

Capital IDEA—Program Overview¹

Post-Secondary Education & Occupational Training

Austin, Texas

Organizational Background

Capital IDEA (Investing in Development and Employment of Adults), Inc., is a nonprofit organization founded in 1998 as a joint project of Austin Interfaith, a broad-based organization of congregations, schools and other community institutions of the Industrial Areas Foundation, and members of the central Texas business community. Capital IDEA describes its work as lifting working families out of poverty by sponsoring educational services that lead to life-long financial independence. Capital IDEA serves the community by acting as a bridge, connecting committed, yet underemployed people to employers in need of highly skilled workers. Capital IDEA works with workforce partners to identify new areas of training needed to educate the next generation of workers. In recent decades, the greater Austin metropolitan area has experienced extraordinary growth in industries including high-tech, health care, hospitality, entertainment and construction, among many others. This has resulted not only in job growth and new opportunities, but also in an increasingly high cost of living. While historically, Austin was a city where working class and low-wage earners could and did thrive, today it has become a city where it is increasingly difficult to scrape by on blue-collar or pink-collar wages. A large and growing segment of the population does not have the education or skills to compete for the jobs that pay enough to thrive in the rapidly evolving local economy.

Strategy and Services

Capital IDEA refers to its program as *career-driven education and training*. It collaborates closely with employers and education providers to ensure that education and training completed by participants will lead to a career – defined as a position paying at least \$12 per hour and providing benefits and opportunity for further career advancement. Participants work with career counselors to create customized education strategies based on assessment of their aptitudes and

Distinguishing features

- Substantial collaboration with a range of businesses and industry associations, across a number of sectors
- Strong partnership with Austin Interfaith, which assists with planning, fundraising, advocacy, participant outreach & recruitment
- Collaboration with Austin Community College on a range of programs that benefit Capital IDEA participants, other low-income students, and businesses
- Admits students who are college-ready and those that need ESL, GED, or basic education preparation to enroll in college
- Extensive program of participant services, designed to support success in long-term training

Industries

- Health care occupations
- Electric utility, energy generating and transmission occupations
- High-tech production and service, broadband cable and wireless technology occupations
- Education (teacher preparation)

¹ For additional information illustrating the range of Capital IDEA’s activities, challenges and outcomes, please see separate profiles detailing its work with the electric utility and health care industries, as well as a profile on Capital IDEA’s Teacher Pipeline Project. These profiles are based on research conducted in July 2005 in Austin, Texas, where a large number of Capital IDEA staff and representatives of organizations, institutions and public agencies with which the program collaborates were interviewed in-person. It is highly notable that public officials such as the mayor of Austin and a county commissioner as well as the president and a number of vice presidents of Austin Community College, the deputy director of WorkSource, the public workforce agency, the chair of the Chamber of Commerce, a number of human resources directors and other business representatives all made themselves available to describe their experiences with and impressions of Capital IDEA. For a complete list of interviewees, please see the appendix at the end of this profile.

interests, training availability and employment opportunity. An individual’s education program begins wherever a participant enters the process: GED preparation, English as a Second Language, college entrance exam preparation, or enrollment in college. Almost half of participants begin their studies in the GED, ESL or College Prep Academy programs. This feature distinguishes Capital IDEA in the larger field of adult workforce development. Most programs designed with the goal of matriculating participants into for-credit college programs require them to have achieved a high school diploma or GED prior to acceptance.

Capital IDEA programs are long term, with the majority of individuals expected to complete in three years, but with some taking as long as four or five years, depending on where they start. The program does not provide education directly, but instead works closely with a range of education providers, shepherding students through their education

process in close-knit cohorts, providing intensive case management and personal support services, and monitoring participants’ progress through regular meetings with counselors and peers, and institutionalized communications with education providers. Capital IDEA arranges to cover all costs of participants’ education, including tuition, fees and books. The majority of participants also receive financial assistance to pay for child care and transportation. Many also receive interim employment assistance, emergency financial assistance, health care services, and a range of counseling services.

