



THE ARKANSAS CAREER PATHWAYS INITIATIVE: PHASE ONE RESEARCH RESULTS

HIGHLIGHTS

- Since 2006 more than 30,000 low-income Arkansans have participated in the Arkansas Career Pathways Initiative (CPI) at 25 community and technical colleges across the state of Arkansas.
- Supported by federal Temporary Assistance to Needy Families (TANF) funds appropriated by the state Department of Workforce Services, CPI participants receive education and training with case management support helping them acquire degrees and/or certificates leading to high-demand and higher wage industries.
- A stunning 52% of all students who have ever participated in the CPI program from 2006 to 2013 have completed at least one higher education academic certificate or degree compared to only 24% of the general non-CPI community college studentbody from across Arkansas who were enrolled in those same academic years!
- This successful completion rate is even more significant in light of a recent report issued by the National Student Clearinghouse Research Center. According to the Clearinghouse, 39% of all students nationwide who enrolled at a two year public college in 2008 have completed an Associate Degree or certificate by 2014. In comparison, 62% of CPI students who enrolled at an Arkansas community college in 2008 have completed at least one degree or certificate by 2013.*
- Despite entering college with significant educational and economic disadvantages, when compared to a matched population of their community college peers, six times as many CPI participants who enrolled in 2011 had earned Associate Degrees than their AR community college peers. Three times as many had earned a Certificate of Proficiency or Technical Certificate than the comparison community college population.
- In 2011, in the twelve months after leaving college, CPI participants earned \$3,100 more per year than a matched pool of TANF participants from their same locality.
- Temporary Employment Assistance (TEA) clients who receive cash stipends and were enrolled in CPI earned \$731 more than their TANF counterparts in the first year after completing.
- From the first cohort in 2006, the non-CPI community college population have earned more than their CPI peers in the first twelve months after leaving college, but the wage gap is dramatically narrowing each year to an average deficit of \$1,584 per year from an original deficit of \$6,432.

** 2013 is the latest year for which College Count\$ has college completion data.*

THE ARKANSAS CAREER PATHWAYS INITIATIVE

Arkansas has been at the forefront of national welfare reform efforts in creating a unique approach that uses federal Temporary Assistance to Needy Families (TANF) dollars allocated to the state, to target education and training to low-income Arkansans. The Career Pathways Initiative (CPI), administered by the Arkansas Department of Higher Education (ADHE) and the state's 22 two-year colleges and three technical centers has provided education and training to more than 30,000 low-income Arkansans since 2006, helping them acquire degrees and/or certificates to obtain and hold jobs in selected high-demand and high-wage industries.

In 2015, a rigorous phased evaluation of the CPI Initiative, *College Count\$: Evidence of Impact*, was launched with support from the Winthrop Rockefeller, Ford and Annie E. Casey Foundations. The goal of the College Count\$ research study is to answer the following questions:

1. *What are the social impacts and economic returns to the state and community as a result of this investment in education and training for the TANF-eligible population? (E.g., reduced need for public assistance; improved educational or health outcomes for the children of CPI participants; reduced incarceration rates, etc.)*
2. *Is there evidence that the CPI is making a contribution to breaking the poverty cycle in Arkansas by reducing the number of Arkansas families living below the federal poverty line and by increasing postsecondary attainment completion and improving economic mobility across the state?*
3. *What are the income and educational attainment outcomes generated for individual participants and for different subgroups by career cluster within CPI programs, relative to comparison groups of non-participants?*
4. *To what degree does participation in the CPI result in positive progression of low-income individuals through various tiers of an educational career pathway and into employment?*
5. *What types of student support systems used as part of the CPI have the greatest impact on improved educational outcomes and student success?*

PHASE ONE SUMMARY FINDINGS (AS OF 3/1/16)

BACKGROUND

In order to qualify for participation in CPI, participants must be a custodial parent, have qualified as TANF eligible, and be at 250% or less of the poverty level. Many are TEA (Transitional Employment Assistance) clients, who are low-income enough that they qualify for cash assistance. The average CPI participant is 31 years of age, and overwhelmingly female (89%) and a single parent. Data on ethnicity and race indicate that nearly 65% of CPI students are Caucasian, and 30% are African American, with the remaining 5% of participants being Hispanic or from other minority groups.

CPI students stand in contrast to the general community college population which tends to be younger, with an average age of 27. Sixty two percent of the statewide community college population are female and 32% of students in the general community college population come from a minority background.

Participants are referred to the CPI programs by their Department of Workforce Service case managers, or are recruited during outreach efforts by local colleges or by word of mouth. Most CPI students bring significant recognized barriers to their success including being a single custodial parent and a first generation college student. They may lack transportation and have few financial resources. They often need significant remediation and typically lack role models to show them how to successfully negotiate postsecondary education.

