

Changing Lives through Lifelong Learning Accounts



CAEL

The Council for Adult & Experiential Learning

This publication was developed by the Council for Adult and Experiential Learning (CAEL), a national non-profit organization working in partnership with business, higher education, government and labor to advance lifelong learning and promote educational opportunities that prepare our workforce to meet the challenges of a global economy.

We thank the individuals profiled in this report – employees and employers – for their generosity in allowing us to tell their stories. While it is impossible to name everyone who has made LiLAs possible over the years, a special thanks goes to the organizations (listed on the back cover) that provided financial support to the LiLA demonstration programs described herein. We also want to thank the Illinois Restaurant Association for assisting with the initial program design.

Finally, the LiLA demonstration owes much of its success to the valuable contributions of Shorebank, which maintained the LiLA accounts, and of Jewish Vocational Service, CAEL's San Francisco partner. We are grateful for their partnership in this effort.



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Building a Stronger Workforce/Changing Lives

As conceived by the Council for Adult and Experiential Learning, Lifelong Learning Accounts (LiLAsSM) are employer-matched, portable individual accounts used to finance employee education and training. They provide employees with an affordable means of upgrading their skills and knowledge, while helping to meet the needs of employers and the community for a stronger workforce. LiLAs promote individual savings and encourage co-investment in education and training.

LiLAs are set up much like a 401(k) retirement plan, in that both employees and employers contribute to the account. CAEL's long-term goal is for LiLAs to become a standard feature of employee compensation packages, with employees and employers receiving a tax benefit for their contributions to LiLA accounts. There is currently federal legislation that would establish a demonstration of LiLAs in up to ten states.

Starting in 2001, CAEL implemented a rolling LiLA demonstration program in three sites – Chicago, Northeast Indiana, and San Francisco (in partnership with Jewish Vocational Service) – in the health care, restaurant and manufacturing industries, and the public sector. The programs each had a three-year life span.

During the first two years, funds were built through employee contributions and

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Participation in the LiLA program has proven to be not just a practical course of action – but for many, a profoundly transformative experience.

employer matches of up to \$500 annually by each party. These resources were matched by public and private grant dollars to provide an incentive for contributions. Participants used accrued LiLA funds for education and training during the three-year period.

In the LiLA demonstration, advisors have been key in helping employees develop an Individual Learning Plan (ILP), which serves as a blueprint for determining the educational steps appropriate to each individual's desired career path. By working closely with an advisor, participants can define their career goals and assess the options that best fit their skills, interests, and personal and professional goals.

The following pages tell the stories of just a few of the 359 participants in CAEL's demonstration sites over the past five years. Participation in the LiLA program has proven to be not just a practical course of action – but for many, a profoundly transformative experience.

LiLAs in Health Care and the Public Sector

Nate Thompson is approaching 10 years of service as a heavy equipment operator for the City of Fort Wayne, in northern Indiana. Depending on the time of year, he may be running a back hoe, front end loader, vacuum or tractor.

“I had been thinking about going back to college for years,” Nate says. “Just having a degree opens a lot of possibilities in the City. Then in 2003, the City held a meeting for anyone who wanted to go back to school to further their education. When the LiLA program came around, I had no other excuse!”

Nate met with a LiLA education and career advisor to put together his Individual Learning Plan (ILP), and soon after used his LiLA to enroll at Ivy Tech, a statewide community college, where he earned an HVAC certificate. He is now just two semesters away from receiving his associate’s degree in mechanical engineering. His ultimate goal is a position in management.

Opportunities for advancement in Nate’s career rise in tandem with his level of education – and he feels he has earned an additional, and significant, competitive advantage through his participation in the LiLA program. “Someone who goes to school and works full-time shows a lot of tenacity. It helps me compete. I have the training – and also the dedication – that someone else might not.”

The shift in Nate’s life as he moves into high gear has not gone unnoticed by his three children, ages 12, 11, and 6. “They all think it’s pretty funny that I have homework to do too. And my oldest daughter – she stays on the honor roll every term – is as proud of me as I am of her.”

“A way to go back”

“In 1979, I was a senior at Eastern Michigan University,” says **Cindy Joyner**, customer relations manager of the

Department of Neighborhood Code Enforcement for the City of Fort Wayne. “I had just one semester left. And then my dad died, and it really threw me. I never finished – it was the one thing I truly regretted. But sometimes it’s hard to see a way to go back.”