Capital IDEA’s educational program structure is comprised of three tiers – with students moving among the tiers as appropriate based on their level of academic and English language proficiency and the program of study related to their occupational goals:

- Tier 1:** Long-term classroom-based training at Austin Community College or another education provider
- Tier 2:** Job-readiness and employer-sponsored training
- Tier 3:** Long-term ESL, GED, Adult Basic Education

Capital IDEA Participants—2005²

- 527 enrolled
- No minimum academic or English language proficiency requirements
- 50% age 21-30; 29% age 31-40; 14% age 41-60
- 49% Hispanic; 23% African-American; 18% Non-Hispanic White
- 79% Female
- 527 participants are parents to 760 minor children
- Eligible to work in U.S.
- Income below 200% of federal poverty guidelines

Entry Level of 2005 Participants

- 54% college-level
- 30% College Prep Academy
- 6% GED Preparation
- 10% ESL

Capital IDEA’s case management and counseling starts with in-depth assessment of each individual’s personal situation to identify possible barriers and determine ways to overcome them, prior to beginning the education process. Once enrolled, students meet weekly throughout the program with an assigned Career Counselor and with other Capital IDEA participants enrolled in their occupational track for one-hour “Vision, Initiative, Perseverance” (VIP) peer support sessions, guided by Capital IDEA staff counselors. These meetings are held at locations and at times that are convenient to students – usually where they attend classes. Counselors also work individually with students as needed to help them find interim employment so they can gain experience, earn income, and get internships with employers to be better positioned for employment upon graduation. For example, a student in a health care career education program

² Capital IDEA Annual Report 2005, available from <http://www.capitalidea.org>; Internet.

who has only retail employment experience would be encouraged to instead work as a Certified Nursing Assistant while in school.

Capital IDEA explicitly asks for a quid pro quo from students. Because the investment made in students can be substantial, Capital IDEA expects accountability to the program. Participants are interviewed and counseled about this responsibility as part of the program's recruitment and assessment process. Community members representing Austin Interfaith often interview potential participants and attempt to determine their level of commitment to completing an education program. Participants agree to sign confidentiality waivers so program staff can obtain information about attendance and grades and discuss individuals' progress with education providers. Participants also agree to provide information about their post-program employment experiences – reporting data such as wages, job retention, job changes and other outcomes. Participants also are asked to give back to Capital IDEA and the community in other ways, such as by returning to the program to talk about their experiences with students, committing to work and to serving as an example to employers of the quality of Capital IDEA graduates, participating in the Capital IDEA Alumni Association and volunteering in a variety of capacities. The program reports that a number of graduates help support the program by making financial gifts and by recounting their experiences as part of fund-raising activities for the program.

Critical Partners

Capital IDEA has a wide range of partners representing business, education providers, the workforce development system, city and county government, and faith-based and other community-based organizations, among others. Within specific industries, the organization has a number of very strong relationships with individual businesses, which help with strategic planning, fund-raising, program design, partnerships to obtain services, financial gifts, and by providing other resources. A few of these partnerships are detailed in the companion profiles describing Capital IDEA's work in the health care, electric utility and education sectors. Although other partnerships will not be described, we want to acknowledge this accomplishment by the program. In this profile we highlight Austin Interfaith and Austin Community College, two partner organizations that we believe are critical to understanding the core framework for Capital IDEA's operations and program success, and Time-Warner Cable, describing the way in which this business collaborates with the program not only to support Capital IDEA and its mission, but also to meet some of its own critical labor force needs.

Austin Interfaith – recruitment, screening, local political advocacy, fund-raising

Capital IDEA was founded by Austin Interfaith (AI), which is an affiliate of the Industrial Areas Foundation (IAF). Capital IDEA's relationship with Austin Interfaith remains very close. Austin Interfaith is a political advocacy organization that works through hundreds of house meetings designed as continuous conversations to determine community needs and opportunities for community action to meet those needs. Austin Interfaith, with thousands of members in the region, has a loud voice in local political arenas. It originally lobbied for workforce development funds from the City of Austin and Travis County to establish core operating support for Capital IDEA to provide low-income working adults with a chance to prosper during a big economic boom (and when tax abatements were being offered to recruit industry in exchange for unfulfilled job promises that incensed local residents). From its Austin area house meetings, Austin Interfaith determined that access to "good jobs" was a high priority for its low-income constituency and developed the model for Capital IDEA based on the experiences of Project

QUEST, another IAF-founded program located in San Antonio, Texas. Notably, Austin Interfaith insisted that funds to support Capital IDEA not come largely from Human Services coffers, but mainly from business tax and general revenue sources. Austin Interfaith lobbies yearly for this funding to be renewed – enabling Capital IDEA to maintain a stable funding base even through the very severe subsequent downturn in the local economy (i.e., the “dot.com bust”).

