From Jobs to Careers

How California Community College Credentials Pay Off for Welfare Participants

Anita Mathur with Judy Reichle, Julie Strawn, and Chuck Wiseley
From Jobs to Careers

How California Community College Credentials Pay Off for Welfare Participants

Anita Mathur with Judy Reichle, Julie Strawn, and Chuck Wiseley
Acknowledgments

We would like to give our acknowledgment and thanks to the numerous people who have contributed their support, time, and expertise to make this report possible.

The Center for Law and Social Policy (CLASP), Washington, DC, provided the funding, and Julie Strawn guided the project with great skill. Thanks also to Gayle Bennett at CLASP for offering her editorial expertise. CLASP’s work on welfare reform and postsecondary education is funded by the Annie E. Casey Foundation, the Ford Foundation, the Joyce Foundation, the John D. and Catherine T. MacArthur Foundation, the Rockefeller Foundation, the Moriah Fund, the Public Welfare Foundation, the J.P. Morgan Chase Foundation, the New Prospect Foundation, the New Direction Foundation, and an anonymous donor.

Thanks to the many people at the California Community Colleges Chancellor’s Office who have given their enthusiastic support: Judith James, former Vice Chancellor of the Student Services and Special Programs Division; Patrick Lenz, former Executive Vice Chancellor; Linda Michalowski, former Federal Legislative Liaison, now Vice Chancellor Student Services; Ed Connolly, Dean of Student Services; Patrick Perry, Vice Chancellor of Management Information Systems (MIS); Myra Huffman, Dean of MIS; and Patrick Conklin, Albert Salgado, and Melody Ripke, CalWORKs unit.

Thanks to the entire MIS Division for the contribution and development of the data used. In particular, Tonia Lu spent numerous hours making sure that we had the necessary student data and wage reports.

Thanks also to Jean Ross and David Carroll at the California Budget Project for their continued guidance and edits and Norton Grubb, Michael Hout, Henry Brady, Jerome Karabel, Jon Stiles, and Eva Seto at the University of California, Berkeley, for their support of the project and expert technical advice. Also, special thanks to Steve Wourgiotis and Louis Carro for their helpful contributions.

Thank you to all the California community college CalWORKs program staff, faculty, managers, and student mentors who created the program.

Each of the following college staff deserve credit and recognition for the many extra hours they put in to further define and inform people of our work on this project: Miguel Muñoz, West Hills Community College; Tracey Ellis, Santa Monica City College; Susan Schacher, Laney Community College; Peter Simon, Laney Community College; June Yamamoto, Crafton Hills Community College; Dena Taylor, Cabrillo Community College; Diane McBride, Los Angeles Community College District; Tracie Marquez, Student Government Leader; Wendy Craig, Grossmont Community College; Mark Gunderson, Citrus Community College; Tiffanie Panella, Program Director, and Shauna Moriarty, Resource Specialist, San Joaquin Delta College; Daniel Dishno, Foothill Community College; Linda Cole, Los Angeles Trade-Tech Community College; Lillian Manning, Oxnard Community College; Carlotta Durazo, Cuesta College; Bernice Brown, City College of San Francisco; Dr. Karen Gorback, Ventura Community College; Phyllis Norwood, Los Angeles Southwest College; Vickie Hay, Orange Coast College; Jamey Ransford, Santa Rosa Junior College; Howard Pratt, Compton Community College; Jan Waterman, Reedley College; Zelma Russ, San Bernadino Valley College; Elena Farrelly and Lynn Fowler, Los Rios Community College District; and Christine Thomas, Student Support Services Supervisor and Martina Molina-Kanae, CalWORKs Counselor, Consumnes River Community College.

Thank you to the California Community College CalWORKs Statewide Advisory Committee for their ongoing guidance in the development of this work: Dr. Larry Brown, San Diego City College; Dr. Merlyn Newlin, Butte College; Dr. Lynne Stedman, Santa Ana College; Lynne Brower, Los Angeles Valley College
and the Los Angeles County Community College CalWORKs Consortium; George Boodrookas, Modesto
Junior College; Celeste Sager, Yuba College; Tim Wiley, Antelope Valley Community College; Jocelyn
Mouton, Solano Community College; David Maciel, College of the Sequoias; Shelagh Camak, Riverside
Community College; and Kathleen Dutton, Chaffey Community College.

We also offer our appreciation to Low-Income Families’ Empowerment through Education (LIFETIME).

We pay tribute and thank California Assemblywoman Dion Aroner for making the achievements of the
California Welfare to Work systems known within California and nationally. We also recognize Ms.
Aroner’s remarkable staff, in particular, Kirsten Deichert for her pursuit of facts.

Thank you to Bruce Wagstaff and his staff, Charr Lee Metsker, Gail Sullivan, Suzanne Nobles, and Alex
Kam, at the California Department of Social Services, for their ongoing support of the California com-
munity colleges’ GAIN and CalWORKs programs and their valued partnership in all endeavors.

Our gratitude goes to Lois Van Beers, Paul Smilanick, and Todd Snell, also at California Department of
Social Services, for their help with interpreting the General CalWORKs Participants’ Quarterly Earnings
Data and for their overall support of the project.

Last but not least, we would like to acknowledge all of the hard-working CalWORKs students in the
California community college system. Their dreams and accomplishments made this a compelling
story to tell.

About the Authors

Anita Mathur is a doctoral student in Sociology at the University of California, Berkeley. In addition to
her work with the California community colleges, Anita is also a graduate student researcher at the
Survey Research Center, U.C. Berkeley, where she is collaborating on a project to measure the impact
of welfare reform on California’s immigrant families.

Judy Reichle served as the CalWORKs Coordinator at the California Community Colleges Chancellor’s
Office from 1999–2003. She coordinated technical assistance and oversight for the 108 California
community college CalWORKs programs and services.

Julie Strawn is a Senior Policy Analyst who works on higher education, workforce development, and
welfare reform with the Center for Law and Social Policy in Washington, DC. She focuses in particular
on job advancement and access to postsecondary education for low-income adults.

Chuck Wiseley has worked in the California community college system since 1982. His policy research
in welfare reform and vocational education uses student outcomes as the basis for understanding the
successes and shortcomings of community colleges.

Copyright © 2004 by the Center for Law and Social Policy and the California Community Colleges Chancellor’s Office.
All rights reserved.

Designed by ampersand graphic design, inc., Washington, DC + Boulder, CO, www.ampersand-design.com
Printed by District Creative Printing, Upper Marlboro, MD, www.dcpprint.com
When Congress passed federal welfare reform in 1996, it created the Temporary Assistance for Needy Families (TANF) block grant. TANF gives states unprecedented flexibility to help low-income parents move into employment and also mandates that most participants satisfy a work requirement. The TANF program in California, known as CalWORKs, allows participants to attend a California community college (CCC) for up to 18 to 24 months as a way to meet the work requirements. In 2000, 28 percent of California’s adult welfare population enrolled in at least one course at a CCC; data from 1999 show the majority of CalWORKs students also work while in school.

This study tracks the employment rates and earnings of California welfare participants who exited the CCC system in 1999–2000, using administrative data from the California Department of Social Services, the California Community College Management Information System, and the Employment Development Department. Employment and earnings are examined at three points in time—one year prior to entering college, one year after exiting college, and two years after exiting college.

To put the economic outcomes of these participants in context, we compare employment rates and earnings of female CalWORKs students to those of other women students. Employing public use quarterly earnings data from the California Department of Social Services, we also compare all CalWORKs students (men and women) to the general welfare population in California. Following are the major findings:

- CalWORKs students were twice as likely to work year-round after attending community college than before.

- Among students not transferring to a four-year college, the more education a CalWORKs student obtained in community college, the greater her increase in earnings.

- Earnings increased substantially for CalWORKs students after college, even for those who entered community college without a high school diploma.

- CalWORKs students who completed a vocational certificate or Associate degree program (particularly in the nursing, dental, and business fields) tended to have higher earnings and higher employment rates than those who completed non-vocational programs.

This report uses different and more comprehensive data than did the preliminary report from this study, released in May 2002 as Credentials Count. See endnote 1 on p. 38 for details of the differences.
• Among vocational certificate programs, the longer the program, the greater the economic pay-off. In general, vocational certificate programs needed to be at least 30 units in length to yield earnings that topped $15,000 by the second year out of school.

