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Vanishing Graduates & Minnesota's Future

Understanding our state's education challenge

summer 2008

There is a constant stream of news – and opinion – about education. We hear about it from neighbors, coworkers – and our own children. It is hard to know what it all means This presentation highlights a central concern: **Minnesotans need to help more students succeed in school and go on to college.** We can build on some amazing examples of collaboration and success – but we need to pick up the pace.

(CONSIDER PULLING IN RECENT NEWS ITEMS, FROM THE HOT TOPICS AND HEADLINES LISTED AT <http://www.learnmoremn.org/challenge/kit.php>, OR LOCAL EXAMPLES OF SUCCESSFUL PARTNERSHIPS.)

This presentation is part of the Learnmore-MN initiative, which is focused on increasing student success. The presentation was created by the Minnesota Private College Council; they are encouraging all of us to use this and start thinking about these issues. For more data, ideas and examples, we can use the Learnmore-MN Web site as a resource – www.learnmoremn.org. There's also more there on the recent "Vanishing Graduates" television program, which was co-produced by TPT's Minnesota Channel.

(CONSIDER ADDING INTRODUCTIONS, ADDRESS TIES BETWEEN THIS INFORMATION AND THE AUDIENCE MEMBERS' ROLES / INTERESTS)

THE VANISHING GRADUATES CHALLENGE:

**Minnesota's supply of college
educated residents will soon fail to
keep up with our economy's
demands.**

*This makes the education of our future
workforce more important than ever.*

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(READ CHALLENGE)

We're going to walk through the factors that are contributing to creating this challenge . . . And then we'll discuss what we can do about it.

The Vanishing Graduates Impact On Minnesota

- State's quality of life and economy put at risk
- By 2015 Minnesota is forecast to have 13,000 too-few college graduates to meet workforce needs
 - Expect smaller supply of future teachers, doctors, engineers and others
 - Community impact could include lower services, reduced tax base
 - Employers could be forced to leave and innovate elsewhere

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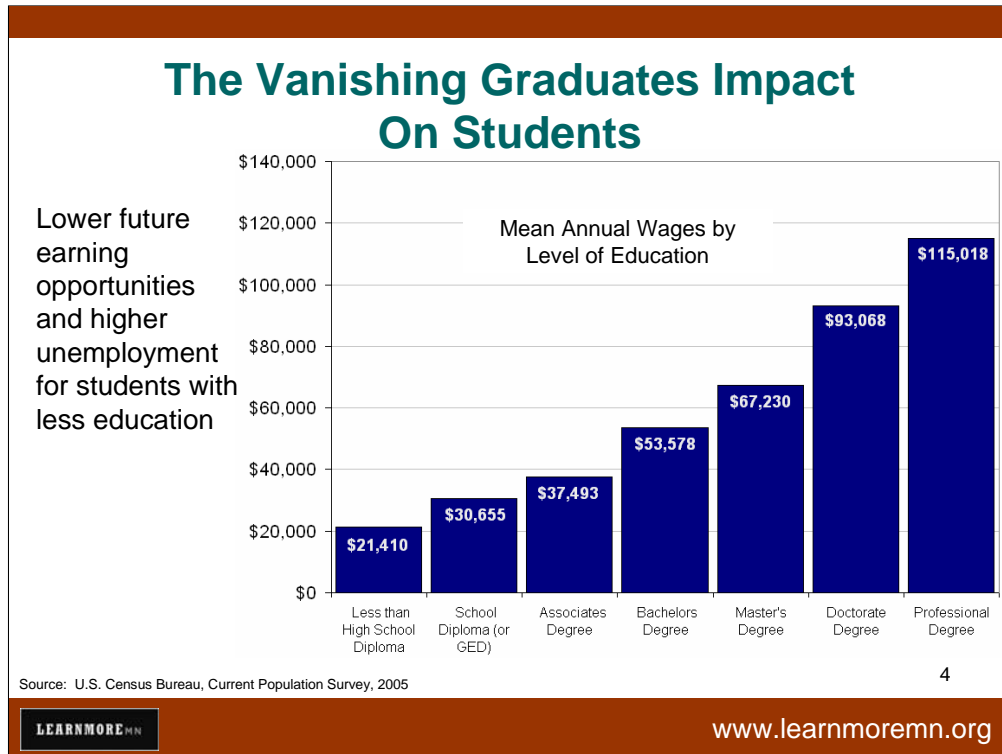
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First, though, let's look at the impact. Our economy won't have the college graduates we expect to need to sustain our economy: By 2015, we expect 13,000 too-few college graduates to meet our economy's needs. . . . In a minute we will talk through why this will occur, but first, consider why everyone should care.

