

Texas Innovative Adult Career Education (ACE) Grant Program

THE WISE INVESTMENT FOR PROVEN ECONOMIC DEVELOPMENT

Texans invented a unique workforce model, developed in San Antonio in 1992, and replicated across the state in five other Texas regions: Greater Austin/Central Texas, Dallas, El Paso, Houston, and the Rio Grande Valley. This rigorously-studied model has proven to be a **fiscally responsible investment that: builds self-sufficient families; bolsters a skilled, thriving workforce attractive to businesses; and reduces the burden on state and local agencies.** The Texas Innovative Adult Career Education (ACE) Grant Program supports these highly effective programs through matching dollars, meaning—your 'yes' vote incentivizes Texas communities to build and support programs locally for a state-wide impact that will help Texas remain the top economic force in the nation.

THE EVIDENCE: 10-year study shows stunning earnings gains

Project QUEST in San Antonio underwent a ten-year random assignment study from 2006-2016. This type of study is known as the gold standard of scientific proof for the effectiveness of health and human service programs, and the results were clear. Mark Elliott, President of the Economic Mobility Corporation and co-author of the study concluded **“This model not only increased participants’ earnings; it enabled graduates to reach the middle class. Few workforce development program models anywhere have had as powerful an impact. That is a stunning achievement.”** Further, Mr. Elliott credited the success to the Texas-based model, “Results at sister organizations in Texas that replicate the model and performance of Project QUEST would very likely show similar impact.”

Figure 3. Project QUEST’s Impact on Average Annual Earnings during the Six Years after Random Assignment

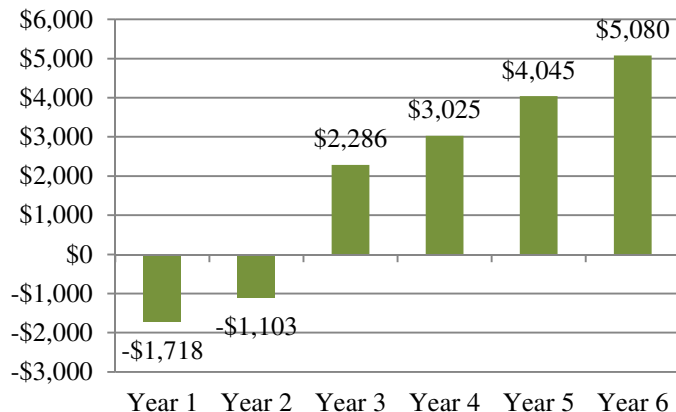


Figure 3. Significance levels: Year 5 $p < .10$; Year 6 $p < .05$.

Escalating Gains: Project QUEST's Sectoral Strategy Pays Off, p. 9

Study conducted by: The Economic Mobility Corporation, New York, New York

Full report available at: http://economicmobilitycorp.org/uploads/images/Escalating%20Gains_WEB.pdf

Study of Project QUEST funded by: Charles and Stewart Mott Foundation, US Department of Health & Human Services, and The Annie E. Casey Foundation



THE EVIDENCE: Return on investment study shows 501% return over 20 years

Impacts Analysis: A 2015 report from the Ray Marshall Center at the University of Texas compared outcomes for Capital IDEA participants (completers and non-completers) to those of a matched comparison group of individuals who received basic job search assistance. Participation in Capital IDEA is associated with large, statistically significant gains in quarterly employment, eligibility for Unemployment Insurance benefits, and average quarterly earnings as indicated in the chart to the left.



Returns to taxpayers stem from reductions in welfare and food stamp payments and increased tax receipts. **The taxpayer's investment is fully recouped after 8.5 years. Total returns to taxpayers are estimated at 165% for the first 10 years and 501% over 20 years.**



Figure. Capital IDEA participation begins at Quarter 0. Participant earnings are compared to comparison group earnings from the previous eight quarters to ensure a quality matched comparison. Sources: Smith, Christensen, and Cumpton. (2015). An Evaluation of Local Investments in Workforce Development: 2014 Update. Austin: Ray Marshall Center. Smith and King. (2011). Exploratory Return on Investment Analysis of Local Workforce Investments. Austin: Ray Marshall Center. Available: www.raymarshallcenter.org

Study of Capital IDEA commissioned by: Travis County

Funding from the Texas Innovative Adult Career Education (ACE) Grant Program is matched dollar for dollar by the six workforce training programs across Texas listed below. With the funding received since 2014, almost 800 graduates secured jobs at an average hourly wage of \$20.66—and more than 1,100 other Texans are still in college getting closer to graduation.