• Prior to and during college, CalWORKs students earned considerably less than other women students, but after college this earnings gap increasingly narrowed. It also closed more quickly among credential holders (exiting CalWORKs and other women who had a certificate or Associate degree) than among those who exited college without a credential.

• While attending school, earnings for employed welfare participants (even those who entered college lacking a high school diploma) were greater than those of the general California welfare population who were employed during the same time period.

Because postsecondary education and training can play an important role in improving economic outcomes for welfare participants, states should be encouraged to include post-secondary education as a welfare-to-work activity and to increase funding for critical on-campus support and employment services. Interviews with CalWORKs students indicate that the targeted support and employment services offered by the California community colleges (such as on-campus child care, work-study, and academic advising) were often the key factor in their academic success.
In August 1997, California’s legislature and governor established the California Work Opportunity and Responsibility to Kids (CalWORKs) program as the state’s version of welfare reform. Under CalWORKs, all adult participants must work or participate in 18–24 months of welfare-to-work activities, followed by work or community service, to remain eligible for up to 60 months of cash aid. A participant’s welfare-to-work plan may include attendance at a California community college (CCC) if the county welfare department agrees that it will help lead the participant toward unsubsidized employment, and if the college affirms that the participant is making satisfactory progress once in the program. In 2000, 28 percent of California’s 400,000 adult welfare participants enrolled in at least one course at one of the 108 community colleges. Data from 1999 showed that CalWORKs students typically also work while in school.

While attending a CCC program, CalWORKs students are required to participate in welfare-to-work activities for a minimum of 32 hours per week. Classroom and a variety of laboratory and internship hours count toward that requirement. Other countable welfare-to-work activities include work-study, employment, on-the-job training, and community service. Class preparation (study-time hours) may or may not count as an allowable welfare-to-work activity, depending on each county’s policy. While county policies vary, the 32-hour weekly work requirement most often means that students attending college, even full-time, must complete 20 additional hours of welfare-to-work activities each week, in addition to hours spent in the classroom.

CCCs are playing a critical and expanding role in the state’s welfare reform system. With the introduction of the CalWORKs program in 1997, $65 million was allocated from the state General Fund to the CCCs for services to welfare recipients in college. This new funding was in addition to the $16 million allocated annually to the CCC system under the previous federal welfare program, Aid to Families with Dependent Children (AFDC). CCCs have used these funds to redesign their curricula and provide new services, such as child care, work-study opportunities, service coordination, and job development and job placement programs. In the year that the CalWORKs students in our study exited college (1999–2000) approximately 50 percent received these services. These new resources and services help to accelerate training and credentialing within the time limits and constraints faced by welfare participants.
In this report, we analyze the education, employment, and earnings outcomes of welfare participants who enrolled in credit coursework in a CCC. To put the economic outcomes of these participants in context, their earnings and employment rates are contrasted with those of other CCC students and California’s general welfare population. We then describe the programs and services offered to welfare participants at college campuses through community college CalWORKs funds and other categories of state and federal funding. We conclude by offering recommendations relevant for state and federal policies.

Methodology

The data for this study come from three sources. The first data source is an enrollment record database that tracks students in all 108 California campuses; the second is state welfare records; and the third is state unemployment insurance (UI) wage records. By linking these three sources of data together by social security number, we were able to track education, employment, and earnings outcomes of CalWORKs students who exited community college after the implementation of welfare reform.

Comparing CalWORKs Women Students With Other Women Students

We first compare the earnings and employment outcomes of exiting female CalWORKs students who took CCC courses for credit to an exiting group of other female credit-earning students. We then compare the whole sample of CalWORKs exiting credit-earning students (including men) to the general population of welfare participants in California and further extend the analysis to look separately at outcomes for those CalWORKs students who entered CCCs without a high school diploma.

The group of CalWORKs students we use in our analysis exited college in the academic year 1999–2000. These students received state CalWORKs income support (cash aid), were fully subjected to other welfare reform regulations regarding work requirements and time limits, and about half of them accessed the college-provided CalWORKs programs and services that we detail in Part Five of this report (p. 29).

We compare median annual earnings of students the year prior to college entry to median annual earnings one and two years after college exit. Entry is defined as not having been enrolled at a community college for two consecutive semesters prior to current enrollment. We define a student as exiting if the student did not return to any CCC for at least one year. We restrict the sample to students who did not transfer to a four-year California university within two years of exit.

The goal of our comparison of CalWORKs students to other women students was to see how the employment and earnings of welfare participants compare over time with those of more demographically advantaged women who earned similar academic credentials. One would expect to see higher employment and earnings both before college and after college for other women students than for students receiving welfare, since other women students generally have fewer potential barriers to academic and employment success. For example, CalWORKs students are parents, and in California are more likely than other women students to be ethnic minorities (especially African-American). CalWORKs students are also about
twice as likely to lack a high school diploma at entry into a community college (see Figure 1).

**Comparing All CalWORKs Students With the General CalWORKs Population**

While comparing outcomes for female CalWORKs students with other women students over time has value, it does not answer the question of whether providing welfare participants a community college education is more economically beneficial than immediate employment. Only an experimental evaluation can truly answer this question, but a comparison of CalWORKs student outcomes with the general welfare population provides some insights into it. To make this comparison, we examined the median earnings of all exiting 1999–2000 CalWORKs students (both men and women) the last quarter they were in school, and the first and fourth quarters out of school. We then compared those earnings to the median earnings of the general welfare population during the same quarters. The California Department of Social Services provides public information on the quarterly earnings (based on Unemployment Insurance wage data from the Employment Development Department) of all CalWORKs participants in their *Adult Recipient Quarterly Earnings Data*. Data are currently available for fiscal year 1999–2001 quarters and can, therefore, be compared to the quarterly earnings of CalWORKs students who left in 1999–2000.7

While the exiting group of student welfare participants has similar gender and race/ethnicity proportions as the general welfare population, exiting CalWORKs students were younger on average and came to school with a substantial educational advantage over the general CalWORKs population.8 Of all the CalWORKs students who left college in 1999–2000, 62 percent had a high school diploma when they entered college. Of those who exited with at least 12 credits of coursework completed, 76 percent had entered college with a high school diploma. In comparison, 49 percent of the general CalWORKs population in 1999–2000 had a high school diploma. This difference in educational attainment between the general welfare population and those welfare participants who enter the community college system should be considered when comparing earnings outcomes between the two populations.

It is possible that welfare participants who choose to come to college would have a greater advantage in the labor market even without further schooling simply because of their greater initial educational experience, not because of the education they attained in school (a “self-selection” effect). Although there is no way to properly control for many other possible forms of self-selection with the data currently available (such as differences in cognitive ability and motivation among those who choose to attend school), we do try to correct for some self-selection effects by comparing the employment rate and median earnings of CalWORKs students who entered college *without* a high school diploma to employment rates and

![Figure 1. Demographics of 1999–2000 Exit Cohort CCC CalWORKs Women vs. Other CCC Women](chart.png)

*Not available for non-CalWORKs students
Source: California Community Colleges Chancellor’s Office Student Record Database with California Employment Development Department and Department of Social Services Data. This is the same source for Figures 2–20.
median earnings of the general welfare population. In future analysis, we plan to link the CCC sample of welfare participants to a sample of the general welfare population in order to control for additional demographics and to ensure that the general welfare population sample does not include participants who are enrolled in the community college system.
II. Education Outcomes of CalWORKs Students

CalWORKs students who exited college in 1999–20009 achieved education outcomes remarkably similar to those of other women who exited college in 1999–2000.10 This is striking given the demographic advantages of the other women students described previously. A little over one-third of both exiting CalWORKs students and other women left with more than 12 credits completed. As Figure 2 indicates, among women who left with 12 or more credits, CalWORKs students were almost as likely as other women to leave with an Associate degree (16.9 percent vs. 18.5 percent, respectively), and twice as likely to leave with a certificate (18.2 percent vs. 9.3 percent, respectively).

