



Background



- For generations Arkansas has had one of the highest levels of poverty and lowest levels of education in nation.
- In 2005, a small group of policymakers and educators got together to determine something needed to change.
- They proposed a redirection of federal welfare dollars to create an education and training program that would lift Arkansans out of poverty.

Background



- Using TANF (Temporary Assistance to Needy Families) dollars, they created Arkansas Career Pathways Initiative (CPI) that is designed to provide education and training to low income parents that would lead to high demand/high wage jobs across the state.

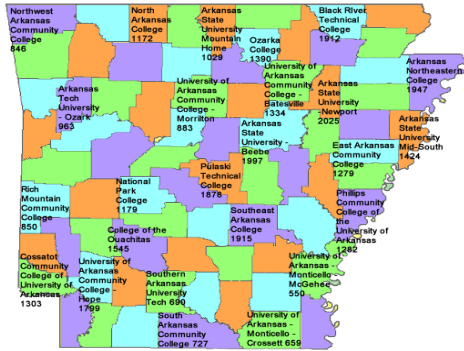
Background



- With support from the Governor’s Workforce Cabinet, the Arkansas Department of Higher Education set up CPI programs at 25 sites, including all community colleges across the state.
- Eligibility requirements were that the participants be custodial parents, be receiving cash assistance, or food stamps or Medicaid, or be at 250% or less of the Federal Poverty level.

CPI Serves Students Statewide

(# of CPI students served per site)



Background



- CPI students enroll in community college certificate and degree programs leading to high demand jobs.
- Students are assessed upon enrollment, and receive case management support, mentoring, and financial assistance as needed to cover child care assistance, transportation vouchers, books, or supplies to overcome whatever barriers might keep them from being successful.

Background

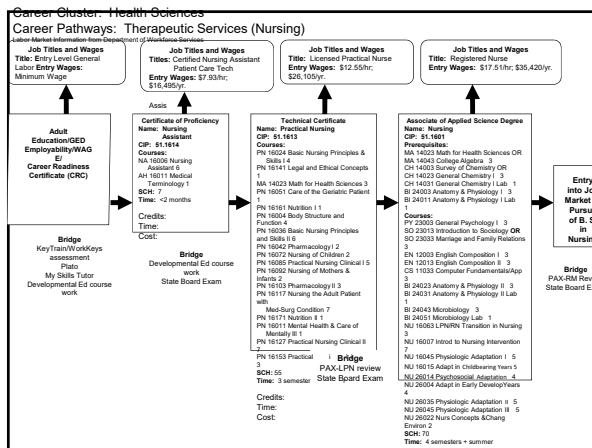


- In turn for receiving a significant portion of the Federal TANF block grant to the state, the legislature required that the Department of Higher Ed. track CPI completion rates, job placement and retention and wages using state UI (Unemployment Insurance) wage data.

Background



- Since 2005 more than 33,000 low income Arkansans have enrolled in more than 450 approved career pathway programs statewide at an average cost of \$1500 per student.



Results

A stunning **52%** of CPI students completed at least one Higher Ed degree or certificate, compared to only **24%** of the general AR community college population between 2005 and 2013



Results

The CPI graduation rate is even more impressive when compared to completion rates nationwide:

62% of CPI students who began in 2008 graduated with a degree or credential by 2013.

39% of students who entered a U.S. public two-year college in 2008 completed a degree or certificate by 2014



Phase One Findings



- In 2011, in the first year after leaving college, CPI participants earned **\$3,100 more** per year than a matched pool of TANF participants.
- In that same year, CPI TEA clients earned **\$731 more** than their TANF counterparts in the first year after completion.
- WHY????



Return on Investment (ROI) Study

Unlike many ROI studies, that employ multiplier effects to assume financial returns, the College Counts\$ ROI framework compares actual program costs to actual financial benefits generated by individual students.

The formula:

Return on Investment *EQUALS*:

- Increases in tax payments to state government because of earning gains.
- Decreases in public assistance spending *PLUS* *DIVIDED* by Program costs.

The model estimates that for every dollar the state invests in CPI participants the state gets a return of \$1.79 over five years, for an ROI of 179%:

Why This Matters:



- This is not a boutique, short-term experiment. It is already at scale statewide, and has operated for more than 10 years serving more than 33,000 students
- It has been supported by both Democrat and Republican Administrations, in the Governor's Office and Legislature.



Why This Matters:



- The source of support:
 - TANF funds from the state block grant to the Department of Workforce Services
 - An ROI study suggests a \$1.79 in reduced public assistance dollars and increased tax revenues to the state for every dollar invested in the program.



Why This Matters:



- CPI is the embodiment of principles of WIOA. For a decade the AR Departments of Higher Education, Workforce Services, Human Services, Community Colleges, Education and the Governor’s Workforce Cabinet have partnered/collaborated across the normal silos to ensure the success of CPI.

Conclusions:



- Data matters: Without good data and rigorous research it is nearly impossible to make an effective argument for why a program matters (data driven decision).
- Unfortunately in today’s environment of federal privacy concerns and data security, it is becoming very difficult to conduct this kind of research.

Mark Lane

Program Specialist
Arkansas Department of Higher Education
Career Pathways Initiative

Five Main Place
423 Main, Suite 400
Little Rock, AR 72201

501-371-2083 (Office)
Mark.lane@adhe.edu
www.adhe.edu
<http://www.arpathways.com/>