CPI staff at the local colleges provide participants personalized case management support such as tutoring and mentoring, and access to financial support as needed including support with tuition and books, and when appropriate, childcare assistance and/or gas cards.

PHASE ONE RESEARCH

In the first phase of the research, using data from the Arkansas Research Center (ARC) provided by the Arkansas Department of Higher Education (ADHE) and the Department of Workforce Services (DWS), the study team is examining educational and economic outcomes of cohorts of CPI students who were enrolled in the program in the first year of the program in FY 2006, and subsequently in FYs 2007, 2009 and 2011.

Baseline characteristics for each CPI participant were matched against similar education and/or economic backgrounds for individuals from two separate matched comparison groups who did not receive CPI services: 1) a pool of community college students attending the same institution the same year; and, 2) Arkansas recipients who received some kind of public assistance and are in the state TANF files from the same locality but who did not participate in CPI. Each match in the two comparison pools are of a similar age, gender, ethnicity, school and/or region of the state.

When the Career Pathways Initiative was designed in 2005 there wasn't an assumption that CPI students would perform better than non-impooverished, non-custodial, "typical" students. The original focus was whether CPI could improve outcomes for TANF eligible individuals compared to TANF individuals not receiving CPI services. However, when preliminary examination of outcomes data showed that CPI participants seemed to be retained and completing degrees at a higher level than traditional community college populations, College Count\$ made the decision to also compare educational and economic outcomes to a matched comparison pool of regular community college students to help provide a fuller context of the impact of the CPI intervention.

COMPARATIVE EDUCATIONAL OUTCOMES

National research shows that degree completion is a key indicator of long-term economic success. College Count\$ examined ADHE records to determine the number of Certificates of Proficiency, Technical Certificates, and Associate Degrees earned by the respective populations.

Note: Certificates of Proficiency (CPs) are generally one to two semesters in length and Technical Certificates (TCs) are typically two to three semesters. CPs and TCs are postsecondary credit-bearing credentials which are frequently related to career/technical fields in the workforce. Associate Degrees are typically four or more semesters in length. All three are classified as a higher education academic credential or degree.

CPI PARTICIPANTS WHO EXITED WITH HIGHER EDUCATION CERTIFICATE OR DEGREE

	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total number of enrollees	2,067	3,300	5,558	4,557	3,780	3,160	2,851	2,101	143	27,517
Total exited with higher education credential	863	1,626	3,018	2,824	2,246	1,886	1,364	527	11	14,365
% earning higher education credential	41.80%	49.3%	54.3%	62.0%	59.4%	59.7%	47.8%	25.1%	7.7%	52.2%

COMMUNITY COLLEGE (NON-CPI) STUDENTS WHO ATTAINED AT LEAST ONE HIGHER EDUCATION CERTIFICATE OR DEGREE

	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Total number of enrollees	28,343	28,548	28,360	28,341	29,211	30,215	28,754	28,887	17,455	248,114
Total exited with higher education credential	10,587	10,498	9,422	8,804	7,416	6,000	3,779	2,082	232	58,820
% earning higher education credential	37.4%	36.8%	33.2%	31.1%	25.4%	19.9%	13.1%	7.2%	1.3%	23.7%

A stunning 52.2% of all students who had ever entered into the Career Pathways Initiative from 2006 to 2013 had earned at least one higher education academic certificate or degree! In those same academic years, only 23.7% of the total non-CPI enrolled general community college population from across the state had earned at least one higher education certificate or degree.

Note: many students who are included in the 2013 cohort from both the CPI and community college populations may still be enrolled and won't be included in ADHE completion records.

To place these completion rates in a national context, College Count\$ examined two-year public college graduation/completion rates as reported by the National Student Clearinghouse Research Center. For the 2007 national cohort of students who entered community colleges, 39.8% had completed an Associate Degree or certificate by 2013. For the 2008 cohort of community college students nationally, 39.1% had completed a degree or certificate by 2014.*

Of all two-year students (including CPI) who enrolled in Arkansas two year colleges in 2007, 36.7% had completed a degree or certificate by 2013. Of the 2008 cohort, 35.3% of Arkansas community college students had completed a degree or certificate by 2013.

In contrast, of CPI students who enrolled in Arkansas in 2007, 54.3% had completed a degree or certificate by 2013. Of the 2008 cohort, 62% of CPI participants had completed a degree or certificate by 2013.

Despite their educational and economic disadvantages coming into the program, by 2011 three times as many CPI participants (33.9%) earn one or more Certificates of Proficiency and Technical Certificates than their matched community college peers (10.5%) at their local institution.

Early 2006 and 2007 CPI cohorts who entered the CPI earned postsecondary Associate Degrees in similar proportions to their community college counterparts. But by the 2009 cohort, 27.6% more CPI participants were earning Associate Degrees than their comparison matched group of students (14.4 9%). By 2011 eight times as many CPI participants (39%) were earning Associate Degrees than their community college peers (4.6%).

