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April 1, 2010

TO: Members of the CDBG Commission

FR: Greta Hansen, Executive Director

RE: 2011-2112 Framework

While reviewing the proposed framework I was pleased to see that, along with housing assistance, community gardens appear to remain high priorities for funding. It is no secret that urban agriculture, community and pantry gardens and other local food movements are high profile issues in Madison.

While we are pleased to currently play such an important role in these areas, we are also interested in seeing how these elements may be coordinated and developed into an overall community plan. We would welcome an opportunity to explore how these various programs could convene a larger vision for reducing hunger, improving the environment and engaging the larger community in growing an even greener Madison.

In addition, I would like to report to the commission about our Skills Enhancement Program. We are nearing the end of a small pilot, funded with federal funds, which has worked with eight participants, in which CAC provided tuition and book assistance, child care and transportation support and most importantly, case management. These students have attended school while working at least 20 hours per week (a program requirement). The purpose of Skills Enhancement, which has been very successful in other community action agencies around the state, is to help workers increase their income and access to benefits. As you can see from the attached report from the WISCAP website, this has been a real boost to working families, and could be a valuable addition to program offerings here in Madison.

As you explore how employment and training may play a part in improving the lives of working people, please consider a model like Skills Enhancement. I would be happy to talk further about this with you. Thank you.



















Community Action...Creating Local Opportunities for Economic Self-Sufficiency

## **Skills Enhancement & Community Action in Wisconsin**

Poverty greatly effects people preparing for and entering the workforce. More and more, it takes two workers in a household working more hours than ever to make ends meet.

For those without a college education, wage growth in Wisconsin has been weak for many years. The median real wages for both black and white men are are lower now than in 1979. The median



Skills Enhancement Program Participant CAP Services, Inc.

hourly wages for men with less than a high school diploma dropped 32% between 1979 and 2003, and they dropped 15% for those with a high school diploma only (Center on Wisconsin Strategy, 2004).

Recessions have a measurable impact on unemployment and job loss, which in turn raise the poverty rate. But a significant percentage of the jobs lost in Wisconsin can be attributed to long-term trends:

- An economic shift to lower-paying service jobs
- Manufacturing operations moving to lower cost nations
- · Technological changes

Economic growth can help to reduce poverty. But given the stagnant or diminishing value of wages for the majority who have not graduated from college, new job creation has not been the sole solution to poverty. While new jobs are being created, many of them do not offer a way out of poverty.

## **How Do Community Action Agencies Help?**

Helping low-income people attain the skills needed to compete for and retain living wage jobs that offer health insurance increases their earning power and their economic self-sufficiency. Most job training programs are designed to result only in employment without regard to income, long-term retention or access to employer sponsored health insurance.

In the first 20 months of the program 11 CAAs enrolled 612 low wage workers.

90% of enrollees were women; 80% were single parents. The first 100 graduates have doubled their average incomes, and increased their average earnings by over \$10,000 a year!

Also, 70% of those who completed the program obtained employer sponsored health insurance - a 400% increase over their rate before entering the program.

The Skills Enhancement Program addresses the need for training and provides access to transportation, childcare and other supportive services so participants can attend classes while remaining employed at least 20 hours per week. Eligible participants must have a household income at or below 150% of the federal poverty level and commit to a realistic training plan that provides the skills needed to compete for living wage jobs.

Participants receive financial support (within program limits) to cover the cost of classes and training for a period averaging about 28 months in order to increase their marketability and employability. Staff members provide career counseling, job placement assistance and a variety of support and advocacy services that are family-focused and strength-based, recognizing the interrelationships between factors leading to self-sufficiency, including employment, income, education, academic skills, childcare, housing, transportation, mental and physical health, access to health care, legal issues and family stressors.

In addition to the obvious benefits of increased income and enhanced economic sufficiency for participants, the program has been enthusiastically welcomed by employers, who obtain higher skilled and more productive workers at a time when there are workforce shortages in many areas. Taxpayers also benefit as the need for public assistance is reduced.

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