Cindy was married and had children of her own by the time she came to the City of Fort Wayne to work as a code officer in 2002. Going back to school had seemed outside the realm of possibility for a long while – then, like Nate, Cindy attended a LiLA informational meeting in 2003 and “a way to go back” began taking shape.

While on the waiting list to enroll in the LiLA program, Cindy considered what she might do. She was leaning

toward pursuing a real estate license, “but when I was chosen, I thought, why would I go back to do appraisals when I have this opportunity to finish my degree?”

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Cindy Joyner
Customer Relations Manager
Neighborhood Code Enforcement

“Just having a degree will open a lot of possibilities in the City of Fort Wayne. Someone who goes to school and works full-time shows a lot of tenacity!”

– Nate Thompson
Equipment Operator
Fort Wayne, Indiana





The City of Fort Wayne is the LiLA demonstration project's largest employer, with over 1,600 employees. More than 130 employees applied for the City's 50 LiLA slots, from departments ranging from Parks and Recreation and Public Works to Community Development and Public Safety. "We have had employees tell us that they are the first in their families to go to college," says Chlo Davie, director of human resources for the City of Fort Wayne. "Many were in their positions for years, but through their participation in the LiLA program, they developed the confidence to move up through the ranks. Whether they are police officers, managers or firefighters, their investment in LiLAs is an investment in our community."

Facts and Figures While LiLA participants are free to choose their own educational paths, most demonstration participants used their LiLAs to take courses related to the industries in which they were currently working – and most intended to use their LiLAs for career advancement within their respective industries.

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Cindy's husband, a police officer in Fort Wayne, and their children were "really excited" when she enrolled at Indiana Tech in July 2004. "I would come home with my papers and my son Jordan would say, 'Mom, what'd you get?' You could see he was making that little extra effort – it was a playful competition. I'd study on camping trips, at Jordan's baseball game – you can do it. Now I'm glad I went back, if nothing more than for the kids!"

In January 2007, Cindy was "just ecstatic" when she graduated with a bachelor of science degree in management – and today she is planning to return to school to pursue a master's degree in accounting or finance.

Of her experience in the LiLA program, Cindy says, "People need to know how easy it was to work with LiLAs. Getting my credits transferred, filling out the

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"I'd study on camping trips, at [my son's] baseball games.... I'd come home with my papers and he'd say, 'Mom, what'd you get?'"

forms to give [Cindy's program administrator], reporting my grades – there were never any hang-ups. I sent them and it was done!"

"I wanted to contribute..."

Ask **Erik Coons** how he feels about being an emergency department nurse and his answer is simple and direct: "I love it." In fact, there isn't much about nursing that Erik doesn't love. "It's a great field – especially for guys," he says with a twinkle in his eye. But Erik's determination to become an R.N. – a goal he achieved in 2005 through his participation in the LiLA program – is personal and deeply felt.

Not long after he graduated from San Diego State with a B.A. in Asian Studies, Erik was diagnosed with non-Hodgkins lymphoma. He was just in his early twenties. "After what I went through, I wanted to contribute," Erik says. He became an emergency medical technician (EMT), and worked the next four years for an ambulance service provider.

In 2002, Erik moved to San Francisco where he began working as a patient care technician (PCT) at the University of California San Francisco Medical Center. Meanwhile he considered how he might further his education in medicine. “I had been working at UCSF for six months and was trying to decide between becoming a paramedic or going for a degree in nursing, when one day at lunch I saw a poster for the LiLA program. I figured it couldn’t hurt to apply.”

Erik became a LiLA participant in 2003, and hasn’t looked back since. Like many other participants, he balanced an intense schedule of school and work for two years, attending a degree program at City College in San Francisco Mondays through Thursdays and working at UCSF Fridays through Sundays. “I made the maximum contribution into my LiLA account,” he says, “and managed to graduate on time!”

Now a charge nurse with an R.N. and Certified Emergency Nurse credentials, Erik brings his skills and his love of nursing to patients and their families every day.