Think about some of the critical roles people fill and how we could have shortages. Consider two occupations – from 2006 to 2016 we expect to have to fill over 61,000 Health care practitioners due to some retirements, but largely due to new growth of jobs in the occupation. Teachers will experience less new growth in jobs, but MN will still need to replace over 41,000 due to retirements and growth in jobs. ¹

And think about lower services, fewer people paying taxes, impacts on employers decisions about where to locate.

1) Source: Minnesota Department of Employment and Economic Development, EMPLOYMENT OUTLOOK TOOL, Long term projections.



Now for students themselves, all of the general impacts we just raised apply to them as well. In addition, they have personal financial considerations. Take this chart, showing the impact of education on average annual wages in Minnesota.

The typical expected earnings over the working lives of four-year college graduates add up to \$800,000 more than the expected earnings of high school graduates. If college graduates who also earn higher degrees are included, the lifetime earnings premium is over \$1,000,000.

(Source: The College Board, www.collegeboard.com/prod_downloads/about/news_info/trends/ed_pays_2007.pdf)

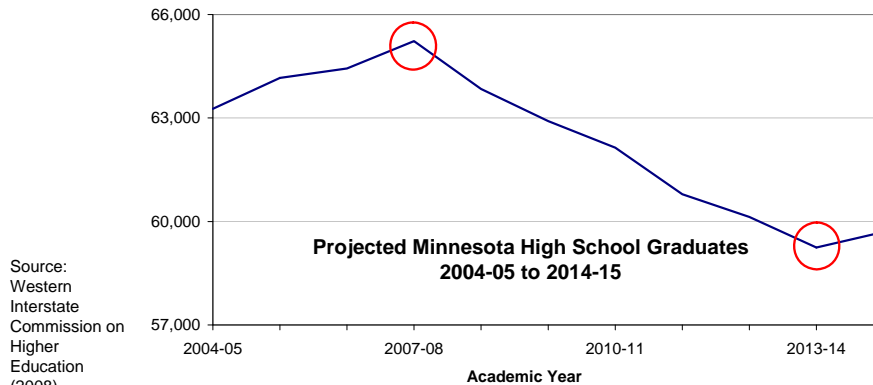
Further, college education is associated with better health benefits, better retirement plans, lower incidence of needing public assistance and lower rates of unemployment. . . . On unemployment, 2007 data from the Bureau of Labor Statistics shows average unemployment levels go down with additional education – from a high of 6.6 % for Americans who hadn't completed high school to 1.8 % for those with master's degrees.

(NOTE: Slide graphic data represent persons age 25 or older.)

What's creating the Vanishing Graduates Challenge?

Factor #1:

Decline in numbers of high school graduates



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This challenge can be seen as the result of six factors.

First, we are already seeing a decline in high school graduates. The primary driver?
Declining birthrates of the white population.

The general decrease in graduates from 2005 to 2014 will be about 5% . . .
However, this masks the “peak and valley” – where MN’s peak in high school graduates in 2008 to the valley in 2014 will represent over a 9% decrease.





Lastly, there is an uptick in graduates after 2014. This upward swing is projected to increase through 2021, but will not surpass current figures. Additionally, this increase in graduates will be driven by the increasing proportion of students of color.

(We’re not alone in this situation: Many states in our region face similar forecasts. So we can’t count on having other states’ graduates move here in large enough numbers.)

What's creating the Vanishing Graduates Challenge?

Factor #2:

Lost opportunities when education ends early

- Consider the ninth graders starting high school this fall across Minnesota 
- More than 1 in 10 ninth graders won't finish high school 
- 5 in 10 ninth graders will not go on to a 2- or 4-year college 
- 7 in 10 ninth graders will not finish a college degree within 6 years 

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The second factor – lost opportunities when education ends early.

There will be approximately 63,000 ninth graders starting high school this fall.