About two-thirds of CalWORKs students and other women who left college in 1999–2000 attained less than 12 units of coursework. However, among this group, we found differences between CalWORKs students and other women. A greater proportion of CalWORKs students in this population completed zero units upon leaving school (see Figure 3 on p. 14). Completing zero units, for this study’s purposes, indicates that the student attempted a credit course but either dropped or failed it. In addition to this attempted credit coursework, zero-credit students might also have taken non-credit coursework.11

The educational outcomes discussed in this report involved students who did not immediately transfer into a public, four-year California college. However, one of the primary missions of the CCC system is to prepare students for transfer into four-year universities. The California Community Colleges Chancellor’s Office collects data on exiting students who transferred into the California State University and University of California system (CSU/UC) within two years of exit. Data on the 1999–2000 exit group show that CalWORKs students (both men and women) are considerably less likely than other students to transfer into the CSU/UC system immediately after leaving community college.

Of the 50,057 CalWORKs students who left college in 1999–2000,12 approximately 7 percent (3,334) transferred into CSU/UC within two years. This rate is less than half the transfer rate among other students who left school in 1999–2000 (15 percent). One interesting finding, however, is that CalWORKs students who left community college in 1999–2000 and continued at CSU/UC within two years earned Associate degrees at twice the rate of other transfer students.13
On average, CCC students need approximately 3.5 years to complete a two-year Associate degree program. In general, certificate and Associate degree completion takes much longer than might be expected because students often need remedial, basic skills, or ESL coursework before starting a credit certificate or Associate degree program. This preliminary (often non-credit) coursework can add a significant amount of time to program completion. In addition, Associate degree programs in California are difficult to complete in two years because at least 60 units are needed to graduate, even though full-time attendance is considered to be 12 units a semester or 24 units a year. Attending full time each semester without summer courses, a student needs a minimum of five semesters (2.5 years) to finish. In order to finish in two years, a student would either have to take 15 units a semester, or 12 units a semester plus full-time attendance during the summer.

Vocational certificate programs come in a variety of lengths, ranging from six-unit certificate programs to programs that are similar in requirements to Associate degree programs (60+ units). It takes community college students an average of 2.5 years to complete a 60-unit certificate program, and two years to complete a 6- to 18-unit certificate program.
We find that the majority of CalWORKs students who left community college in 1999–2000 were employed in both the first and second years after they left school. The employment rate for those employed in both years is higher for CalWORKs students who completed vocational degrees and certificates than for those who completed non-vocational degrees and certificates. We also find that CalWORKs students have higher employment rates even while in school than the general welfare population. While CalWORKs students have lower employment rates prior to college than other women students, they are able to considerably narrow this pre-college employment gap within two years after exiting college. CalWORKs students were twice as likely to be employed year-round after attending a CCC than before.

**Vocational CalWORKs students are more likely to be working than non-vocational students.**

For purposes of this analysis, we define employment in a given year as having earnings in one or more quarters of that year. Sixty-two percent of CalWORKs students who exited college in 1999–2000 were employed the first and second year out of school. Approximately 66 percent of CalWORKs students in vocational programs were employed the first and second year out of school compared to 60 percent of non-vocational CalWORKs students (see Figure 4).

Other women exiting CCCs have employment patterns similar to CalWORKs students. A total of 69 percent of other women were employed both the first and second year out of college. However, these women were far more likely to be employed prior to entering college than were CalWORKs students. Approximately 60 percent of other women students were employed in all three periods compared to 41 percent of CalWORKs students (see Figure 5 on p. 16).
CalWORKs students work more steadily over time, narrowing the year-round employment gap with other women students.

Figures 4 and 5 define annual employment as earnings in one or more quarters during the year. If we instead define employment as earnings in all four quarters of the year, we can estimate how female CalWORKs students are able to increase steady employment over time in comparison to other women students. Prior to entering college, only 21 percent of CalWORKs students were employed all four quarters of the year. The first and second years out of school, that rate had doubled. With these increases, the CalWORKs group managed to close the four-quarter employment gap with other women from about 30 percentage points to 15 percentage points after just one year out of school (see Figure 6). CalWORKs students with Associate degrees had a 60 percent four-quarter employment rate their second year out, which was comparable to the four-quarter employment rate of other women who received Associate degrees during the same period (see Figure 7).

- CCC CalWORKs students have higher employment rates while in school than the general welfare population.

One argument against providing education and training to welfare participants is that it distracts from “real work.” However, we find that our sample of student welfare participants had higher employment rates the last quarter they were in school than the general welfare population in the same quarter. To compare CalWORKs student employment rates with employment rates of the general welfare population, we look at the total CalWORKs student group (both men and women) who exited in 1999–2000. The last quarter that the CalWORKs student group was in school, 56 percent were employed. In comparison, 44 percent of the general welfare population in California were employed that same quarter. This difference could be explained perhaps by the higher initial educational attainment of CalWORKs students. However, even CalWORKs students who enter college without a high school diploma maintain higher employment rates than the general welfare population (50 percent of whom do have a high school diploma). The last quarter in school, approximately 52 percent of student welfare participants who began school with less than a high school credential were employed, compared to 44 percent of the general welfare population in that same quarter.
Figure 6. Four Quarter Employment Rates for CCC CalWORKs Women and Other CCC Women Exiting School in 1999–2000

Figure 7. Four Quarter Employment Rates for CCC CalWORKs Women and Other CCC Women Exiting School with Associate Degrees in 1999–2000
In order to assess earnings outcomes, we look at the median annual earnings of female CalWORKs participants who exited college in 1999–2000 and were employed with one or more quarters of earnings at all three points in time (i.e., one year prior to entry into college, the first year out of college, and the second year out of college). We ascertain annual median earnings and the increase in median earnings from before college to after college for CalWORKs students and other women students. We also look for differences in median earnings by amount of units completed, program type, and whether or not women came to college with a high school credential.

Our major findings are:

• The more education CalWORKs students attain, the greater their earnings increase. This finding holds true even for those who entered college without a high school diploma or its equivalent.

• CalWORKs students in vocational programs earn more and their earnings grow faster than CalWORKs students in non-vocational programs.

• CalWORKs students’ earnings grow faster than the earnings of other women students, allowing them to narrow the initial, pre-college earnings gap.

• Welfare participants who attend college earn more even while in school than the general welfare population, even if they began college without a high school diploma.

• The more education welfare participants attain, the greater the increase in median annual earnings from before college to the second year after college.

Median annual earnings prior to college were approximately $4,000 to $5,000 for all welfare participants regardless of eventual educational attainment. All exiting CalWORKs students saw significant earnings increases between the year prior to entering college and the second year after they exited college, regardless of the amount of education they received. Even the one-third of exiting students who received zero credits in school saw a doubling of their median annual earnings, indicating that there may be other forces at work, such as the effects of noncredit courses (such as ESL) or labor market dynamics.

While all CalWORKs students increased their earnings over time, those who acquired more education experienced larger increases. Both the size of the earnings increase from before
While the pay-off of an Associate degree appears substantial, CalWORKs students employed in all three periods (pre-college, first year out, and second year out) who left college with an AA/AS degree are demographically different than similarly employed CalWORKs students who left with fewer units, particularly the zero-unit completers. Associate degree holders are somewhat older, more likely to be white, and more likely to have a high school diploma at entry into college. Demographic differences such as these, as well as unobservable characteristics, such as motivation, may contribute to the earnings premium of the Associate degree. Although we cannot control for demographic and educational variables in this analysis, we do assess economic returns to education by whether students had a high school diploma when they entered college and by whether students were enrolled in a vocational or non-vocational program.

