

# For Many Jobless, It's Back to School

Reversing course: Learn how to get in—and pay for—a good retraining program

By Kim Clark

**A**t 47, Mike Christopher is considered a success of America's retraining system. After the Flint, Mich., car door panel factory where he worked shut in 2005, Christopher received federal grants and unemployment insurance to study computer-aided design at Mott Community College. That led to a good-paying job as a CAD designer at a medical instruments factory.

True, going without a paycheck during more than two years of schooling cost Christopher his house and car. But many buddies who opted for different retraining routes are still jobless. His retraining "actually worked better than I hoped," Christopher says. "I have no regrets."

Research shows that a substantial struggle followed by an eventual recovery is typical for the jobless who go back to school. Those who spend their downtime learning new skills typically earn less than their nonretrained counterparts initially, but they get more raises and generally earn more within three years. Much, however, depends on the type and quality of the retraining program.

## FINDING THE RIGHT PROGRAM

Retraining programs that don't teach well or impress employers waste not only precious time but scarce dollars since federal education grants generally support only a first bachelor's degree. One exception: study for a teaching certificate (box).

Picking the right program can be a challenge since there are few job openings to train for these days, and it's hard to predict which industry will implode next. The demand for retraining is so great that many reputable and affordable programs are swamped. Community colleges, usually the first stop for anyone seeking retraining, are sometimes turning away students.

Some charlatans have sensed an opportunity in the voracious demand for retraining and have started programs that make too-good-to-be-true promises of certifications and lucrative jobs in just a few weeks. Experts and workers who have retooled themselves say there are three steps to choosing a good program.

**Focus on the future.** Basic 21st-century business skills such as accounting and technology are safe bets, says Anthony Carnevale, director of the Georgetown University Center on Education and the Workforce. And for now, the healthcare and elder-care fields seem to be on hiring binges despite the recession, he notes.

**Stick with accredited and reputable programs.** Mary Wright, project director for human

capital at the Conference Board, suggests asking prospective employers which training programs and colleges they recruit from. Check colleges' accreditation with the U.S. Department of Education. The Department of Labor maintains a list of programs eligible for federal retraining funds.

**Beat the crowds.** Apply as early as possible. At Miami community colleges, students who registered months early got their classes, while last-minute applicants were shut out. Many late applicants who got in also had to take classes at odd hours or travel to out-of-the-way locations.

## HOW TO PAY FOR RETRAINING

Paying for retraining can be especially daunting for anyone who has lost income. But there are five ways to fund training without going broke.

**Apply for financial aid.** Anyone of any age who is enrolled in an accredited degree-granting college program has a chance at getting some aid. Colleges' financial aid officers can tell applicants what's available. A handful of colleges are even offering free or discounted tuition to the unemployed. Generally, the first step is to fill out a Free Application for Federal Student Aid. That qualifies most students for low-cost federal education loans of up to \$12,500 a year for undergraduate courses and \$20,500 a year for graduate programs. Those who don't have a bachelor's degree can also get grants.



**Procrastinators:** It's not too late to apply for retroactive aid for the fall 2009 semester. But there are catches. Many of the quickest training programs don't lead to degrees, so they don't qualify for financial aid. Students who have defaulted on previous federal educational loans are barred from new loans until they get back on repayment plans. And, unfortunately, dozens of colleges, including many community colleges in the South, don't participate in the low-cost federal loan program, forcing students who need loans to borrow at higher rates.

**Collect tax benefits.** Single filers with incomes below \$90,000 (or \$180,000 for couples) in 2009 or 2010 who pay for undergraduate tuition can reduce their tax bills by up to \$2,500. Even if you don't owe a penny in taxes, the government will send you a check for up to \$1,000, thanks to the new American opportunity credit. Others can take lifetime learning credits of up to \$2,000 or deductions for tuition or student loan expenses.

**Apply for government funds.** Partly because there's not enough retraining funding to meet demand, counselors at local government offices known as one-stop career centers generally require applicants to first try job searches, résumé updates, and other efforts before retraining. Many communities are so swamped with applicants that their job centers have long waiting lists. Apply as soon as possible, advises Amanda Duncan, a coordinator for the Workforce Alliance of South Central Kansas. Make sure to explore all retraining possibilities. Workers who lost jobs to foreign competition can receive extra training and unemployment insurance. Those enrolled in certain kinds of training programs, such as remedial courses, can receive extra financial help.

**Look for free programs.** Though not as impressive to employers as certificates or degrees, informal skills updates are often free. One-stop career centers and community organizations offer many free classes. Some prestigious universities, such as Carnegie Mellon, offer free online self-

study courses. Even reading business books from the library can help sharpen your skills and employability, says Deb Cohen of the Society for Human Resource Management.

**Hunker down.** Lynn Welsh, a former Circuit City warehouse worker from Nazareth, Pa., slashed her budget to live on about 60 percent of her old income so she can survive on unemployment benefits while taking a two-semester, medical-office training course at Northampton Community College. The pay in her new field will probably be lower than the \$17 an hour she previously earned. "It is going to be really, really tight," she says, but she hopes the new job will eventually lead to a better career. Odds are Welsh, too, will become another retraining success story. ●

**Post-layoff, a new beginning**  
After losing her job with Circuit City, Lynn Welsh is taking a medical-office training course at a Bethlehem, Pa., community college.

## Fast-Track Programs for Teaching Jobs

**T**he prospect that as many as 100,000 teachers could retire annually in the coming years has sparked government agencies, colleges, and nonprofits to create cheap, new fast-track retraining programs to recruit midcareer professionals to fill those potential openings.

But most of the openings aren't for cushy jobs. The biggest demand is for science and math teachers and those willing to work with disadvantaged children in troubled neighborhoods.

And critics warn that some of the new retraining programs—such as online courses—might not adequately prepare adults to deal with, say, hormonal teens.

Still, the good news is that there are plenty of options and financial aid for any adult considering switching to teaching.

**How to choose:** The National Center for Alternative Certification lists many new training programs. Among the cheapest online programs are those offered by the American Board for Certification of Teacher Excellence, which waives tuition (generally \$975) and gives a \$1,000 stipend to qualified students who agree to teach for three years in needy schools in Florida, Mississippi, or South Carolina. Other bargain online programs include one at Western Governors University, which charges about \$3,000 for each six months of study, so those who cram may be able to finish quickly and cheaply. Many school districts and cities offer chances to learn and earn by doing. The New York City Teaching Fellows program puts prospective teachers through a two-month "boot camp," after which fellows can apply for paying teaching jobs. Fellows also receive discounted tuition toward a master's in teaching.

**How to pay:** Although some states have eliminated their special scholarships and loan forgiveness programs for teacher retraining, the federal government is still providing cheap, forgivable loans and, in some cases, grants. Teaching candidates who already have a bachelor's degree can apply for federal Pell grants, which are normally awarded to low-income undergrads. Those who earn too much to qualify for grants can take out low-cost federal education loans and then apply to have at least a portion forgiven for their work in schools. —K.C.