Austin Interfaith also uses its political clout to advocate for issues that affect other Capital IDEA partners. For example, when Austin Community College proposed a public bond initiative to finance expansion into an underserved community with a large low-income population, Austin Interfaith members were central to a local campaign for its success – helping to enable the community college system to build new facilities, serve more residents, and expand its tax base. The community college system is not positioned to conduct this type of public advocacy for itself, and while in this case the desire to expand also served the interests of Austin Interfaith’s constituency, it seems clear that this type of influence has the potential to get the attention of the community college system (and other public systems) for the benefit of Capital IDEA’s programs and students.

Austin Community College – basic education, ESL, college-entrance exam preparation³

Capital IDEA is one of the largest customers of Austin Community College. College representatives note that the program is well positioned to research the experiences of the students it supports, evaluate problems and inform the college about specific issues affecting the ability of low-income students to navigate the college system and complete education programs. Austin Community College has shown itself to be in meaningful partnership with Capital IDEA in a number of ways. This is critical because like most community college systems, Austin Community College has acknowledged that it is a challenge to serve the large numbers of low-income adults who need adult basic education, ESL and academic preparation to pass the state-mandated college-entrance exam – just so they can enroll in for-credit and occupational certificate programs. Perhaps even more important than the direct support the college provides to Capital IDEA, the two entities are learning together how they can change their own operations to better serve the college’s general student population. The college describes its interaction with Capital IDEA as a “relationship, not a project.” College representatives cite a range of activities, including joint proposals for funding, sharing information about opportunities for external funding, and Capital IDEA’s involvement with the community college’s master planning process, as examples.

For example, to enroll in high-demand health care training for occupations such as registered nurse, sonography technician, and X-ray technician, all students must pass prerequisite courses in anatomy and physiology. Many fail. Capital IDEA independently hired an Austin Community College instructor to hold weekly three-hour tutorials for its students. Subsequently, Capital IDEA students’ admission rate into health care occupational training soared relative to that of the general student population (81 percent versus 25 percent).

³ Please see the “Relationship with Business” section below, as well as profiles detailing Capital IDEA’s work in the electric utility, health care and education sectors, for additional examples of how Austin Community College collaborates with Capital IDEA and local industry to design technical education degree and certificate programs.

In partnership with Capital IDEA, the college developed a new College Prep Academy that enables Capital IDEA students needing instruction to pass the state-mandated college entrance exam to bypass regular developmental education coursework. The Academy is based on a cohort-model, with students meeting together daily and receiving accelerated instruction (compared to the college's traditional model). The college contributes financially to the Academy by providing classroom space and paying for its administration. By summer 2005, the college had held 20 cycles of the Academy for Capital IDEA. The Academy has been lauded in the local press as model education service for this population – expensive, but effective, based on extremely good outcomes in terms of GED and THEA pass rates. Ted Rachofsky, an Austin Community College instructor who teaches developmental math for both Academy and general population students reported to an *Austin Chronicle* reporter, “I’m the same teacher I am at ACC and at Capital IDEA, but the fact that these people are in the math class together 12 hours a week makes them a supportive community . . . It just works better.”⁴ Capital IDEA reports that “the most recent available data, from Fiscal Year 2003, found that 7.4 percent of community college students enrolling in regular developmental education courses in Fall 2001 had passed the TASP (precursor to the THEA) by Summer 2003. This compares with 67 percent of Capital IDEA participants who passed all three sections of the THEA after completing the College Prep Academy at ACC in Fall 2004.”⁵

Austin Community College Vice President for Academic Programs Donetta Goodall reported that working with Capital IDEA has expanded the college's horizons in terms of the potential of working with a nonprofit organization, noting that the college is changing its adult basic education curriculum over time. She describes the college as concluding, it needs a “Capital IDEA component” to this more and more as it evaluates its general population programs. As a result the college: offer babysitting services during ESL classes; has moved Adult Basic Education to the Technical Education Department of the college (enabling students to be eligible for Pell grants); provides one-on-one assistance to students applying to the college; and attempts to provide more student support through personalized discussions about curriculum paths. The college is experimenting with ways to replicate some of the components of the College Prep Academy into general population programming, for example, using cohort-based courses, tutorial labs, pairing basic education coursework with college-level coursework, and organizing study sessions. The college enrolls approximately 3,000 adults in basic education coursework at any one time, so this is not a small undertaking. But it appears that the college is working to improve low-income student retention and outcomes – and learning from the organized and very specific feedback received about the experiences of large numbers of students it serves through Capital IDEA.