**Even CalWORKs students who lacked a high school diploma when entering college increased their earnings substantially as they obtained more education.**

About two-thirds of all CalWORKs women exiting college in 1999–2000 had a high school diploma when they entered college, including most of those who left with a degree or certificate (80 percent). Among the CalWORKs women who did enter college without a high school diploma and were able to achieve a certificate or Associate degree, the pay-offs from their new credential were nearly on par with their more educationally advantaged counterparts. For instance, by the second year out of college, there was only a $500 median annual earnings gap between CalWORKs certificate holders who came to college with a high school diploma and those who entered college without a high school diploma. For Associate degree holders in the second year out, the gap in earnings was somewhat larger (approximately a $1,500 difference in median annual earnings), but nonetheless earnings increases for those without high school degrees were substantial (see Figure 9).
**Vocational Associate degrees and certificates lead to larger earnings increases in the short term than non-vocational Associate degrees and certificates.**

Vocational Associate degree holders have approximately 25 percent greater median annual earnings than non-vocational Associate degree holders, earning about $4,000 more the second year out of college. As Figure 10 shows, the earnings pay-off for the non-vocational Associate degree is similar to the vocational certificate. By the second year out of college, CalWORKs women who attained a non-vocational Associate degree and CalWORKs women who attained a vocational certificate were each earning approximately $16,000 annually.

**Nursing/dental and business Associate degree programs pay off the most for CalWORKs students.**

The most popular vocational credit programs for CalWORKs women were (in order of popularity) business, lifespan, nursing/dental, administrative assistant, computer science, and social service fields (see sidebar on p. 27 for descriptions). Vocational Associate degrees in the nursing and dental fields pay off the most for exiting CalWORKs students (see Figure 11 on p. 22). Vocational Associate degrees with the least payoff are computer, social service, and lifespan programs. Among CalWORKs women who completed a nursing or dental technician Associate degree (14 percent of CalWORKs women who left with a vocational Associate degree in 1999–2000), median annual earnings reached $37,000 by the second year out of college. Business degree holders earned close to $20,000 on average in the second year after college.17

---

**Figure 9. Median Annual Earnings for CCC CalWORKs Women Exiting College in 1999–2000, by Educational Attainment and Education at Entry**

Earnings adjusted to 2000–2001 dollars using California Consumer Price Index

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>435%</td>
<td>279%</td>
<td>277%</td>
<td>343%</td>
</tr>
</tbody>
</table>

**Figure 10. Median Annual Earnings for CCC CalWORKs Women Exiting College in 1999–2000, by Educational Program Type (Vocational vs. Non-Vocational)**

Earnings adjusted to 2000–2001 dollars using California Consumer Price Index

<table>
<thead>
<tr>
<th>Non-Vocational AA</th>
<th>Non-Vocational Certificate</th>
<th>Vocational AA</th>
<th>Vocational Certificate</th>
</tr>
</thead>
<tbody>
<tr>
<td>435%</td>
<td>279%</td>
<td>277%</td>
<td>343%</td>
</tr>
</tbody>
</table>
• Vocational certificates do not increase earnings by as much as vocational Associate degrees.

In general, vocational certificates have less economic pay-off than Associate degrees for CalWORKs women across a variety of popular vocational programs (see Figures 11 and 12). The exception is for computer related fields. The nursing field has almost a $20,000 difference in pay between a certificate and Associate degree. Although there are certificate programs for registered nursing (RN) that require two years of school (60+ credit units) and certificate programs for licensed vocational nursing (LVN) that require nearly two years (ranging from 40 to 89 credit units), many of the nursing certificates are for entry into less lucrative health care positions, such as certified nurse assistant (CNA) programs, hospital ward clerk, hospital central service technician, medical assistant/medical office technician, and home health aide, which have requirements that range from 20 to 50 credit units.

• Longer certificate programs have greater economic pay-off than shorter certificate programs, particularly in the nursing and dental fields.

Certificate programs at CCCs range from fewer than six units to 60 units or more. The longer the vocational certificate program, the greater the economic pay-off within two years of exiting college (see Figure 13). When we look at CalWORKs vocational certificate holders who had earnings both their first and second years out of school, only those in certificate programs greater than 30 units in length earned more than $15,000 their second year out in the labor market. Nursing and dental certificate programs have a greater economic pay-off than other vocational certificate programs, but only when the program composition is 30 units or more.

• From before college to the second year out of school, CalWORKs students’ earnings grow more than the earnings of other women students, allowing them to narrow the initial earnings gap.

Although CalWORKs students earn considerably less than other women students with the same credentials, CalWORKs students who left school in 1999–2000 had greater increases
In median annual earnings from the year before college to the second year out than their more advantaged counterparts (see Figure 14). For example, CalWORKs students who left with an Associate degree realized a 403 percent increase in median annual earnings from before they entered college to the second year out of school. In contrast, other women students who left with similar credentials realized a 100 percent increase in median annual earnings from before college to their second year out in the labor market.

After two years in the labor market, CalWORKs students who left community college in 1999–2000 narrowed their earnings gap with other women students who left community college during the same time period. Other women who left college with 12 or more credits made about 73 percent more than welfare participants with similar credits the first year out of school. However, the earnings gap narrowed to 64 percent by the second year out. Vocational and non-vocational CalWORKs students had a similar earnings gap the first year out of school with other women students. However, vocational CalWORKs students were better able to close the gap by the second year in the labor market than non-vocational CalWORKs students (see Figure 15 on p. 25).
• CalWORKs students are less likely to earn a certificate or associate degree in lucrative fields than other women students.

Approximately 82 percent of CalWORKs women left with either an Associate degree or certificate in business, administrative assistant, computer science, nursing/dental, lifespan, or social service compared to 70 percent of other women. Other women were somewhat more likely to enter more lucrative fields, such as the emergency medical technician (EMT) and paralegal fields. As the figures below indicate, non-CalWORKs women students with Associate degrees and certificates were less likely to have an administrative assistant or lifespan credential and (among those with Associate degrees) were more likely to have a credential in nursing (see Figures 16 and 17).

• CalWORKs women and other women students enroll in similar length certificate programs, with the exception of nursing.

As previously shown, the longer the certificate program a CalWORKs student is able to complete, the greater economic pay-off in the labor market. Comparing the length of certificate programs between CalWORKs students and other women students shows whether CalWORKs students are more likely to enter into shorter, less economically beneficial programs. Overall, we find that CalWORKs women who exited community college with certificates in 1999–2000 completed certificate programs of a relatively similar length as other women students who exited with certificates during the same period. About 45 percent of CalWORKs and other female certificate holders exited with certificates that required at least 30 units to complete, with only about 5 percent in the longest (60+ unit) certificate program. About one-third of each population left with certificates that were 18–30 units in length, and approximately one-quarter of each left with certificates shorter than 18 units in length. However, in the nursing/dental field, CalWORKs women completed somewhat shorter certificate programs than other women. In particular, CalWORKs women were more likely than other women to leave with nursing/dental certificates between 6–18 units in length (17 percent versus 6 percent) and less likely to leave with nursing/dental certificates greater than 30 units in length (51 percent versus 58 percent) (see Figures 18 and 19 on p. 26). These findings indicate that CalWORKs women are not taking full advantage of longer term and more lucrative nursing certificates.

• CalWORKs students with certificates and associate degrees narrow the earnings gap with other women students more quickly than those without credentials.

The first year out of school, CalWORKs students who exited with certificates or Associate degrees still earned substantially less than other women who exited with similar credentials (a 76 percent gap for those leaving with a certificate and a 53 percent gap for those leaving with an Associate degree). However, these CalWORKs students were able to narrow the gap by the second year out of school (by about 15 percentage points each). By contrast, CalWORKs students who left school with 24 or more credits but no degree only narrowed the earnings gap with other women by about half as much (7 percentage points) between the first and second year out. They did, however, also start out with a smaller gap the first year out of school (see Figure 20 on p. 26).
Figure 15. Percentage Gap Between Median Annual Earnings of CCC CalWORKs Women and Other CCC Women Pre-College, First Year Out, and Second Year Out of School, by Program Type

Figure 16. Vocational Programs of CCC CalWORKs Women and Other CCC Women Leaving with Associate Degrees in 1999–2000

Figure 17. Vocational Programs of CCC CalWORKs Women and Other CCC Women Leaving with Certificates in 1999–2000
Welfare participants who attend college earn more while in school than the general welfare population, even if they began college without a high school diploma.

Welfare participants who enter community college without a high school diploma have greater earnings while in school than the general California welfare population, even though approximately half of the general welfare population are high school graduates. In their last quarter in school, median earnings of employed welfare students (both men and women) who began college without a high school diploma but left with at least 12 credits completed in 1999–2000 were $2,616—22 percent higher than the median earnings of the employed general welfare population that quarter (see Figure 21).

