

## **DROPOUT RECOVERY FUNDS**

### **PROMOTING COLLEGE-READINESS AND INCREASING JOB SKILLS**

#### **Key Background:**

In today's job market working adults increasingly need education beyond a high school degree to meet employer skill demands and reach wages that support their families. Improving educational opportunities for working adults and lifting the competitiveness of the state's workforce depends on elevating more of the 369,000 adults without a high school degree to high school equivalency and into college-level courses.

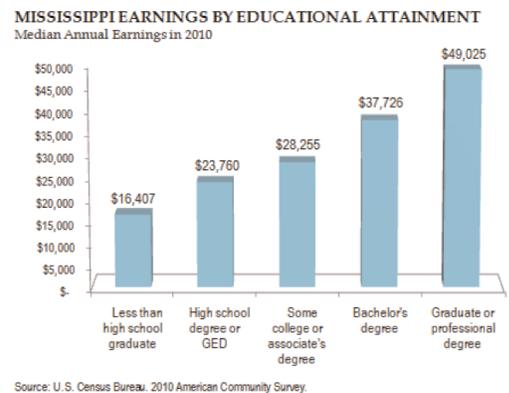
However, the economic downturn of the late 2000s challenged Mississippi's workforce, and budget limitations hindered education systems trying to meet diverse needs of a growing number of students. *While concerns over state revenue linger, the Mississippi Community College Board's request for Dropout Recovery Funds in FY2013 presents an opportunity to move more adults to high school equivalency through GED and Adult Basic Education (ABE) programs. The request for Dropout Recovery Funds also opens a path to enhancing the delivery of ABE/GED programs, so adults gain job skills and advance to college courses.*

#### **Benefits of More Mississippi Adults Reaching High School Equivalency:**

Regardless of age, attaining a high school degree and taking college courses positively affects a working adult's job stability, workforce participation and earnings.

In 2010, the unemployment rate for Mississippi adults without a high school degree (20.2%) was more than double that of adults who had taken at least some college courses (9.6%).<sup>3</sup>

Educational attainment also raises potential earnings for Mississippi workers. In 2010, median wages for workers with some college or an associate's degree (\$28,255) were \$11,848 more than adults without a high school degree. Raising earnings and insulating adults from periods of unemployment can lower a family's need for public supports and raise their contribution to state government in the form of income and sales tax revenues. Gains resulting from increasing educational attainment can be captured through building up ABE/GED programs and increasing student transitions into college-level courses.



#### **Educational Attainment & Mississippi's Workforce:**

Across Mississippi's communities 369,000 adults over 25 years old lack a high school degree— equal to 1 in 5 adults.<sup>1</sup> While thousands of working adults still need to attain a high school credential, Mississippi's youngest adults continue to leave school without a high school degree. For the last several years, over 5,000 Mississippi high school students drop out before reaching high school graduation.<sup>2</sup> These students add to the number of working-age adults in the state that will need additional skills to attain quality jobs and fill the workforce needs of Mississippi employers.

#### **Middle-Skill Jobs and Economic Security Wages:**

While reaching high school equivalency is an important first step for thousands of working adults in low-wage jobs, additional skills are needed to enter employment that covers a family's needs. In Mississippi, a single worker needs \$26,664 per year (\$12.63 per hour) to cover basic expenses and save for emergencies and retirement.<sup>4</sup> Middle-skill jobs like welding, nursing and industrial maintenance often provide economic security wages, but require at least 1 to 2 years of college courses— underscoring the importance of aligning ABE/GED programs with college-level classes on college campuses.

<sup>1</sup> U.S. Census Bureau. *American Community Survey, 2008-2010 Annual Averages.*

<sup>2</sup> Mississippi Department of Education. *Dropout/Graduation Rate Information.* Accessed January 6, 2012.

<sup>3</sup> Economic Policy Institute analysis of Current Population Survey data.

<sup>4</sup> *Basic Economic Security Tables for Mississippi.* 2011. Mississippi Economic Policy Center.

**Overview of Dropout Recovery Funds:**

GED and Adult Basic Education courses provide a critical gateway to college-readiness. Table 1 provides background on ABE/GED programs in community colleges that help residents reach high school equivalency. In 2010, 3,858 students received a GED through these programs and 624 enrolled in college courses. However, ABE/GED programs serve a fraction of the residents that need the courses to advance to economic security.

For the last 3 years, \$100,000 in Dropout Recovery Funds were distributed to each community college campus, increasing the students served, the pass rate on the GED test and the number of adults receiving a GED. The Mississippi Community College Board’s FY2013 request for Dropout Recovery Funds represents an opportunity to bolster resources for ABE/GED programs.

<b>ADULT BASIC EDUCATION (ABE)</b>	Classes for adults with literacy and math skills on a middle or high school level. Classes help students advance to GED preparation. Courses are taught at the 15 community colleges, public schools, WIN job centers and correction institutions.
<b>GED PREPARATION AND TESTING</b>	Provides adults without a high school diploma the opportunity to demonstrate skills equivalent to a high school degree. Courses prepare students to take each of the 5 GED subject tests. GEDs can be used as the high school credential that opens the door to college-level courses.
<b>DROPOUT RECOVERY FUNDS</b>	Resources requested from the Mississippi Legislature by the Mississippi Community College Board to enhance the delivery of ABE and GED courses. The goal of additional resources is to increase student enrollment and student success in ABE/GED programs on community college campuses.

**Further Strengthening ABE/GED Programs:**

An increase in Dropout Recovery Funds can create strong support services, increase transitions to college courses and imbed job skills into ABE/GED course design, so more adults reach high school equivalency and move ahead to college.

**In 2010, programs could use Dropout Recovery Funds for:**

- Additional instructors and staff in ABE/GED offices
- Financial assistance for GED testing fees
- Financial assistance for students transitioning to post-secondary classes
- Graduation ceremonies and classroom supplies

**Increased appropriations should be used for:**

- Support staff dedicated to student success and transitions to college-level courses
- Wrap around supports such as transportation, career counseling, tutoring and child care
- Collaboration between employers, college instructors and ABE staff, so workforce skills are imbedded in ABE courses

**Recommendations for Using Dropout Recovery Funds to Bolster College-Readiness of ABE/GED Students**

**Increase Appropriation for Dropout Recovery Funds in FY2013**

- For the previous three years, the Mississippi Legislature has appropriated \$100,000 per campus in Dropout Recovery Funds. While ABE/GED programs have constructively used funds, more resources are needed to improve GED student outcomes, give low-skill adults job skills and prepare more adults to enter college courses.

**Build a Pipeline from Adult Basic Education & GED Classes to College Courses**

- A portion of Dropout Recovery Funds should be used for wrap around supports for adults. Funds should also be targeted at hiring staff focused on helping adults transition into college-level courses.
- Imbedding job skills is a critical piece of advancing GED programs. Funds should be used to write curriculums that imbed skill development into ABE/GED courses. Curriculums can align with employer needs for entry-level workers or cover basic topics in college-level courses.

**Monitor ABE/GED Student Outcomes and Continuously Improve Transitions into College Courses**

- Benchmarks to review for Mississippi’s ABE/GED students can include: advancement in basic skills, attainment of a GED, attainment of employment, enrollment in college-level courses and completion of first college-level course. One option is to set up an incentive structure for colleges, so they are acknowledged for transitioning students from ABE/GED programs into college courses. Such an incentive structure encourages improvements and innovative strategies.