Erik Coons, R.N.
UCSF Medical Center



“I was so excited about the LiLA program when I first heard about it,” says Jennifer Hermann, director of workforce planning at UCSF Medical Center — and over the past few years, the LiLA demonstration site at the Medical Center has seen outstanding results, with 16 of the 17 original LiLA participants completing the program, and all 17 remaining at the Medical Center. “That’s a big plus in a high turnover industry like health care,” she notes. “And we knew from past experience running low-cost ESL classes that programs are much more successful when employees invest in their own education — that’s very important. So I jumped on the LiLA program when it became available.”

Facts and Figures Although the LiLA program was offered to employees at all levels, the program encouraged participation from lower and moderate income levels. Of the 359 men and women enrolled in CAEL's LiLA demonstration sites, 18% earned less than \$20,000 annually, 35% earned less than \$30,000, and 70% earned less than \$40,000 when they signed up for the program.

Not long after **Rebecca Hoots** joined the staff of UCSF's medical science center as an animal technician, she discovered she had a passion for working with animals – and understood that in order to provide the best possible care for the macaque monkeys in her lab, she would need to learn more about animal medicine.

"My work at UCSF involves more than basic care and feeding. I try to provide our macaques with an environment in which they can express their natural behavior and social relationships, qualities of life that allow monkeys to be monkeys. It's important that the animals in our lab are physically and mentally healthy. That's just as important to the research as it is to the monkey."

Becky's career path began with a bachelor of fine arts degree in music, followed by a 10-year stint as a bookkeeper. Then one day "a light switch went off in my head," and she left her job to look for work that would be personally meaningful – and in 2002, found herself at UCSF.

"I wanted to learn more about animal behavior, and needed to find a way," she remembers. "Then I saw a flyer [about the LiLA program] at UCSF and everything fell into place."

Working with her LiLA career advisor, Becky mapped out her long-term goal of becoming a registered veterinary technician (RVT), which involved a taking number of prerequisite courses before her eventual enrollment in the Veterinary Technology program at Foothill College in Los Altos Hills, CA. As she completes the academically challenging program (she continues to work four days a week at UCSF) and prepares for

the California RVT licensing exam, Becky brings a valuable new set of skills to UCSF and her work with animals. In fact, the demand for trained RVTs is so high that, according to a recent survey by the Committee on Veterinary Technician Education, the number of positions advertised is about 20 times the number of qualified applicants.

"I was one of the lucky ones"

"I was working at UCSF," says administrative assistant

Fanni Munoz, "when I applied for the LiLA program. There was a lottery to choose who could participate – and I was one of the lucky ones."

Fanni's career path has crossed both professional fields and national borders. A trained psychologist who had a practice with her sister in Lima, Peru, Fanni found herself "starting from zero" nine years ago when she and her family left the country during a time of national crisis. Her credentials as a psychologist were not recognized in the USA – and she spoke little English.

But Fanni persevered, and in time she received the job offer at UCSF – and the opportunity to study English as a second language and human resources

through the LiLA program. One promotion was followed by two more and a nomination by her supervisor for UCSF's outstanding employee award. "Thanks to LiLAs, I have more responsibility and opportunity for advancement. My next goal is to become an analyst in policy and procedures – and I could have my own assistant! My family is very proud of me, and happy to see how I have been growing."



Fanni Munoz
Administrative Assistant
UCSF

“I wanted to learn more about animal behavior, and needed to find a way – then I saw a flyer [about the LiLA program] at UCSF and everything fell into place.”

– Rebecca Hoots
Animal Technician
UCSF



LiLAs in Manufacturing and Restaurants

Lime City Manufacturing Company, founded in 1941, heralds back to a time when “made in the USA” was a given, rather than a campaign. Set in Huntington, Indiana, Lime City Manufacturing produces stamped metal parts for the consumer electronics, medical equipment, defense and automotive industries.

It’s the kind of place where employee tenure is measured in decades rather than years, and an entry level employee with a desire to build his or her skill sets, can move up the ranks. Resource manager **Lisa Smart**, who recently celebrated her 20th year at Lime City, was hired in 1987 as a quality control inspector. Over the past two decades she has worked in the estimating department and later, as an information systems administrator. She had been studying “off and on” for an associate’s degree, when the LiLA demonstration site sponsored by Lime City not only helped her complete her degree, but also “kickstarted me into going for my bachelor’s!”