Taken along with our findings on employment rates, this comparison indicates that welfare participants who attend school do not necessarily suffer setbacks in employment and earnings in order to pursue further education. Although we do not yet have a longitudinal sample of the general California welfare population to compare to our community college sample, we do know that for each quarter that our exiting students were out of school, the earnings gap between the
Most Popular Vocational Credit Programs Among CalWORKs Students

**Business:** Instructional programs that prepare individuals for a variety of activities in planning, organizing, directing, and managing all business office systems and procedures. Particular business degree and certificate programs offered include general business and commerce, accounting, banking and finance, business management, marketing and distribution, transportation and materials moving, real estate, insurance, and labor and industrial relations. Secretary/administrative assistant is also a business degree, but, for purposes of this report, we exclude it from the “business” category and analyze it separately.

**Secretary/Administrative Assistant:** Considered a sub-field within business. Covers recording and transcription of information, including the abstraction, classification, and communication of records. Includes clerical and secretarial office practices, key boarding, microcomputer applications, and administrative concepts.

**Computer and Information Sciences:** Instructional programs in the theories, principles, and methods of design, development, and application of computer capabilities to data storage and manipulation. Includes computer and information science, general; data processing—operations; computer programming; and computer systems analysis.

**Nursing:** Includes classes to become a registered nurse, licensed vocational nurse, certified nurse assistant, hospital ward clerk, hospital central service technician, medical assistant/medical office technician, or home health aide.

**Dental Technician:** Construction and repair of dental appliances; operations and procedures used in support of a dentist or orthodontist; and classes to become a dental assistant and dental hygienist.

**Lifespan:** These classes cover nature; functions and significance of human relationships in the family and society; and the study of individuals and their physical, mental, emotional, and social growth and development. Includes classes in child development, exceptional children (special needs), gerontology, and nanny training.

**Social Services:** Includes classes related to public assistance, correctional services, and community health and welfare organizations, and assistance with addiction to alcohol and controlled substances. The Administration of Justice category includes corrections, probation and parole, industrial security, and police academy. Human Services includes education aide (classroom assistant), recreation assistant, and school health aide.


---

**Figure 21.**
2000–2001 Median Earnings of General CalWORKs Population Vs. CCC CalWORKs Entering Without High School Diploma, by Quarter

Source: California Community Colleges Chancellor’s Office Student Record Database with California Employment Development Department and California Department of Social Services (CDSS) data and CDSS Research and Development Division Adult Recipients Quarterly Wage Earnings Report data.
student welfare participants and the general welfare population with earnings that same quarter increased. CalWORKs students entering college without a high school diploma and exiting with at least 12 units earned 50 percent more than the general welfare population in the first quarter out of school (FY 2000 quarter 3). By their fourth quarter out of school, they earned 80 percent more than the general welfare population.

Summary of Research Findings

Using data from the California Department of Social Services, the California Community College Management Information System, and the Employment Development Department, this study tracks and compares the employment rates and earnings of samples drawn from three main groups: female CalWORKs participants who were also students in CCCs, other female CCC students, and CalWORKs participants from the California general welfare population. The current research found the following:

• Among students not transferring to a four-year college, the more education a CalWORKs student obtained in community college, the greater her increase in earnings from before she entered college to two years after she exited.

• Moreover, earnings increased substantially after college, even for CalWORKs students who entered community college without a high school diploma.

• CalWORKs students who completed a vocational certificate or Associate degree program (particularly in nursing and business fields) tend to have higher earnings and higher employment rates than those who completed non-vocational programs.

• Among vocational certificate programs, the longer the program, the greater the economic pay-off. In general, vocational certificate programs need to be at least 30 units in length to yield earnings that top $15,000 by the second year out of school.

• Prior to and during college, CalWORKs students earn considerably less than other women students but after college this earnings gap increasingly narrows. It also closes more quickly among credential holders (exiting CalWORKs and other women who have a certificate or Associate degree) than among those who exit college without a credential.

• While attending school, earnings for employed welfare participants (even those who entered college lacking a high school diploma) were greater than those of the general California welfare population who were employed during the same time period.
The California community colleges (CCC) provide six primary CalWORKs services: child care, work-study, job development and job placement, educational and personal counseling, identification and connection with community services, and coordination of a welfare-to-work plan that includes education as an allowable activity. In addition, instruction, child care, and job placement services are also offered to welfare participants who have recently left assistance so that they might upgrade skills and advance in a career. Since these services began in 1997, the number of student welfare participants receiving CCC CalWORKs services has increased 57 percent, from 27,000 in 1997–1998 to 47,118 in 2000–2001. The number of students served in CCC CalWORKs programs represents approximately 14 percent of the adult welfare participant caseload in California and approximately 50 percent of welfare participants attending the state’s community colleges. Funding for CCC CalWORKs services totaled about $62 million in 2003–2004, with $34.6 million of it coming from state general funds, $19.6 million from local college matching funds, and $8 million from TANF funds.

In the following section, we describe the primary services provided to CalWORKs participants in the community college system; and, we offer a few excerpts from interviews with successful CalWORKs participants that illustrate how these services helped them.

Child Care

Adequate child care is critical to the success of all welfare participants. CalWORKs students must have child care that accommodates their individual schedules and needs, is open to children of various ages, is nearby or on campus, and is available during weekends and evenings as necessary. State CalWORKs regulations guarantee child care for the entire time a participant is involved in welfare-to-work activities (32 hours per week, including travel time to those activities). County welfare offices typically provide child care services at centers and through other community providers. To meet the entire child care needs of CalWORKs participants, a partnership of agencies and services is required. Community colleges are part of the overall CalWORKs child care system, and 100 of the 108 colleges have child care centers on campus, which provide subsidized child care for eligible students. The CCC CalWORKs programs have a sizable statewide budget earmarked solely for child care services ($15 million). Typically services are sufficient to meet these students’ and their children’s needs. CCC CalWORKs child care services were provided to 7,975 children in 2000–2001—nearly four times the number served when the program began in 1998. Many CCCs also have the capacity to offer child care vouchers through their Cooperative Agencies Resources for Education (CARE) program and vocational education services. These supplements can bridge the gap from jobs to careers.
some additional gaps in services. Mary Varela, a successful CCC CalWORKs student, explains how CalWORKs child care helped her:

Without [CalWORKs'] support, I would have been very limited in choosing my major, since transportation and child care put serious limits on my time and availability for school. With the help of CalWORKs in these areas, I was freed up to invest in a more demanding career program. My Associate degree in the health sciences gives me a competitive edge in the Silicon Valley economy and increased my earnings potential. The child care, especially, has allowed me to move forward with my goals by providing back-up daycare when campus child care is not available. This has let me work off-campus, gain on-the-job experience, and take the occasional night class. Having a child care center right here on campus has allowed me to pursue my educational goals, knowing that my child is close by and well taken care of. For me, attending community college has meant that my daughter and I now have a future. (Mary Varela, Foothill College)

Prior to the implementation of CalWORKs, a child care program was available through Greater Avenues for Independence (GAIN). However, GAIN was extremely limited in scope and was operated solely by the counties. There were no college CalWORKs child care or alternative payment provider networks available. The amount of child care funding for GAIN participants was quite limited—in fact, the lack of child care was a key reason that the numbers of students in GAIN remained small. Although the California Department of Education provided additional child care funding through non-profit agencies, waiting lists for child care through these agencies were extensive. Today, through the combination of county, Department of Education, and community college CalWORKs funding, child care services have been fully provided to CalWORKs students during their first 18–24 months of work activities and can also be extended for the duration of their 60-month lifetime CalWORKs limit.

Work-Study

Work-study funding subsidizes wages to create work opportunities that enable CalWORKs students to meet CalWORKs work requirements while pursuing an educational program. Work-study also provides students with related work experience that will make them more marketable when they finish their educational programs. In addition, college work-study program earnings are not considered when calculating the amount of the family’s CalWORKs cash-grant award. Therefore, the opportunity to participate in a college work-study placement results in an overall increase in the income of the CalWORKs student’s family.