(Source: Western Interstate Commission for Higher Education, 2008)

- Proportionally, More than 1 in 10 will not finish high school. (Source: www.higheredinfo.org, *Crosscutting Info: Student Pipeline - Transition and Completion Rates from 9th Grade to College*, 2004)
- 5 in 10 will not continue their education after high school graduation. (Source: www.higheredinfo.org, *Crosscutting Info: Student Pipeline - Transition and Completion Rates from 9th Grade to College*, 2004)
- 7 of 10 will not complete a degree within 6 years of graduating high school. (Source: www.higheredinfo.org, *Crosscutting Info: Student Pipeline - Transition and Completion Rates from 9th Grade to College*, 2004)

Finally, consider how graduates move; 20 to 30% of the state's college graduates are expected to leave Minnesota.

(Source: http://www.mnprivatecolleges.org/policy/10_reasons.php and http://www.mnscu.edu/media/publications/pdf/statecollegereport_9-12-06.pdf)

What's creating the Vanishing Graduates Challenge?

Factor #3

Education gaps for an increasingly diverse population

Students of color and low-income students have gaps in achievement, enrollment and completion ...

- Minnesota standardized tests for math and reading show differences by race and income
- High school graduation rates for many students of color are low compared to the overall rate of 91% (70% for American Indian students, 70% for Hispanic students, 73% for Black students)
- Minnesota's low-income high school seniors are less likely to go on to college (29% of low-income seniors vs. 65% of all seniors)
- White students graduate from college at a higher rate than students of color

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Education gaps are occurring throughout the education pipeline in academic performance, high school completion, and college completion.

- For instance, white students outperform students of color on math and reading portions of Minnesota standardized assessments. . . As an example, in 3rd grade math assessments, for the past 3 years there have been large gaps of approximately 20% between White students' proficiency and Hispanic, American Indian, and Black students' proficiency. These gaps remain constant for each grade through 11th. The same is true for reading, although the gap is generally larger between white and all other students of color.
- Generally high school graduation rates mask poor rates of completion for students of color.
- Students who are low income in MN traditionally do not go on to college as their higher income peers.
- White students are more likely complete college and do so more timely than students of color.

Sources:

BULLET 1 (Source: <http://education.state.mn.us/mdeprod/groups/Assessment/documents/Report/034471.pdf>)

Main page: http://education.state.mn.us/MDE/Accountability_Programs/Assessment_and_Testing/Assessments/index.html

BULLET 2 Source: Minnesota Department of Education, 2006-07 graduation rate analysis.

(http://education.state.mn.us/mde/Data/Data_Downloads/Student/Graduation_Rates/index.html – Indicates rates for all subgroups)

BULLET 3 Source: Tom Mortenson, Postsecondary Education Opportunity, N.188, Feb. 2008--

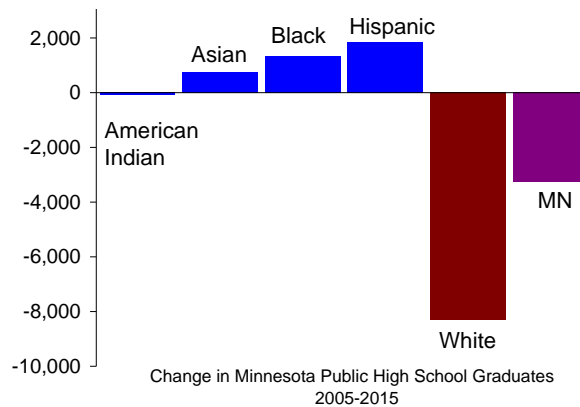
BULLET 4 Source: Office of Higher Education – 39% of White students graduate from a 4-year college, within 4 years– compared to 20% of Blacks, 19% of American Indians, 30% of Asian, and 32% of Hispanic. This gap holds for graduation within 6 years as well as graduation or transfer from a 2-year college.

What's creating the Vanishing Graduates Challenge?

Factor #3 cont.:

Education gaps for an increasingly diverse population

... and racial and economic make-up changing



Source: WICHE, 2008

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We have gaps in education outcomes depending on students income and race/ethnicity. This would be a critical issue no matter what else is occurring, but it coincides with the forecasted increase in our state's economic and racial diversity.