** [Source: Completing College: A National View of Student Attainment Rates – Fall 2008 Cohort, National Student Clearinghouse Research Center Signature Report, November 2014.]*



COMPARATIVE WAGE GAINS COMPARING THOSE RECEIVING CPI VERSUS TANF (NON CPI):

According to Unemployment Insurance Wage data across all industries, the 2009 cohort of CPI participants earned on average \$2,562 more per year, the 2010 cohort \$2700, and the 2011 cohort \$3,112 more in wages in the first twelve months after exiting college, than their matched comparison group from the TANF population who did not receive CPI services. In the year prior to participants' entry into CPI, the two populations were at a similar income level.

Note (Comparative TANF wage data was not available prior to 2009).

In the high demand education and health services sector (which includes nursing), CPI students averaged \$3,228 in 2009, \$2,043 in 2010 and \$3,176 per year in 2011, more than their matched TANF counterparts.

On average, the very neediest CPI students who received TEA (Transitional Employment Assistance cash subsidies) from the 2009 cohort earned \$1,007 per year more than the matched general TANF population. CPI TEA students from the 2010 cohort earned \$1390 more and TEA from the 2012 cohort earned \$731 more per year than their TANF counterparts.

COMPARATIVE ECONOMIC OUTCOMES – CPI VERSUS THEIR COMMUNITY COLLEGE PEERS:

In comparing economic outcomes for CPI participants versus their community college peers for each annual cohort studied, the matched community college population generally exceed CPI completers in terms of wages earned, according to U.I. wage data.

In total wages in 2006 there was a substantial gap between CPI participants and their matched college peers of \$6,432 per year. But by FY 2009 that gap had narrowed to \$4,514 and by the 2011 cohort, CPI students had significantly narrowed the wage gap between themselves and the matched community college population to only \$1,584.

[There are several possible explanations for these income gaps. As stated earlier, CPI participants are all custodial parents, while the percentage of general community college students who are parents is much smaller. ADHE data does not identify which students in the general community college pool are parents. Being a parent may impact the ability of a CPI completer to work full-time after employment.

In comparison to their younger community college peers, CPI students are also much more likely to start at a lower rung on the career pathway, working part-time while continuing to complete additional credentials.

For example, transitioning from Certified Nursing Assistant (C.N.A.) to Licensed Practical Nurse (L.P.N.), and eventually to Registered Nurse (R.N.) Community college students typically enter employment at a more advanced level. However, over time the CPI completers move up the career pathway and earn comparable wages to their community college peers.

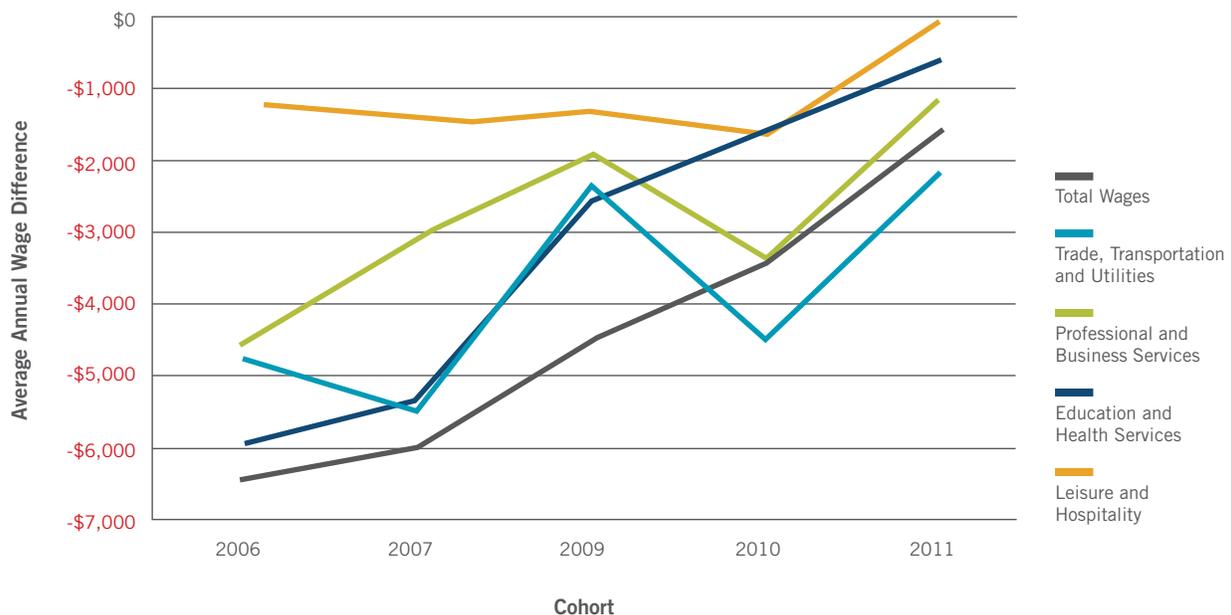
Unfortunately, one limitation of U.I. wage data is that it does not distinguish between full- and part-time employment, but only records the total amount earned in the respective quarter. College Count\$ is presently seeking other data sources that may help improve the quality of the comparison pool between CPI participants and the general community college population.