Working with her LiLA advisor, Lisa completed her associate’s degree, and entered an accelerated bachelor’s program in business administration at Indiana Tech – all the while working full-time and raising three children. “When I was promoted to resource manager, I had been assisting the previous resource manager, so I was the next logical choice,” Lisa says. “But I had also completed my associate’s degree at that point, and I doubt I would have been offered the position without it.”

While Lisa has completed the LiLA program at Lime City, she continues to pursue her studies. “I want to finish my bachelor’s with a concentration in human resources,” she says, “so I can improve my skills in my current position.”

“[LiLAs] increase our benefits to employees”

The general manager of three restaurants in the western suburbs of Chicago, **Dean Timson** has the unusual distinction of being both administrator of and participant in the LiLA demonstration site at

Country House Restaurant.

“I heard about the LiLA program at a meeting of the Illinois Restaurant Association,” Dean says. “At Country House we are always looking for ways to increase our benefits to employees – and participation in the LiLA program helps with retention.”

Among the 20 LiLA participants from Country House, one used her LiLA resources to pursue a real estate license, another started a master’s degree program in education, and one

participant studied arts management. Dean says a number of employees took language courses, including ESL.

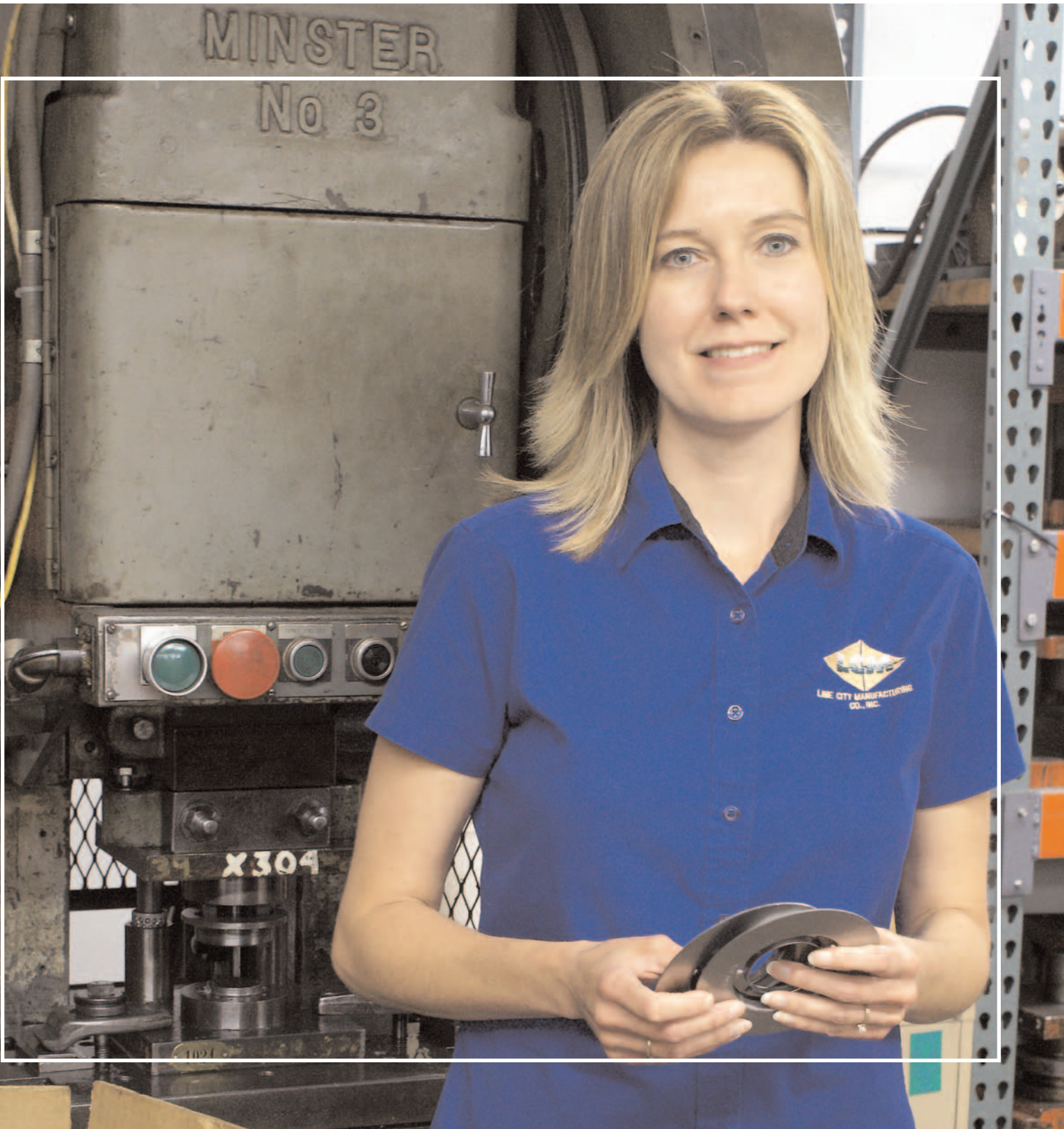
And Dean himself? With 35 years in the restaurant business, he nonetheless feels there is more to learn... and signed up for cooking classes!