This chart shows some forecasted growth for Asian, Black and Hispanic high school graduates in the state, between 2005 and 2015. What is most striking is the forecasted drop in White high school graduates, with about 8,000 fewer expected to graduate over 10 years. Driven by declining birthrates, that drop dwarfs the increases we forecast for other racial groups. As a result, **20% of students will be students of color by 2016, up from 12% in 2005.**

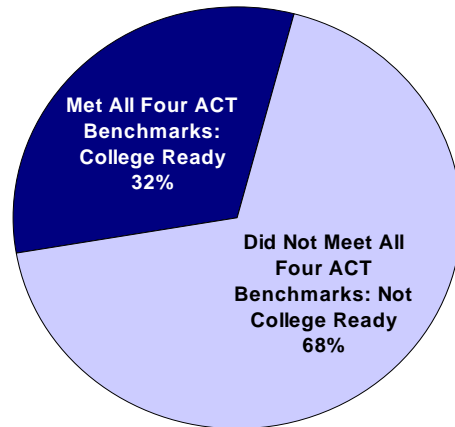
In addition, the share of students who are low-income is forecast to increase as well in the years ahead. Consider free or reduced lunch – the government subsidized lunch program that, for example, requires a family of four to earn less than about \$38,000 to be eligible. In the past decade the share of students qualifying for free or reduced lunch has grown from 26 to 32 percent. That share is likely to continue to increase: When you look at first graders in 2008, who will graduate in 2019, 36.5% of them receive free or reduced lunch.

What's creating the Vanishing Graduates Challenge?

Factor #4:

Overall student performance falling short

More than two-thirds of Minnesota students failed to meet the benchmarks for college readiness in four key areas (English, reading, math and science)

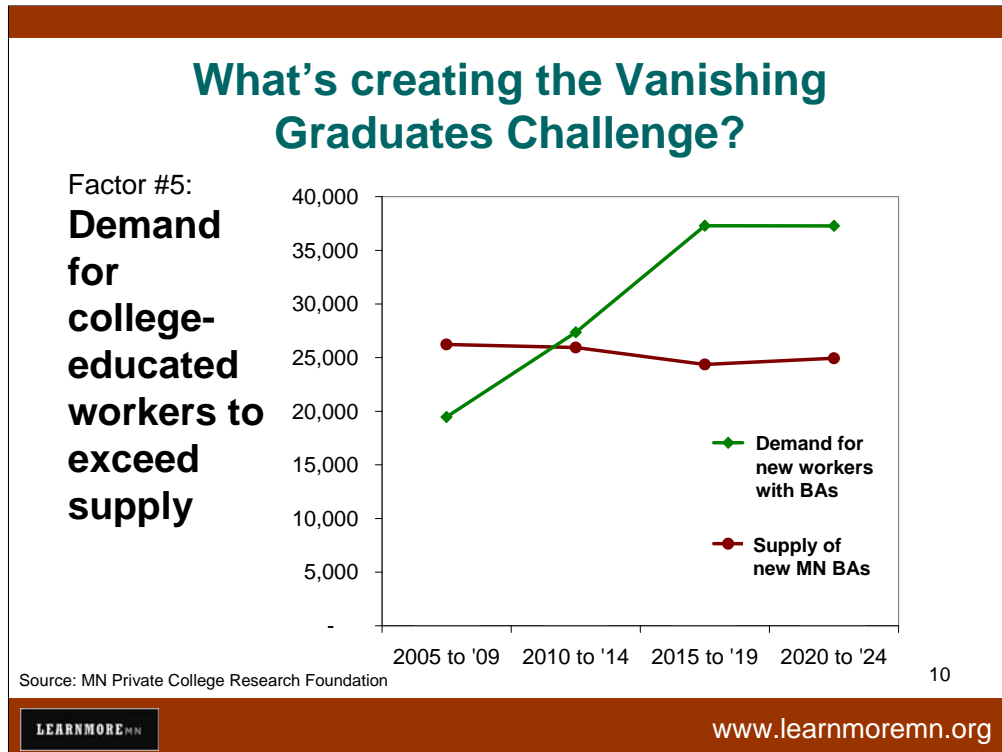


Source: ACT 2008

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Then consider how overall student performance falls short. ACT's College Readiness Benchmarks are the minimum ACT test scores required for students to have a high probability of success in credit-bearing college courses. The pie chart shown indicates the percent of students meeting benchmarks in all four key areas. . . So two-thirds are not where we want them to be.

