation of workers. The program supports training for more than a dozen careers that are in-demand in Central Texas, pay a living wage, offer benefits, and provide a path for advancement. These activities in turn provide local businesses with a well-educated, diverse pool of employees in a range of in-demand fields.

Capital IDEA's low-income clients come from a range of backgrounds and have diverse needs, yet all are committed to lifting themselves and their families to self-sufficiency. Approximately 80% of clients are from racial or ethnic minority backgrounds. 47% are Hispanic, 25% are Black / African American, 20% are White, 4% are Asian, and 4% are from Native American or other ethnic backgrounds.

Participant Snapshot:

- The average age of students is 30
- Approximately 60% have dependent children under 18 years old
- Just over three-quarters of participants are female
- Over half are the first generation in their families to go to college

Capital IDEA's target population – low-income adults in Central Texas – has been closely involved in the organization's efforts from the beginning. Austin Interfaith members, who work for the interests of the working poor in our area, serve on the Capital IDEA board of directors along with other community and business leaders.

Capital IDEA graduates continue to serve the organization in a number of ways even after they have successfully completed the program. Capital IDEA's board maintains an ex-officio Alumni Representative position for a graduate to help in setting strategic direction and providing

programmatic and fiscal oversight. Graduates and current participants also routinely volunteer to advocate on the organization's behalf for various fundraising and outreach efforts.

INNOVATIVENESS

What sets Capital IDEA apart and makes the program so important are the Career Navigation services which are vital to the success of our adult students. Career Navigators are full-time staff members whose role is to guide participants through the complex education system; they advise students on which classes to take in order to achieve their career goals, equip them with study skills, and direct them to extra educational resources, thus providing both accountability and support. They also provide practical, experienced advice on balancing education with the responsibilities of family, work, and personal lives.

Capital IDEA depends upon a mutual commitment between the participant and the organization. Capital IDEA makes a commitment to stand by the participant no matter the challenge, and the participant commits to persevere and to give back to the community after graduation. The embodiment of this commitment is the individualized case management students receive from Career Navigators, who are their advocates to help them overcome both educational and personal challenges during their academic journey through the community college system.

Capital IDEA Career Navigators have a wealth of knowledge and experience helping non-traditional, adult students – most of whom are the first in their family to attend school beyond high school – understand the complex community college system and succeed in their educational goals. Without the individualized, personal attention of our Career Navigators and support services provided by Capital IDEA, many of the students in our program would not be able to lift themselves out of poverty.

TRANSFERABILITY

The model of wrap-around support services has already been replicated and transferred to other cities both in Texas and throughout the country. Capital IDEA programming is based on a similar program founded in 1992 in San Antonio called Project QUEST. In turn, Capital IDEA founded a sister organization in Houston, Texas in 2010. That program, known as Capital IDEA Houston, has also proven highly successful and will be fully independent later this year.

While the model of Capital IDEA Houston remains the same by focusing on Career Navigation and direct support services for low-income individuals, the career offerings are tailored to the unique needs and industries in that region. For instance, careers such as Petroleum Engineering and Machining that are not offered in Central Texas are in-demand in the Houston area thanks to the large oil and petrochemical industries there, and are therefore sponsored by the Houston program.

COMMUNITY COMMITMENT AND LEVERAGE

Capital IDEA works closely with job training programs supported by Workforce Solutions Capital Area, the Texas Workforce Commission and Workforce Solutions Rural Capital Area to leverage training and education when available.

Capital IDEA's programming leverages funding from a wide variety of sources including state, county and local workforce funds alongside private foundation grants as well as corporate and individual donations. This support and funding comes together to ensure the program model based on long-term support and wrap-around services. The additional offerings and wrap-around services themselves leverage partnerships with Austin Community College, Workforce Solutions Child Care and the YMCA, St. David's HealthCare and Seton Family Hospital. Additionally Capital IDEA works with community organizations and schools throughout Central Texas to hold orientations.

MEASURED OBJECTIVES AND SECONDARY BENEFITS

Graduates attain careers that are in-demand, pay well, and offer benefits and opportunities for advancement. Approximately 75% of graduates enter fields in healthcare, such as Nursing. The remaining 25% enter fields in technology, such as Network Administration, or professional trades like Automotive.

In 2014, graduates of the Capital IDEA program earned average starting salaries of \$40,248, over three times their average earnings of \$12,648 when they started the program.

Independent evaluations are also vital to assessing this partnership. The Ray Marshall Center at the University of Texas regularly publishes a report entitled "Local Investments in Workforce Development" that provides an independent evaluation of various occupational training programs in our area. In the May 2011 update, the report notes that "Capital IDEA was the only provider to have a positive, statistically significant impact on average quarterly earnings of those employed. Clients earned on average \$1,223 per quarter more than the comparison group." (Source: "Local Investments in Workforce Development: 2011 Evaluation Update"; Ray Marshall Center for the Study of Human Resources.)

The Ray Marshall Center also conducted a cost-benefit analysis, taking into account the benefit of increased tax revenues and reduced public assistance costs. It concluded that Capital IDEA returns a 501% return on investment to taxpayers over 20 years, equivalent to a 17% annual return.

As of April 2015, the program now has 1,150 graduates since its founding in 1998. The impact of Capital IDEA is seen across the Central Texas, where programs benefit the local community by:

- Taking people off public assistance and turning them into homeowners;
- Bringing hope to communities in need by providing successful role models;
- Raising the educational expectations of children of Capital IDEA participants;
- Providing a diverse and qualified talent pool of employees for local businesses; and
- Expanding the local tax base.