Dean Timson
General Manager
Country House Restaurant

“[The LiLA program] kickstarted me into going for my bachelor’s!”

— Lisa Smart
Resource Manager
Lime City Manufacturing Company



Facts and Figures Over half of the LiLA participants did not have a postsecondary degree when they entered the program, but one-third had taken some college courses. An independent evaluation has noted that the average participant saw LiLAs as “very influential” or “somewhat influential” in encouraging their decision to enroll in classes. It is possible that without the LiLA program, those who had previously planned to further their education may have delayed or abandoned their plans because of the financial barrier.

In the years since **Paul Kelvington** first attended the University of Tennessee on a football scholarship — and dropped out one year later — the earnings gap between college educated and less skilled workers has widened substantially and keeps growing. At the same time, many employer-financed educational programs target managers and professionals rather than lower-wage employees who stand to benefit the most and yet are the least likely to be able to afford education and training.

But if Paul learned anything from his year on the gridiron, it was to take the ball and run with it — a skill that has been very much in evidence since he first returned to college 18 years after he began, with crucial help from the LiLA program. Today the straight-A, Dean’s list student is headed into his final months as a

bachelor’s degree candidate at Loyola

University, where he has also been

accepted into the master’s degree

program in social work. He has held

down a job throughout his schooling —

yet has still found time to develop an alcohol awareness

program for incoming freshmen at Loyola and volunteer

at the local day care center where he and his wife bring

their new baby.

“If LiLAs hadn’t existed, I never would have gone back to college,” Paul says. “After I dropped out, I bounced around for awhile, then moved to Nashville to play in a band with some friends.” It was in Nashville that Paul first waited tables, and he has continued work in the restaurant industry ever since.

Five years later, disturbed by band members’ increasing substance abuse issues, Paul “made a break,” and accepted a position at a restaurant in Chicago. Eventually

he landed his current job on the waitstaff at Rhapsody, a restaurant in the theater district owned by Blue Plate Catering Company. An active participant in the LiLA demonstration program sponsored by the Illinois Restaurant Association, Blue Plate had 12 LiLA slots — and Paul took notice.

“I hadn’t worked at Rhapsody long enough to get into the LiLA program, but I kept watching and got involved. Luckily when I qualified, there were a couple of openings. I didn’t really know what I wanted to do, but I had this opportunity to return to school. So I started meeting with my LiLA advisor to develop my ILP.”

Eventually Paul decided to pursue an advanced certification in alcohol and drug counseling at Harold

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“If LiLAs hadn’t existed, I never would have gone back to college.”

Washington College. “It was something that spoke to me,” he says. Yet once he began his studies in earnest, it became increasingly clear that he was in it for the long haul. Paul’s professor at Harold Washington “pushed me to read more books, and think above and beyond this one field.” Eventually his 4.0 average and extraordinary academic achievement earned him a scholarship to Loyola, where he transferred in 2006, coming in as a junior.

Paul continues to work at Rhapsody while he finishes his schooling, and credits the LiLA program for providing not just the financial resources, but also the academic guidance that was instrumental in helping him chart a course. “To have someone to call anytime and say, ‘Hey, am I doing this right?’ is an amazing and wonderful thing.”