Typically, enough funding exists for approximately one-quarter of all CCC CalWORKs students to participate in work-study programs. The majority of students are placed in on-campus positions, but colleges also offer off-campus work-study opportunities. In 2000–2001, CalWORKs work-study was offered to almost 8,000 students, with nearly $15 million used to subsidize CalWORKs students’ wages. By comparison, federally funded college work-study served nearly 13,000 students at colleges statewide, with about $22 million in work-study awards/wages. Other work-study opportunities at the colleges are provided through the Extended Opportunity Programs and Services (EOPS) program (described later in the chapter), serving almost 1,000 students with $1.2 million in subsidies. Therefore, the addition of the CCC CalWORKs work-study program brings a significantly higher level of
opportunity and income to disadvantaged students. The following comments from CCC CalWORKs students who completed educational programs speak to the importance of CalWORKs work-study.

The CCC CalWORKs program played a very big part in my success at Lassen Community College. The CCC CalWORKs program made it possible for me to get the experience I needed by letting me work at the Child Development Center, and paying me to be there . . . . I was recently hired as a full-time teacher for Lassen College Child Development Center. I am planning on going back to school in a few years to work towards getting my Master's degree in Early Childhood Education . . . . I would like to send a special thanks to the staff at the Child Development Center at Lassen Community College for giving me the chance to learn from such a wonderful group of people. (Janet Diestel-Hartzell, Lassen Community College)

Attending community college has been a sound economic investment in my future but has also helped me to grow in other areas. I have been able to explore my own interests and talents and have found an economic sector that not only prepares me to financially provide for my family, but also one that allows me to express my creative potential. I am working toward a certificate in interactive and multimedia technologies. Attending Foothill College has introduced me to new ideas, inspiring people, and growth opportunities. For the past year, I have been a student employee in human resources at the district office and am now also working as an HTML tutor. (Sheri Cole, Foothill Community College)

Job Development and Placement

CCC CalWORKs funding for job development and placement serves two purposes. First, this program places CalWORKs students in work activities that enable them to meet their work-participation requirements. Second, such placements provide students with additional income and make them more marketable when they complete their educational programs. On-campus coordinators provide a variety of services to students—job development and placement in internships, work-study, community service, and other types of paid and unpaid employment. Job development and placement services also include career counseling that covers job-seeking and job-retention skills. Approximately 18,000 students receiving welfare were helped by job development and placement services in 2000–2001, and 5,807 students were placed into unsubsidized employment.

CCC CalWORKs Coordination

In addition to providing student services, CCC CalWORKs funding is also used to employ CalWORKs coordinators at each community college campus to coordinate referrals to the college from the county welfare offices, track students’ progress, refer students to various student support services, place students in appropriate academic programs, and ensure that welfare-to-work plans are viable. Campus coordinators develop linkages with other local agencies, including local workforce investment boards and one-stop centers, as well as multitudes of community service programs. Overall, the CCC CalWORKs program is noteworthy
for its strong emphasis on funding direct student services rather than college staffing. However, the CCC CalWORKs staff are often cited by successful students as key players in their academic progress. For example, two CalWORKs students write:

I can’t say enough about the CCC CalWORKs program. I would not have been able to make it through my educational program without it. The staff have been like a family to me. They have provided me with academic counseling, financial assistance, job assistance, and even an occasional word of encouragement when it was needed. I hope to one day help others the same way that they have helped me. (Linda Allen, Palomar Community College)\textsuperscript{29}

Without the CCC CalWORKs program, I would not be attending Lassen Community College. I would not be able to look to the future with long-term goals and thoughts of furthering my dreams of a new career. All of the people and departments who have also worked so hard to help me and continue to support me in all the things I am doing now are what mean the most to me; without them I would have been lost. I feel that the only way I can truly show my thanks is to keep going and continue showing them that I am trying to be one person they can feel proud of and that I am worthy of all their combined efforts to help me succeed. So thank you! I bow to you all. (Tracy E. Sant, Lassen Community College)\textsuperscript{30}

As part of their 2003 study, \textit{Opening Doors}, MDRC interviewed welfare participants at three California community colleges: Grossmont College in San Diego; Sacramento City College in Sacramento; and Santa Monica City College in Los Angeles County. The authors note how beneficial CalWORKs counselors were to students. They conclude:

Students provided numerous examples of times when campus CalWORKs staff offered advice, counseling, or access to supports that kept students on track and in college. Several students expressed the opinion that without elements of the campus program (such as work-study, advocacy with the county welfare staff, a supportive presence) they might not have stayed in school.\textsuperscript{31}

\section*{Other Service Departments Within the Colleges}

CCC CalWORKs services were specifically established to supplement, not supplant, existing student services. Many service programs were well established when the new, extensive CCC CalWORKs services began; these other service programs are almost always used whenever CCC CalWORKs students are eligible. The major service programs are: Extended Opportunity Programs and Services (EOPS) and its adjunct program, Cooperative Agencies Resources for Education (CARE); Disabled Students Programs and Services (DSP&S);\textsuperscript{32} AmeriCorps; and academic counseling, transfer, and matriculation services.

EOPS and CARE jointly served 106,676 students in 2001–2002.\textsuperscript{33} The primary goal of EOPS is to encourage the enrollment, retention, and transfer of students with language, social, economic, or educational disadvantages and to facilitate the successful completion of the students’ college goals and objectives. EOPS offers academic and support counseling,
financial aid, and other support services. EOPS recipients are required to be full-time students (i.e., enrolled for at least 12 units per semester).

The CARE program was established in 1982 to further assist EOPS-eligible students who are female, are single heads-of-households, are welfare participants, and have a child under the age of 14 in the home. Student eligibility for CARE grants and services is determined by unmet financial need. CARE also offers academic counseling and professional and peer support. Less than one-fourth (22 percent) of currently enrolled CalWORKs students are eligible for and receive EOPS and/or CARE services, however, since most begin community college without the capability for full-time credit coursework.

DSP&S provides support services, specialized instruction, and educational accommodations to students with disabilities so they can participate fully and benefit equally with their peers from the college experience. DSP&S served 76,386 disabled students in 1999–2000. Three types of AmeriCorps Service Learning programs are available at 31 of the CCC campuses (as of 2001). One type of program targets the involvement of CalWORKs’ participants while the other two accept CalWORKs participants but do not specifically target their involvement.

Matriculation services are available for all enrolled credit and noncredit students and include: counseling, assessment and testing, orientation, and follow-up services. The intent of matriculation services is to assist students in the planning and implementation of their educational and vocational programs and in setting goals leading to their eventual success in the community college or a transfer institution. CCC CalWORKs services are coordinated with academic counseling, transfer, and matriculation services to ensure maximum utilization of these valuable campus services by CCC CalWORKs students. In addition, vocational education services offer child care grants and vouchers and assistance with other expenses for CalWORKs students.

Financial Aid

CalWORKs participants in credit courses are typically eligible for some form of state and/or federal financial aid available through a CCC campus financial aid office, though a surprisingly high percentage of them (39 percent) do not receive any aid. The CCC CalWORKs program works with the financial aid office to coordinate the student budgets and ensure that students are not “over-awarded” financial aid. The major forms of financial aid that are available to CCC CalWORKs participants are course fee waivers and state and federal grants.

The Board of Governors (BOG) fee waiver program is designed to ensure that the CCC fee policies ($18 per unit) are not a financial barrier to education for any California resident. Students who receive public assistance are eligible to receive a BOG fee waiver to bypass fees for any credit course they take. Roughly two-thirds of CalWORKs students receive this fee waiver compared to one-third of other women students.34

In addition to the fee waiver, the state of California offers two types of “Cal Grants” to financially needy community college students.35 CCC CalWORKs students may be eligible to receive these grants while attending community college. Cal Grant B awards are grants (approximately $1,150 each) to California residents attending any qualifying California institution offering undergraduate academic programs of not less than one academic year. Cal
Grant C grants ($600 annually) assist students who are enrolled in California occupational or vocational programs that are four months to two years in length. Approximately 3 percent of CCC CalWORKs students received Cal Grants B or C in 1999–2000. This low percentage is primarily due to a short application period, the Cal Grant program’s focus on recent high school graduates, and the relatively small number of grants awarded overall.