Relationship with Business

Capital IDEA collaborates with local business in a number of ways. Business representatives serve on its Board, provide advice on labor market trends, work on education programs, provide internship experiences, provide program financial support and hire participants. The program has staff dedicated to conducting business outreach, information-gathering about labor force needs and trends, and establishing and maintaining working relationships with businesses. These same staff members remain the point-of-contact for business – following up on referrals or making

⁴ “How to Get Your Kids Through College,” Rachel Proctor May, *Austin Chronicle*, 4 February 2005.

⁵ *Capital IDEA Annual Report 2005*.

cold calls, interviewing them about their labor force issues and opportunities, developing internship programs, and collaborating on curriculum development and job placement. To provide a sense of how business engages with Capital IDEA, the following describes its work with Time-Warner Cable, a company involved with Capital IDEA on multiple fronts.⁶

Time-Warner Cable is an active champion, financial sponsor, and customer of Capital IDEA. Cindi Kruse, vice president of human resources until 2006, served on Capital IDEA's board of directors since its founding, and Capital IDEA staff work with a number of other Time-Warner staff on curriculum development (including weekly job-shadowing "ride-alongs" of students with Time-Warner Cable employees), employment placement, and coordinating educational programming with Austin Community College.

In recent years, Austin has become an industry hub for wireless networking, with approximately 90 local companies participating in a Wi-Fi industry organization. These employers have tremendous need for skilled technicians. Time-Warner Cable led discussions within the industry organization to determine the skills technicians need and brought this information back to Austin Community College and Capital IDEA so they could develop training programs. Collaboratively, they developed industry-recognized certifications for "blue collar" workers – broadband technician and wireless technician, and Time-Warner Cable articulated an internal career path based on achieving additional training certifications and experience. Time-Warner Cable entry-level technicians, and both call center and installation staffs start at \$10-12 per hour, and within a few years can reach wages of \$23-25 per hour.

Outcomes

Capital IDEA tracks a wide range of data for use in both program management and planning as well as reporting and fundraising. With the exception of income data, which is for 2005 graduates, all of the following data is based on Capital IDEA's 2003-2004 fiscal year.

- College Prep Academy – 68 percent of enrolled participants passed the Texas Higher Education Assessment exam within one semester; 22 percent passed within one year.
- Program Retention – 4.1 percent dropout rate (exceeded goal of 4.5 percent).
- Employment Placement – 97 percent of program graduates were employed one year after graduation.
- Income – After graduation, average monthly income of participants increased an average of 259 percent, to \$2,479 compared to a monthly average of \$958 at program enrollment.

Capital IDEA does not have articulated goals that relate to outcomes for business or other institutions in the community. Nonetheless, given the way it works with employers, the community college system, and others, its activities appear to leave many footprints. Here we have described how Austin Community College has changed its approach to providing adult basic education, new certificate programs in wireless and broadband technologies that are now available to the general student population, and an internal career path that Time-Warner Cable identified after working with Capital IDEA. In the companion profiles detailing Capital IDEA's work in other sectors, there are additional examples of outcomes beyond Capital IDEA's

⁶ Additional examples of the ways in which Capital IDEA works with business are detailed in the companion profiles.

intended scope of influence that resulted in benefits to businesses, the community college and potentially other students and job-seekers who are not Capital IDEA participants.

Financing

It is expensive to provide long-term training and extensive participant support services, as well as to support staff to establish and maintain long-term relationships with business, education and public sector partners. Capital IDEA estimates its annual per participant cost is \$6,000. In Fiscal Year 2005, Capital IDEA's expenses were approximately \$2.6 million, of which approximately \$566,000 was spent for college tuition and fees, \$148,000 for textbooks, and \$453,000 for payments to child-care providers.

Capital IDEA taps a wide range of resources to support its activities. In Fiscal Year 2005, Travis County and the city of Austin together accounted for more than \$1.1 million in revenues. An additional \$368,000 came from the city, county and WorkSource (the WIB) and was dedicated to pay for child care. Approximately \$124,000 came from the U.S. Department of Labor. Capital IDEA used approximately \$213,000 from a Nursing Workforce Diversity grant from the U.S. Department of Health and Human Services, and Wagner-Peyser funds totaling approximately \$303,000. Capital IDEA earned approximately \$45,000 in "retention fees" for graduates in a small number of very high-demand occupations – primarily Registered Nursing – who went to work for the two major hospital networks. In 2005 Capital IDEA raised a notable \$239,692 in donations from individuals and businesses – its only unrestricted funds.