[The LiLA program's] academic guidance was instrumental.... "To have someone to call anytime and say, 'Hey, am I doing this right?' is an amazing and wonderful thing."

– Paul Kelvington
Master's Degree Candidate
Loyola University



Learn More about Lifelong Learning Accounts

Since 2001, LiLAs have been launched in several small-scale initiatives across the country. New demonstrations and pilot programs are adapting CAEL's LiLA model to specific uses, administrative structures, and target populations. They share the following key features:

- ♦ **Universal Eligibility.** All individual workers are eligible for accounts.
- ♦ **Broad Use of Funds.** Eligible expenses include tuition and fees, supplies, materials, and books.
- ♦ **Portability.** As LiLAs scale up, funds stay with the individual, regardless of the person's current employer or employment status.
- ♦ **Voluntary Participation.** Individuals and employers have the option of participating.
- ♦ **Matched Funding.** LiLA accounts are funded through individual contributions, employer matches, and potential matches from third party sources. The third party funds can be in the form of foundation or public sector funding, federal or state tax credits.
- ♦ **Informed Choice.** Individual participants choose the training and education they need to meet their career goals based on a learning plan developed with educational and career advisors.

CAEL's long-term goal in establishing LiLAs is to enable employees, employers, and their communities

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"The Lifelong Learning Accounts program will give millions of Americans an opportunity to develop the skills necessary to compete in an increasingly knowledge-based economy."

to work together toward a mutually beneficial end – one that will boost the education and skills of the American workforce and keep our country competitive. New LiLA demonstration programs, together with legislation introduced by Senator Maria Cantwell (D-WA), Senator Olympia Snowe (R-ME), and Representative Tom Allen (D-ME), are helping to make these goals a reality. As Senator Snowe has noted, "The Lifelong Learning Accounts program will give millions of Americans an opportunity to develop the skills necessary to compete in an increasingly knowledge based economy."

Whether you are a business leader, legislator, policy leader, college administrator, or a concerned citizen, you can help make LiLAs a reality for all Americans. To learn more, please visit www.cael.org/lilas.htm or contact Amy Sherman, associate vice president for policy and strategic alliances, at 312-499-2600 or asherman@cael.org.

What People Are Saying about LiLAs

“The Lifelong Learning Accounts program will give millions of Americans an opportunity to develop the skills necessary to compete in an increasingly knowledge based economy.”

– U.S. Senator Olympia Snowe (R-ME)

“I am pleased to be both a participating employer and project sponsor of the current regional Lifelong Learning Account demonstration. I believe that LiLAs are a powerful strategy to build a strong workforce to maintain our State’s economic competitiveness, while improving the lives of individual workers and helping businesses increase their productivity and recruit and retain quality employees.”

– Graham Richard, Mayor of Fort Wayne, Indiana

“It is exciting to be on the cutting edge of adult training....The multiplying effect of the dollars invested by the employees and the employer really help offset the high cost of getting an education.”

– Joe Hyndman, Owner, Hyndman Industrial Products

“Because we represent over 50,000 workers in the utilities industry, UWUA knows a quality workforce is critical to keeping our country’s utilities safe and efficient. By encouraging employer and employee co-investment, LiLAs offer workers a meaningful opportunity to get the education and training they need to improve their skills and knowledge and advance their careers.”

– Mike Langford, President of the Utility Workers Union of America

“Stunning advances in science and technology are creating exciting opportunities for American businesses and American workers, but to take advantage of the promise these innovations hold and for America to remain competitive in the global economy, we must have a workforce with the education and training to fill the jobs businesses create. As the cost of education continues to skyrocket, America loses a lynchpin of its economic power. We see Lifelong Learning Accounts as a way to keep our workforce educated and current in today’s technology and business environments.”

– U.S. Representative Tom Allen (D-ME)

Funders of the LiLA demonstrations profiled in this report

Illinois

Annie E. Casey Foundation
Bank of America
Chicago Community Trust
Ford Foundation
Grand Victoria Foundation
Polk Bros. Foundation

Indiana

City of Fort Wayne
Ford Foundation
Indiana Department of Workforce Development
Indiana Michigan Power
Indiana Northeast Development
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