Twelve percent of CCC CalWORKs students received grants and vouchers for books and other services through EOPS and CARE. In addition to grants from the state and college, CCC CalWORKs students are also eligible to apply for need-based federal grants, loans, and scholarships. Approximately one-third of CCC CalWORKs students received Pell grants in 1999–2000, and 17 percent received other forms of federal financial aid or assistance.

While there are many financial aid options available to needy students, there is insufficient funding allocated to the colleges to provide the necessary outreach that would inform potential and current students about available financial assistance. Whereas many CCC CalWORKs students receive fee waivers and some federal and/or state grants and loans, a substantial percentage of CalWORKs students (39 percent) do not receive any aid or receive only limited grants and loans. This relative lack of aid makes the CCC CalWORKs work-study and federal work-study jobs an especially critical aid supplement to the other programs.

<table>
<thead>
<tr>
<th>Financial Aid Received by CCC CalWORKs Students Enrolled in 1999–2000*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of Financial Aid</strong></td>
</tr>
<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Financial Aid</td>
</tr>
<tr>
<td>Board of Governors Fee Waiver</td>
</tr>
<tr>
<td>Pell Grant</td>
</tr>
<tr>
<td>Other Federal Financial Aid</td>
</tr>
<tr>
<td>Financial Aid Scholarships</td>
</tr>
<tr>
<td>State Financial Aid</td>
</tr>
<tr>
<td>(Cal Grants, EOPS, CARE, State Work Study)</td>
</tr>
<tr>
<td>No Financial Aid</td>
</tr>
<tr>
<td>Total CCC CalWORKs Enrolled in 1999–2000</td>
</tr>
</tbody>
</table>

* Totals sum to more than 100% as some students received multiple sources of aid.
** Out of total CCC CalWORKs students enrolled in 1999–2000 (107,087)

Source: California Community Colleges Chancellor’s Office MIS Student Record Database
California community colleges play a critical and expanding role in the state's welfare reform efforts. Each college provides education, training, work experiences, and needed supportive services—all essential components of a welfare-to-work plan that can result in welfare participants gaining employment at a family-supporting wage. Community college attendance can provide a return on investment in a few short years attendance—from increased tax revenues generated by higher earnings and sustained employment and from government savings due to less reliance on welfare. The California data show that welfare participants who complete a significant amount of college coursework are employed more quarters of the year and increase their earnings substantially in the first two years after exiting college compared to before they attended college. This is especially true for those who are in vocational programs or who obtain an Associate degree.

The key challenge is to help more low-income parents succeed in school, and especially in the vocational programs that can qualify them for better jobs than they typically would find on their own. Financial aid and supportive services, such as those provided in the CCC CalWORKs program, are critical in enabling parents to complete college programs, yet these supports are too often in short supply not only for welfare participants but for low-wage workers generally.38

A recent national study by MDRC39 evaluated the effectiveness of three kinds of program approaches in increasing the employment and earnings of welfare participants: employment-focused (short-term job search assistance with a goal of immediate employment), education-focused (primarily adult basic education prior to entering the labor market), and a “mixed strategy” approach (which provided a range of education, training, and work services).40 As part of this evaluation, MRDC studied the Portland, Oregon, Job Opportunities and Basic Skills (JOBS) program. They found this mixed-strategy program to be highly effective.41 Portland’s ability to increase participation in college and help participants attain occupational certificates was probably an important factor in the program’s ability to help welfare participants find better and longer-lasting employment than they would have found on their own. Consistent with this research from the Portland study and other evaluations, our study indicates that welfare participants who take part in the community college mixed welfare-to-work strategy program—even those who began college without a high school diploma—are more likely to be working and earn more than the general population of CalWORKs participants.

Because postsecondary education and training plays an important role in improving economic outcomes for welfare participants, states should be encouraged to include postsecondary education as a welfare-to-work activity and to increase funding for critical on-
campus support and employment services. Welfare reform in California brought additional child care dollars to the community colleges, doubled campuses’ ability to offer work-study opportunities, and expanded the scope of these new work-study opportunities by aligning them with students’ career goals. With strict welfare regulations regarding work participation and time limits, the college service coordinators are obviously needed to help CalWORKs students balance work and school and help them finish their programs as quickly as possible. Through state education CalWORKs program funding, every community college campus in California employs a CalWORKs coordinator and additional staff to help students choose and navigate through a course of study that not only meets welfare requirements but also helps them move toward self-sufficiency. Using on-campus coordinators to facilitate access to child care, work-study, and job placement services ensures that student welfare participants receive the kind of support and employment-related education that pays off in higher-paying employment.

Interviews with CalWORKs students indicate that the specific support and employment services offered through CCC CalWORKs programs are often key factors in their successful transition. However, future funding for these types of services is tenuous at best. With the downturn in the California economy, the budget for community college CalWORKs services has fallen in recent years from $81 million down to about $62 million.

Despite the large increase in employment and earnings that a community college education can provide, CalWORKs students who do not complete certificates or degrees remain somewhat disadvantaged in the labor market. CalWORKs students, and indeed the majority of all community college students, need approximately 3.5 years or longer to complete an Associate degree. Considering the additional barriers that welfare participants face, it is not surprising that they take longer than the traditional two-year time frame. Given the current 18- to 24-month education time limit imposed by California welfare policy, the average CalWORKs student who is trying to complete an Associate degree will ultimately have to face a decision to leave school before the program is completed or become ineligible for cash assistance. CalWORKs students clearly need more time than what is currently allowed. Although many community colleges have used CalWORKs funding to develop short-term programs that will accommodate time limits, programs that lead to self-sufficiency require academic courses that are, for most students, usually unattainable within a two-year period.

At the national level, federal welfare policy should allow and encourage the balanced approach that California uses to provide a mix of employment with quality education and training services in welfare-to-work programs. Research has shown repeatedly that this mixed-services approach is by far the most effective welfare-to-work strategy. Toward this end, federal policy should ease restrictions to allow longer employment-focused educational programs to meet federal welfare work requirements. In particular, 12 months—the federal limit on how long training can be counted toward work rates—is typically not enough time for participants to obtain even a 30-credit unit occupational certificate, much less a certificate that requires full-time enrollment for two years. Given the higher earnings of CalWORKs students who obtained credentials compared to those who did not, federal policy should support attainment of, at minimum, occupational certificates by extending the length of time that vocational educational training counts toward core work requirements from 12 months to 24 months.
In addition, policies should allow some welfare participants to not only obtain basic skills or occupational certificates, but also to complete a more lucrative Associate or Bachelor’s degree from public postsecondary educational institutions. The Pathways to Self-Sufficiency proposal adopted by the Senate Finance Committee in its 2003 welfare reauthorization bill gives states the option of enabling a small percentage of welfare participants to pursue such longer term degrees and should be enacted. Federal policy could support persistence and completion by low-income parents in school by offering incentives for states to provide support services and work-study positions to such students (whether or not they are welfare participants).

Finally, welfare policies should make it easier to balance work, family, and school by keeping the overall number of required work hours at an attainable level and by clarifying that student work-study is a countable activity toward work-participation rates. Congress should also examine how federal student aid policies can better support low-income parents and other low-wage workers in school.

The long-term success of welfare reform, and the well-being of the families aided by it, depends on basing state and federal policy decisions on sound research and proven welfare-to-work strategies. Employment-focused postsecondary education and training, together with the supportive services that enable parents to succeed in school, are essential components of a welfare reform policy that will improve the lives of low-income parents and their children and reduce the welfare caseload over the long-term.
Endnotes

1 Preliminary Findings from this study were released in May 2002 in a report titled *Credentials Count: How California Community Colleges Help Parents Move From Welfare to Self-Sufficiency*. The primary differences between this report and the preliminary data in *Credentials Count* are as follows:

- We compare employment and earnings from before CalWORKs students entered college to employment and earnings one and two years after they exited. *Credentials Count* only had data on post-college earnings.
- We include a much more detailed earnings comparison of the different vocational programs (field and program length) for which CalWORKs students obtained credentials.

2 We choose to use the term “participant” rather than “recipient” to better reflect the reality of low-income parents actively participating in the CalWORKs welfare-to-work program.