(Key test areas correspond to future performance in English Composition, College Algebra, and Biology courses- commonly the first credit-bearing courses taken by first-year college students. Course placement data also show that reading achievement is most closely aligned with success in credit-bearing social sciences courses in college. . . . What do these benchmarks mean? Students who meet a benchmark on the ACT have approximately a 50 % chance of earning a B or better and approximately a 75 % chance or better of earning a C or better in the corresponding college course or courses.)



This really sums up our challenge: Supply of college-educated workers will not keep up with demand. . . . These figures represent average openings/graduates for each 5-year period.

The basic message is that current projections for openings in occupations requiring at least a bachelor's degree due to job growth and retirements is going to outpace the supply of bachelor's degrees produced by MN institutions.

If current projections hold, on average MN will have 13,000 more openings requiring a BA than higher education institutions will produce.

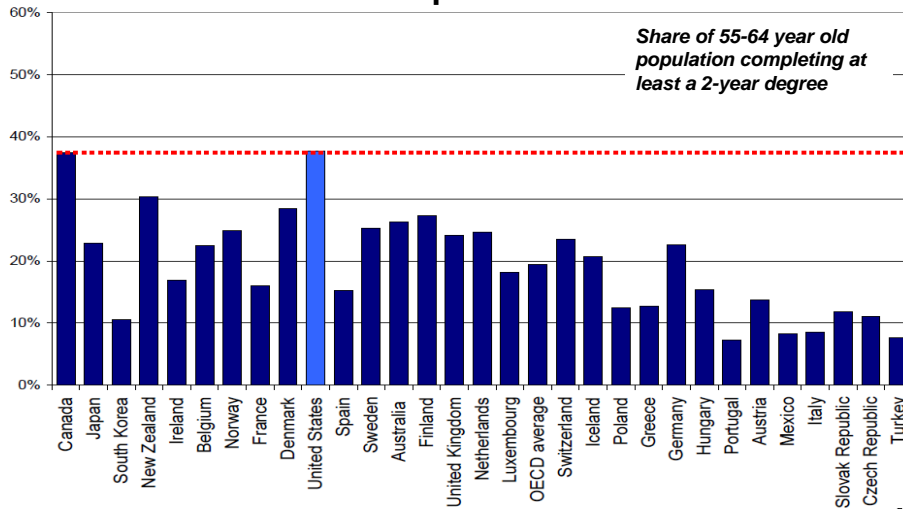
The growth in demand is driven by Baby Boomers approaching retirement. . . . And the supply of college graduates will shrink as a reflection of the forecasted decrease in high school graduates.

While this is a simple projection, what could manipulate this chart?

- In-migration of educated individuals from other states/countries
- Departure of industry from MN due to decreasing qualified labor force

What's creating the Vanishing Graduates Challenge?

Factor #6: More education required for future innovation



Source: Organisation for Economic Cooperation and Development (OECD), Education at a Glance, 2008

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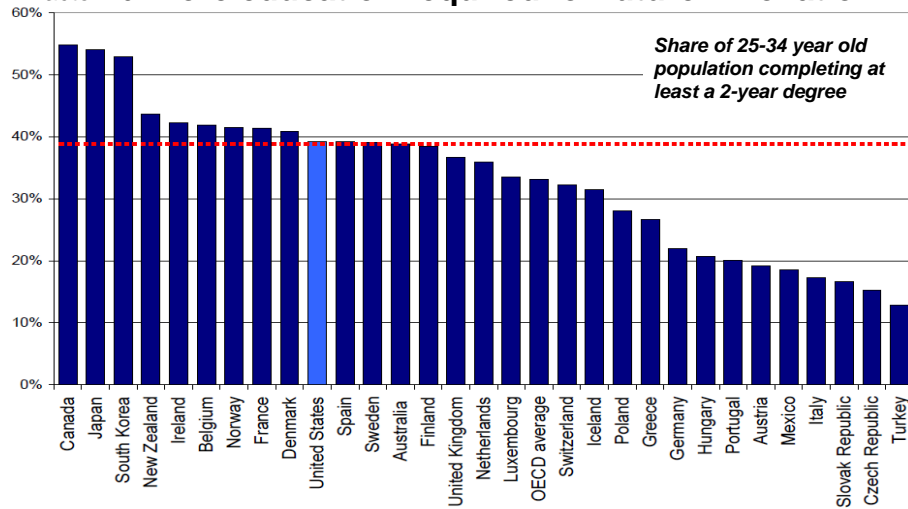
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Given technology and its ability to in effect shrink our world, it is now so easy to move jobs . . . That's been true for manufacturing and now we've all heard the stories of the white collar jobs moving overseas too. Here's what one of our economy's leaders, Federal Reserve Bank of Philadelphia President Charles Plossner, has said: **"If the US is to capitalize on the benefits of globalization, investing in a more educated and a more flexible workforce is essential."** . . . For future innovation, more education is required.

