

The LiLA Program

Lifelong Learning Accounts

SkillWorks Grantee Meeting
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Vickie Choitz, LiLA State Policy Director





What is CAEL?

- CAEL is the **Council for Addult and Experiential Learning**
- A 501(c)3 non-profit, international organization with 30+ years of experience
- Headquartered in Chicago, IL with offices in Philadelphia, PA; Denver, CO; New York, NY; and Norwalk, CT
- A national workforce intermediary

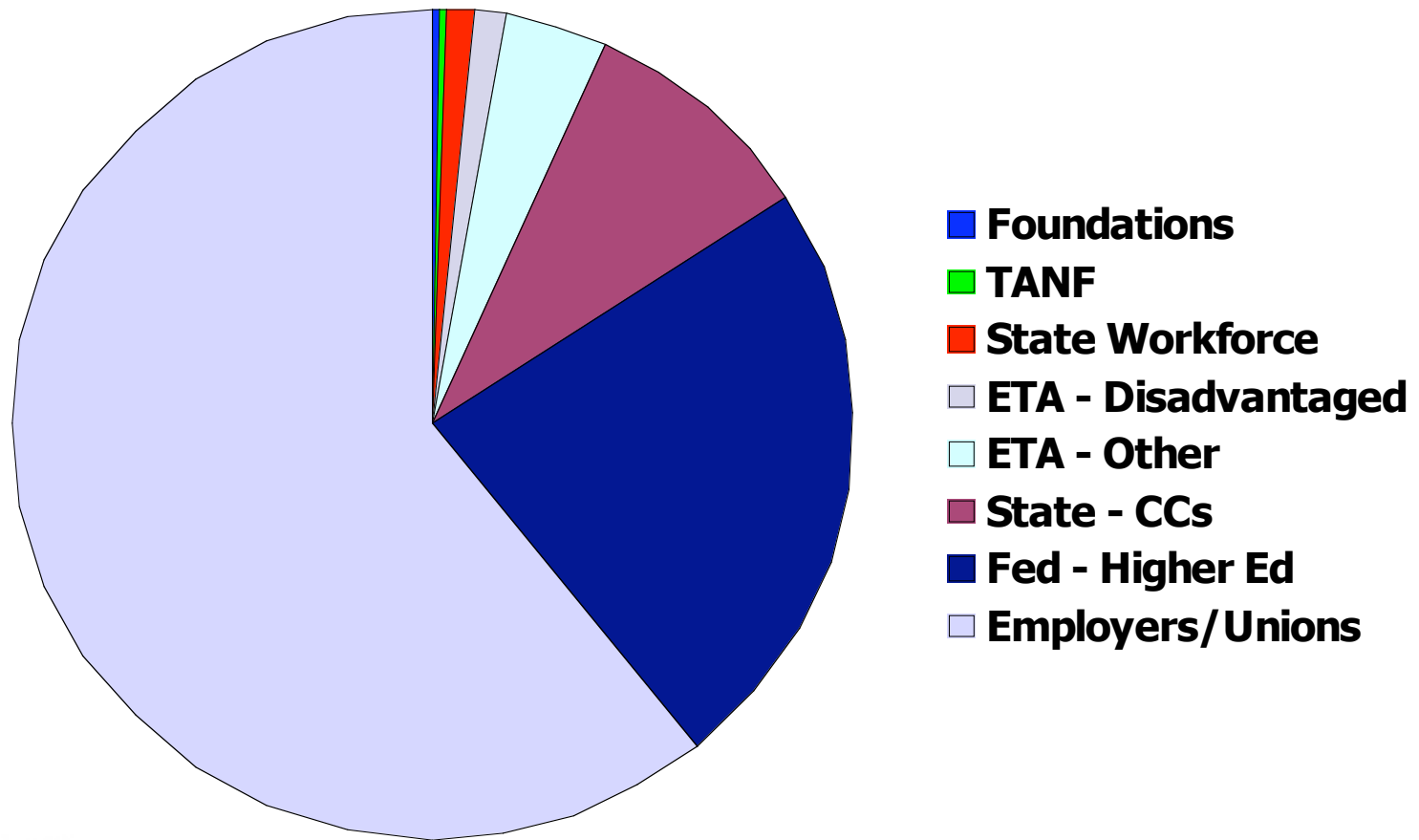




What is the role of a Workforce Intermediary (WI)?

- Dual customer approach: employers and workers
- Organize multiple partners and funding streams around common goals to improve labor market outcomes
- Not just job matching – also education & training, support services, career ladders, business services, employer competitiveness
- Services for all workers (universal), but focus on special needs of low-skilled, low-wage
- Generates ideas and innovations about what workers, employers and communities need
- Affects policy change – public policy &/or corporate policy

Who Pays for Adult Learning?





What are LiLAs?

Lifelong Learning Accounts (LiLAs)

- Individual education accounts
- Matched by the employer
- Finance lifelong learning

Similar to 401(k)s ... but for education and training



Key Characteristics of LiLAs

- Sponsored by Employer
- Employer Matched
- Optional 3rd Party Matches
- Universal
- Broad Use of Funds
- Portable (Employee Owned)
- Career & Education Advising



Why LiLAs?

- Helps to close the funding gap for lifelong learning for working adults
- Encourages employer and employee investment in education and training
- Adds to the public system's capacity to serve both employers and industry
- Promotes links between employers, education and the public workforce system



U.S. Demonstration Sites

- CAEL Demonstration (late 2001 – now)
 - Chicago, IL. – 125 employees of the restaurant and foodservice industry
 - Northeast Indiana – 75 manufacturing employees and 75 public sector employees
 - San Francisco – 75 employees of the allied health care industry

- State Demonstrations
 - Maine – launched in 2005
 - Illinois – launch in 2007



CAEL Demonstration Results to Date

- Fully operational in all three sites
- Wide range of employers, primarily small and medium size
- Highly diverse group of enrolled participants
 - Over half of participants are non-white
 - Nearly half earn less than \$30,000
 - Over half are female
 - Over half are under age 40
 - Active participant savings rate average about \$30 per month



Preliminary Demonstration Lessons

- Employers report modest improvement in productivity, morale and retention
- Participants use LiLAs to advance and/or retool
- 97% of participants report that they found their advisor to be helpful
- 3-6 month sales cycle
- Sectors matter!
- Difference between demo and scale up



What Appeals to Employers?

- Increased recruitment and retention of employees
- Affordable addition to existing benefit package
- Career & education advising for front-line staff
- Industries with established career tracks very interested
- Being part of national initiative to increase access to education
- Setting a cap on monthly and total annual LiLA contributions
- Relationships with Career Center staff and/or trade industry groups



LiLA Policy Initiatives

- Federal

- Federal Tax Demonstration
- National Innovation Act

- State

- State-based pilot (ME)
- Legislative initiatives
 - Illinois pilot
 - Draft legislation in MO and MN
- WIRED (Coastal Maine and Kansas City regions)



LiLAs and WIs – Possible Sources of Funding

- LiLAs provide a way to tap new kinds of public sector investment
- LiLAs can position an organization as a vendor or technical assistance provider
- LiLAs have the potential to become a product marketed to private sector employers



LiLAs and WIs – Other Important Benefits

- LiLAs open doors to new partnerships and opportunities
- Experience and exposure from LiLAs can leverage influence on larger policy issues



Contact Information

Vickie Choitz

LiLA State Policy Director

CAEL

(617) 501-5876

vchoitz@cael.org

Amy Sherman

Associate VP for Policy and Strategic Alliances

CAEL

(312) 499-2635

asherman@cael.org