3 Individuals referred to education programs by county welfare departments are often encouraged to enter short-term programs, less than a year in length, rather than to complete an Associate degree.

4 Our total exiting CalWORKs group is approximately 80 percent female. Although many students take non-credit coursework, for purposes of this study we restrict the universe of exiting students to those who enrolled in at least one credit course.

5 The California Department of Social Services provides information to the public on the quarterly earnings of all welfare participants in its *CalWORKs Adult Participants Quarterly Wage Earning Reports*. Data are publicly available from 1997–2001 and can be compared to the quarterly earnings of student participants who left college in 1999–2000.

6 Median annual earnings are for those who have non-zero Unemployment Insurance (UI) wages in at least one quarter of the year. Earnings are adjusted to 2000–2001 dollars using the California Consumer Price Index. Due to data limitations, the sample is restricted to only students who entered college after Fall semester, 1993.

7 There are several caveats with conducting this comparison. First, we do not yet have data on the percentage of the general welfare population in community college programs; nor do we have the data that allow us to control for other demographics such as age, ethnicity, or single-parent status. Second, the general welfare population is comprised of a different group of participants each quarter. This means that we are unable to look at how the earnings of a cohort of the general welfare population changes over time as we are with the California Community College welfare cohorts. Third, the general welfare sample is a selection of participants who are receiving assistance for all three months of the quarter. We do know that student welfare participants received public assistance at some time during the last year they were in school, but we do not know the exact fiscal quarter they were receiving assistance. Furthermore, in the quarters following exit from college, we have not evaluated whether or not students are receiving aid. Therefore, the sample is less restrictive on assistance receipt than the California Department of Social Services sample.

8 Demographic data on the General CalWORKs population are taken from California Department of Social Services, Research and Development Division, *CalWORKs Characteristics Survey Federal Fiscal Year 2000: October 1999 through September 2000*.

9 The sample of 1999–2000 exiting students (CalWORKs and non-CalWORKs) was also restricted to those who did not return to a community college within one year and those who did not transfer into a four-year California college within two years.

10 The sample in this section and the following one is restricted to women for all CalWORKs/non-CalWORKs student comparisons.

11 Non-credit coursework that CalWORKs students often participate in include: (1) parenting, including parent cooperative preschools and classes in child growth and development and parent-child relationships; (2) elementary and secondary basic skills and other courses and classes, such as remedial academic courses or classes in reading, mathematics, and language arts; (3) English as a second language; (4) classes and courses for immigrants eligible for educational services in citizenship, English as a second language, and workforce preparation classes in the basic skills of speaking, listening, reading, writing, mathematics, decision-making and problem solving, and other classes required for preparation to participate in job-specific technical training; (5) education programs for persons with substantial disabilities; (6) short-term vocational programs with high employment potential; (7) education programs for older adults; (8) education programs for home economics; and (9) health and safety education. In the initial years of state welfare reform, CalWORKs funding was particularly targeted to the redesign and proliferation of short-term, credit, and non-credit vocational programs.

12 This sample does not restrict the exit cohort to those entering prior to Fall 1993 and includes both sexes.

13 Here the comparison group also includes the CalWORKs population, approximately 5 percent of the total student body.

14 UI wage data does not include information on hours worked.
Median annual earnings before college were $4,384 for those who left college with zero credits, $4,779 for those who left with certificates, and $3,916 for those who left with Associate degrees. Those in the zero-unit group may have taken non-credit courses (such as ESL) that would have a positive effect on labor market outcomes. In future research, we plan to carefully explore the educational programs and economic outcomes of non-credit CalWORKs students. To improve sample size, for this analysis we look at exiting degree holders who were employed both the first and second year out of school. They may or may not have been employed prior to entering college. The sample size for CalWORKs women leaving with computer certificates was considerably lower than for those leaving with certificates in other programs. The next most popular fields for CalWORKs and other women are: agriculture/natural resources, engineering/technology, EMT, interior/fashion design, nutrition and food, paralegal, cosmetology, travel services and tourism, and art. These fields make up about two-thirds of the "other" category that we use in our analysis of program type for both CalWORKs and other women. Among the short-term certificate group (less than 18 units), CalWORKs women were less likely than non-CalWORKs women to leave with certificates that were less than 6 units in length. However, we find that the pre- and post-college median annual earnings of non-CalWORKs women who get certificates less than 6 units in length are very high. Therefore, these are likely to be women who have stable employment and are only returning to school for a quick skill upgrade. Due to this fundamental difference, the non-CalWORKs women who complete certificates less than 6 units in length are not comparable to CalWORKs women who complete similar certificates. California Community Colleges Chancellor's Office, CalWORKs Unit. (October 2003). 2003–2004 CalWORKs Program Plan. Sacramento, CA: Author, p. 6. These interviews should not be seen as representative of the experiences of all CalWORKs students. Students who offered their comments were typically those who successfully completed programs and were thus best served by the CalWORKs program. Nonetheless, their stories can help illuminate how additional supports services can help students succeed in school. The CARE program will be explained in more detail later in this section. California Community Colleges Chancellor's Office, CalWORKs Unit. (October 2000). California Community College CalWORKs Student Success Portraits. Sacramento, CA: Author, p. 16. GAIN was the pre-welfare reform AFDC program in California that provided employment training, education, and job placement to welfare participants. The state CalWORKs program allows all participants to disregard a higher level of earnings than was the case under the GAIN program. During the GAIN program, the income disregard was figured according to this example: On $500 gross income, subtract $30. Then count two-thirds of the remainder ($313.33) against the grant. Total income kept equals $186.67. With the CalWORKs program, a much higher disregard was allowed. For example: on $500 gross income, subtract $225. Then count half of the remainder ($137.50) against the grant. Total income kept equals $362.50. California Community Colleges Chancellor’s Office, October 2000, p. 8. California Community Colleges Chancellor’s Office, October 2000, p. 20. California Community Colleges Chancellor’s Office, October 2000, p. 15. California Community Colleges Chancellor’s Office, October 2000, p. 22. Nelson, L., & Purnell, R. (2003). Opening Doors to Earnings Credentials: Supporting CalWORKs Students at California Community Colleges. An Exploratory Focus Group Study. New York: MDRC, p. 19. Students may enroll in a combination of credit and non-credit coursework but will receive the fee waiver only for credit coursework. Part of the reason a greater percentage of CCC CalWORKs participants do not receive the BOG fee waiver is that many CCC CalWORKs students begin by taking solely non-credit courses that have no enrollment fee. For Cal Grant C, the 2004-05 school year income ceilings for dependent students and independent students with dependents other than a spouse range from $66,700 for two family members to $78,100 for six or more family members. For the Cal Grant B program, the 2004-05 school year income ceilings range from $28,300 for two family members to $42,900 for six or more family members. EOPS Grants that are awarded are coordinated through the financial aid office and assist in meeting students’ unmet financial need. Vouchers for books and other services are distributed directly from the EOPS and CARE offices, but disbursement of grants must be reported to financial aid offices to coordinate the benefits with all other aid programs as required by federal and state law.
“Other Federal Financial Aid” includes federal subsidized and unsubsidized loans, Federal Work Study, Supplemental Educational Opportunity Grants, and Bureau of Indian Affairs grants.


Authors of this study also found that education-focused programs and immediate job placement were less effective in improving employment and earnings than mixed-strategy (education, training, and work) approaches. For a detailed summary of this research, see Martinson, K., & Strawn, J. (2003). *Built to Last: Why Skills Matter for Long-Run Success in Welfare Reform*. Washington, DC: Center for Law and Social Policy.

Self-sufficiency income standards have been established for every county in California and for 70 different types of families based on a variety of variables that include family size, ages of children, and geographic location. The self-sufficiency income standard is designed to reflect what a family needs in order to adequately meet living expenses without public or private assistance. Costs contained in the standard include housing, child care, food, transportation, health care, and net taxes after relevant tax credits are applied (Pearce, D., with Brooks, J. [November 2000]. *The California Self-Sufficiency Standard*. Washington, DC: Wider Opportunities for Women).


References


California Community Colleges Chancellor’s Office, CalWORKs Unit. (October 2000). *California Community College CalWORKs Student Success Portraits*. Sacramento, CA: Author.