Consider a group of 30 industrialized nations. This slide shows that we in the United States used to do a better job of creating access to higher education than any other nation. If you look at Americans who were 55 to 64 years old in 2006, no country had a greater share of this population with some kind of post-high school education than the United States.

What's creating the Vanishing Graduates Challenge?

Factor #6: More education required for future innovation



Source: Organisation for Economic Cooperation and Development (OECD), Education at a Glance, 2008

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That's no longer the case. This slide is looking at 25 to 24 year olds in 2006. And this shows that when you consider the share of them with some form of post-high school education, several countries have surpassed us and many more are closing in. . . . When considered together, this slide and the previous one show how the United States has been stagnant, while other nations have dramatically increased the share of their citizens earning college degrees. In fact, if you ranked these 30 countries on growth in how many 25-to-34 year olds have some college education, compared to 55-to-64 year olds, the United States comes in 29th. This means we're coasting on the education lead that our older workers had earned and we've lost that lead.

This chart doesn't even include the rising economies of China and India, which have made huge investments in their education systems. Consider just one fact: according to the National Science Foundation, in 2004 both China and India produced 10 times more natural science or engineering degrees than the U.S.

What Minnesota Can Do: Building Our Brain Power

**“We need to be the state that uses its
brain power when we don’t have the
brawn power anymore.**

But you can’t do that if you don’t have kids
graduating from high school,
enrolling in college and
completing college successfully.”

– *Peter Hutchinson, Bush Foundation*

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This sums up our challenge pretty well. . . This is a quote from the recent “Vanishing Graduates” program. Peter Hutchinson, now president of the Bush Foundation, has been thinking about education and policy for some time.

What Minnesota Can Do: Building Our Brain Power

- Can we agree on a goal?
 - Ensure all academic roads are rigorous and lead to higher education



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Given our need for world-class schools as well as world class students – there should be a goal we could all agree on . . . A group that started with a number of superintendents in our state, called Minnesota’s Promise, have suggested this one: “Ensure all academic roads are rigorous and lead to higher education.” . . . Now everyone may not want to go to a 2 or 4 year college, but we need a system that gets people prepared and able to successfully move on. . .

What do you think of this goal? And what would that translate to for your community?

What Minnesota Can Do: Building Our Brain Power

- Solutions are at hand
 - Commit time
 - *Volunteer, mentor, get informed*
 - Help students prepare
 - *Offer information, encouragement, support for academics*
 - Invest money
 - *Set up savings accounts, give money to need-based scholarships, support public investments*
 - Speak up
 - *Share information, responses, questions*

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We do not need to wait to start acting to address these challenges.

Big, systemic changes may be needed but many Minnesotans realize we can't afford to hold off for that. There are countless ways for individuals and groups to continue to make a difference right now. You could break them down into these categories:

- Commit time
- Help students prepare
- Invest money, and
- Speak up.

What Minnesota Can Do: Building Our Brain Power

- Change is happening
 - 350 new Minnesotans are being recruited to read with young children in 2008 to improve reading skills
 - Reading test results recently improved by 9% for low-income 10th graders in Minnesota – similar to other groups
 - 95% of low-income students in a Twin Cities college prep program for high schoolers enroll in college
 - Private giving in Minnesota to help students afford college has grown more than 200% over 15 years

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What can give us some hope? There are many examples out there. Here are just a few:

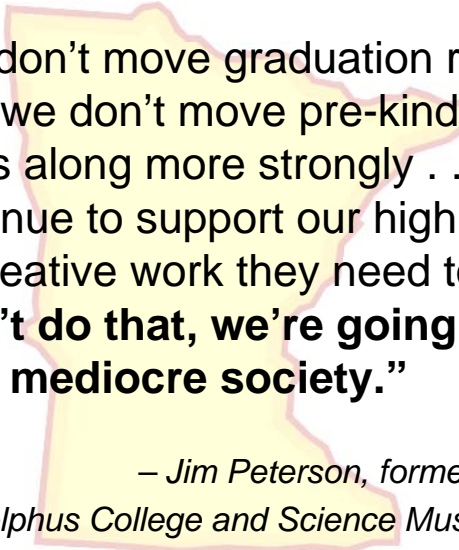
- The Minnesota Reading Corps is recruiting 350 new members (college students, recent grads and retirees) to go into preschools and elementary schools to help 3 to 5 year olds build early literacy skills in the 08-09 academic year. This effort has grown dramatically; it started in 2003 with 23 members.
- A reading test for Minnesota 10th graders, the MCA-II, found dramatic increases for 10th graders who are receiving free- or reduced lunch, with a 9% increase. Previous research suggests that socioeconomic status is correlated with achievement– meaning poorer students generally perform lower and have education success at lower rates. This data suggests low income students may be at least performing comparable to their peers, unlike national trends.
- Admission Possible is an example of the strong college access programs in our state, programs that focus on coaching and mentoring youth to increase the numbers continuing their educations. Admission Possible works with low-income high school students for two years, helping with test preparation, college admissions counseling and other guidance. Overall, 95% of the program’s graduates go on to college, most to four-year institutions. This isn’t a small program either – it helped more than 500 seniors last year. We need to find ways to bring successful programs like that up to scale.
- Gifts to scholarship funds have been growing in Minnesota, by 200% over 15 years. From the Optimists to your local Chamber, scholarship funds are key to helping low-income students afford college and are great examples of public-private partnerships.

What gives you hope that change can happen?

What Minnesota Can Do: Building Our Brain Power

- Let's agree to act
 - What steps are already being taken?
 - What's working? Where is the success that you can build on?
 - What new steps are right for you? For your community?

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“If we don’t move graduation rates forward, if we don’t move pre-kindergarten programs along more strongly . . . If we don’t continue to support our high schools and the creative work they need to do . . . **If we don’t do that, we’re going to be a mediocre society.**”

– *Jim Peterson, former president, Gustavus Adolphus College and Science Museum of MN*

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Jim Peterson retired in 2008 as president of Gustavus Adolphus College; he led the Science Museum of Minnesota before that. He points that we run the risk of mediocrity – something that none of us would set as our goal. (READ QUOTE)

Background

- LearnmoreMN offers resources and information, visit www.learnmoremn.org
- The Minnesota Private College Council initiated LearnmoreMN; others have signed-up as supporters and partners
 - Two key sponsors:



Foundation for Independent
Higher Education

FIHE/UPS National Venture Fund

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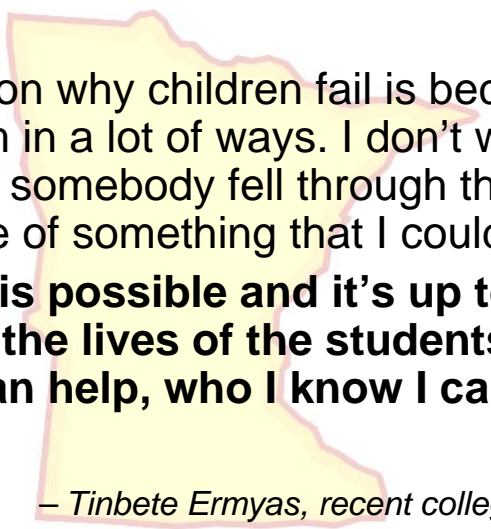
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Learnmore-MN is the initiative that has been started by the Minnesota Private College Council, with support from supporters and partners. . . . Learnmore-MN is focused on sharing resources and information about our education challenge.

Visit www.learnmoremn.org for more resources, suggestions for action, data – or to sign up as a supporter or share other ideas. . . . You can also watch or order the 30-minute “Vanishing Graduates” program there, or watch clips of it.

And consider sharing this presentation with others – it is online too.



“The reason why children fail is because we let them in a lot of ways. I don’t want to know that somebody fell through the cracks because of something that I couldn’t do.

Change is possible and it’s up to me to change the lives of the students who I think I can help, who I know I can help.”

– *Tinbete Ermyas, recent college graduate*

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One last quote, also from the Vanishing Graduates program. . . (READ QUOTE)