The program leverages funds in a variety of ways, one of which is through an agreement with the local public workforce agency – WorkSource. WorkSource provides Workforce Investment Act funds to pay for tuition and child-care expenses for the final two semesters of WIA-eligible students' coursework. In 2004 and 2005 approximately 45 individuals were co-enrolled and substantially supported by WIA dollars. Capital IDEA staff also work closely with Travis County Human Services staff to ensure that participants receive means-tested benefits for child care and transportation. Peoples Community Clinic, a local public health clinic with representation on Capital IDEA's board of directors, provides participants with a range of health services – resulting in recent reductions in the cost of health services that were paid out of Capital IDEA's medical assistance fund.

To Learn More

www.capitalidea.org

"How to Get Your Kids Through College," Rachel Proctor May, *Austin Chronicle*, 4 February 2005 available from www.austinchronicle.com; Internet.

Companion profiles, available from <http://www.aspenwsi.org/WSIprofiles-program.asp>; Internet.

APPENDIX
Capital IDEA Site Visit
Interviews Conducted July 25-27, 2005

Organization	Individuals Interviewed
Capital IDEA	<ul style="list-style-type: none"> • Steve Jackobs, Executive Director • Dazzie McKelvy, Deputy Executive Director • Eva Rios-Lleverino, Program Director • Ron Modesty, Employer Coordinator • Kathleen Burnside, Director of Resource Development • Janie Mendoza, Career Counselor • 6 add'l Career Counselors in group meeting
Austin Interfaith	<ul style="list-style-type: none"> • Sister Mignonne Konecny, Lead Organizer • Ofelia Zapata, Representative
Education Austin	<ul style="list-style-type: none"> • Bruce Banner
Southwest Industrial Areas Foundation	<ul style="list-style-type: none"> • Carrie Laughlin
Austin Community College	<ul style="list-style-type: none"> • Steve Kinslow, President • Mary Hensley, Vice President, College Support Systems and Independent School District Relations • Mary Harris, Executive Director, Adult Education • Mike Midgley, Assoc. Vice President, Workforce Education • Vidal Almanza, Student Services Specialist, Semiconductor Mfg. & Automation/Robotics Programs • Donetta Goodall, Assoc. Vice President, Academic Programs • Brian Bilich, Account Executive, Customized Training
St. Edward's University Teacher Pipeline Project	<ul style="list-style-type: none"> • Allison McKissack, Director, PT3 Grant School of Education • Carol Januszkeski, Director of Foundation Relations • Karen Jenlink, Dean of Education
WorkSource	<ul style="list-style-type: none"> • Tamara Atkinson, Deputy Director • Chaundra Tarver, Program Administrator
City of Austin	<ul style="list-style-type: none"> • Will Wynn, Mayor
Travis County Commissioner's Court	<ul style="list-style-type: none"> • Judge Sam Biscoe, County Commissioner
Silverton Foundation	<ul style="list-style-type: none"> • Andy White, Executive Director
The Sooch Foundation	<ul style="list-style-type: none"> • Mary Ellen Pietruszynski, Executive Director
St. David's HealthCare Partnership	<ul style="list-style-type: none"> • Gail K. Acuna, RN, Workforce Development Manager • Randy Stone, Vice President, Human Resources

Austin Energy	<ul style="list-style-type: none"> • Pat Alba, Director Workforce Development & Risk Management • Heriberto Gonzalez, C.I. Graduate & Austin Energy employee
Seton Family of Hospitals	<ul style="list-style-type: none"> • Sally Foster, RN, Human Resources Director
Time Warner Cable	<ul style="list-style-type: none"> • Cindi Kruse, Vice President of Human Resources
Travis County Health and Human Services and Veterans Services	<ul style="list-style-type: none"> • Lawrence Lyman, Senior Planner
Austin Community College College Prep Academy	<ul style="list-style-type: none"> • Mary Harris, ABE • Pat Hernandez, ABE • Cathy Watson, Teacher • Approx. 10 students in College Prep Academy
Skillpoint Alliance	<ul style="list-style-type: none"> • Hannah Gourgey, Deputy Director
Capital IDEA Board Members	<ul style="list-style-type: none"> • Mike Haney, Board Chair, CEO, Athens Group • Robert Martinez, President, Martinez, Wright & Mendez • Regina Rogoff, Exec. Dir., People's Community Clinic • Cindi Kruse, Vice President, H.R., Time Warner Cable • Father John Koresmar, Pastor, Dolores Catholic Church • Rev. Lou Snead, Pastor, Faith Presbyterian Church
Chamber of Commerce	<ul style="list-style-type: none"> • Kirk Watson, Chair & Former Mayor of Austin
People's Community Clinic	<ul style="list-style-type: none"> • Regina Rogoff, Executive Director