When exploring wages in specific career clusters, a similar pattern of decreasing wage gaps over time between CPI students and other community college students emerges.

- In Trade, Transportation and Utilities the gap between the two populations was \$4,777 in 2006, but had fallen to \$2,197 by 2011.
- In Professional and Business Services, CPI completers had narrowed the wage gap from \$4,585 in 2006, to only \$1,127 by 2011.
- In the important Education and Health Services category which includes the popular Nursing Pathway, CPI students earned \$5,999 less their community college peers in 2006. By 2011 the CPI participants were only earning \$597 less per year than their matched CC counterparts.
- In the Leisure and Hospitality sector the wage gap for CPI participants went from as a \$1,468 deficit with their in 2007, to a gap of only \$61 per year by 2011.

AVERAGE ANNUAL WAGES

Average Wage Difference between CPI Participants and Matched Pool of Community College Students



SUMMARY CONCLUSIONS

The ultimate goal of the *College Count\$: Evidence of Impact* study is to examine the question: “Is there evidence that the Career Pathways Initiative is making a contribution to breaking the poverty cycle in Arkansas by reducing the number of Arkansas families living below the federal poverty line and by increasing postsecondary attainment completion and improving economic mobility across the state?”

While the study is still a work in progress and much research lies ahead and many questions remain to be answered, the research team feels confident that the evidence thus far shows that the Arkansas Career Pathways Initiative is making a significant contribution to the economic stability and opportunities available to the low-income Arkansans who have benefited from participation in this career pathway program. Research methods used in the study all comply with the U.S.

Department of Education’s *What Works Clearinghouse* guidelines for evidence-based programs.

Future questions that will be addressed in the next phases of the research study include whether there is any evidence that educational and behavioral benefits accrue to the children of parents who successfully complete an educational pathway and find good employment. The research will also examine whether there is any correlation between treatment interventions and subsequent student success. Other questions that may be addressed include whether participation in CPI contributes to greater success in developmental education, increased mobility leading to improved economic opportunity among disadvantaged populations, and what the return on Investment (ROI) to the state of Arkansas is for this investment of TANF funds, in terms of increased taxes, reduced drain in public assistance needs, etc.

SUMMARY OF WAGE OUTCOMES

Difference between groups in regression adjusted average annual wages

Metric	COHORT					
	2006	2007	2008	2009	2010	2011
CPI PARTICIPANTS VS COMMUNITY COLLEGE STUDENTS						
Total Wages	\$6,432.20	-\$6,024.00	-\$5,149.48	-\$4,514.44	-\$3,424.64	-\$1,584.20
Trade, Transport & Utilities	\$4,777.00	-\$5,475.16		-\$2,354.68	-\$4,500.88	-\$2,196.72
Professional & Business Services	\$4,584.92	-\$3,139.16		-\$1,926.32	-\$3,391.28	-\$1,126.56
Education & Health Services	\$5,998.64	-\$5,388.72		-\$2,545.32	-\$1,597.60	-\$597.04
Leisure & Hospitality	\$1,254.44	-\$1,467.68		-\$1,294.16	-\$1,669.32	-\$61.28
CPI PARTICIPANTS VS TANF RECIPIENTS						
Total Wages				+\$2,562.36	+\$2,700.40	+\$3,111.92
Education & Health Services				+\$3,228.44	+\$2,042.68	+\$3,176.40
CPI TEAs VS TANF RECIPIENTS						
Total Wages				+\$1,006.60	+\$1,390.32	+\$731.24
Education & Health Services				+\$1,776.75	+\$1,958.28	+\$1,570.88

SUMMARY OF HIGHER EDUCATION CERTIFICATE AND DEGREE ATTAINMENT OUTCOMES

Difference between groups in percent of students attaining credentials

Metric	COHORT						
	2006	2007	2008	2009	2010	2011	2012
CPI PARTICIPANTS VS COMMUNITY COLLEGE STUDENTS							
Higher Education Certificates	+16.3%	+16.5%	+17.4%	+18.3%	+23.8%	+23.4%	+20.6%
Higher Education Degrees	+2.6%	+0.2%	+3.2%	+8.6%	+19.3%	+32.7%	+31.9%

* Shaded cells highlight statistically significant differences



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