

Access to Education and Training for Adults

High school graduates who have access to affordable colleges or technical schools can get the knowledge and skills to become productive members of the workforce with financially successful careers.

Older workers or immigrants who have access to training – either to update their skills or to learn English – will also enjoy more productive careers.

A worker who attains a certificate or degree beyond high school can expect to earn a significantly higher income, with actual earnings on average rising with each stage of education.

Workers with a bachelor's degree or better are the most likely to earn above a self-sufficient income, setting the stage for home ownership and accumulation of other assets that help secure a place in the cycle of opportunity.

A worker who only graduates from high school will have a hard time earning a self-sufficient income. That puts home ownership out of reach for most workers and makes it difficult to secure a place in the cycle of opportunity.

Workers without a college degree or certificate are also more likely to need public or private assistance at some point in their lifetime and will contribute less in taxes.

Indicator 1: Leaks along Colorado's educational pipeline

Those who leak out of the pipeline before completing college are less likely to enjoy a life of opportunity.

Indicator 2: Low-income and minority students attending college

The rate at which different economic classes and races attend college is a good indicator of their future status within the Cycle of Opportunity.

Indicator 3: College degrees awarded by race and ethnicity

A worker's future earnings are most directly related to the type of degree obtained.

Indicator 4: Postsecondary affordability

Cost is the single largest barrier to a postsecondary education for students from low-income families.

Indicator 5: Access to adult basic education and English as a second language (ESL) services

Adult education can provide many workers and their families, including those who don't speak English, a second chance to enter the Cycle of Opportunity.





Indicator 1: Leaks along Colorado's educational pipeline

The most significant measure of the success of our education system is how well it does turning high school students into college graduates.

The path a student travels from ninth grade to college completion is often referred to as the educational pipeline. Those who leak out before reaching the end of this pipeline enjoy fewer opportunities for financial success. The earlier students leak out, the fewer opportunities they will have.

Only 20 out of every 100 students who entered the ninth grade in 1992 graduated from a higher education institution on time, within six years for a four-year degree program and three years for a two-year degree program. This is slightly better than the national average of 18 graduates per 100 ninth graders, but is well below the rate of 28 per 100 achieved by the top performing states.

Colorado's educational pipeline leaks the largest number of students in its early stages. Almost 30 percent of ninth graders do not graduate from high school, and another 30 percent do not enroll in college within a year after graduating. For the 40 percent who enroll in college, only half graduate on time.

Colorado does a mediocre job of graduating our own young people from college. This is particularly true for Hispanics, African-Americans and young people from low-income families.

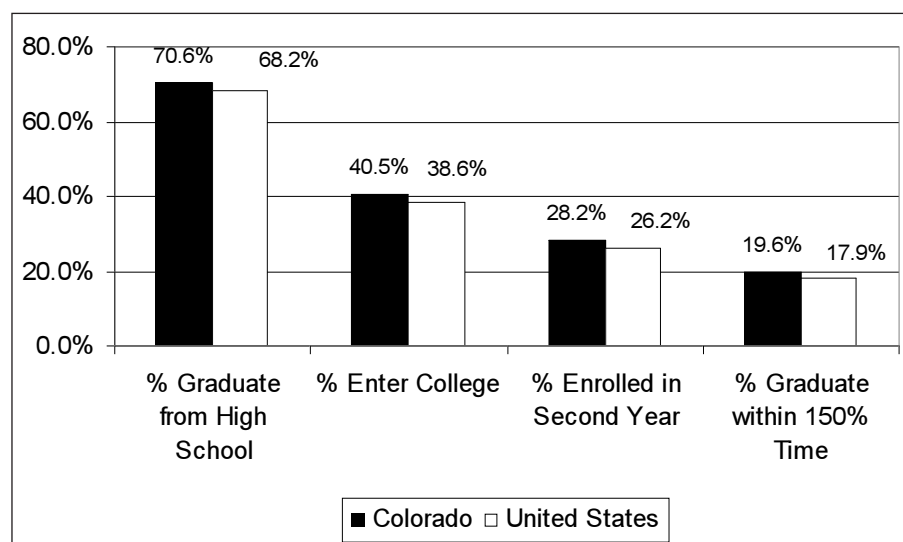
These numbers are at odds with Colorado's well-educated adult population. More than 60 percent of Coloradans have some postsecondary education, making it the third most highly educated state. Many of these educated residents come from other states. From 1989 to 2001, Colorado was the nation's No. 2 importer of college graduates.¹

Our success importing college graduates masks the relatively poor job we do educating our own kids.

White students in Colorado tend to be better educated than their peers in other states. But minority students in Colorado lag behind their peers in other states.

Of Colorado's minority population, 29 percent did not graduate from high school, ranking Colorado 41st. Just 42 percent of Colorado's minority population have some postsecondary education, ranking Colorado 38th.²

Figure 1. Percentage of Colorado students who progress from high school to on-time college graduation, 2002



Source: *Student Pipeline – Transition and Completion Rates from 9th Grade to College*, The National Information Center for Higher Education Policymaking and Analysis.

www.higheredinfo.org, Crosscutting Info section.

Note: High school graduation rates used here are calculated by the National Center for Higher Education Policymaking and Analysis.

Indicator 2: Low-income and minority students attending college

A college degree is the single most effective way for a student from a low-income family to escape poverty and enter the Cycle of Opportunity. Because of the close correlation between race and income in America, this also is largely true for minority students.

In 2002, 22 percent of 18-24-year-olds from low-income families attended college. This was below the national average of 25 percent and ranked Colorado 35th in the nation.

While not good, these numbers are a significant improvement over those reported in our original opportunity report of 2002. In 1999, Colorado ranked dead last nationally, with only 14 percent attending college, compared to the national average that year of 25 percent.

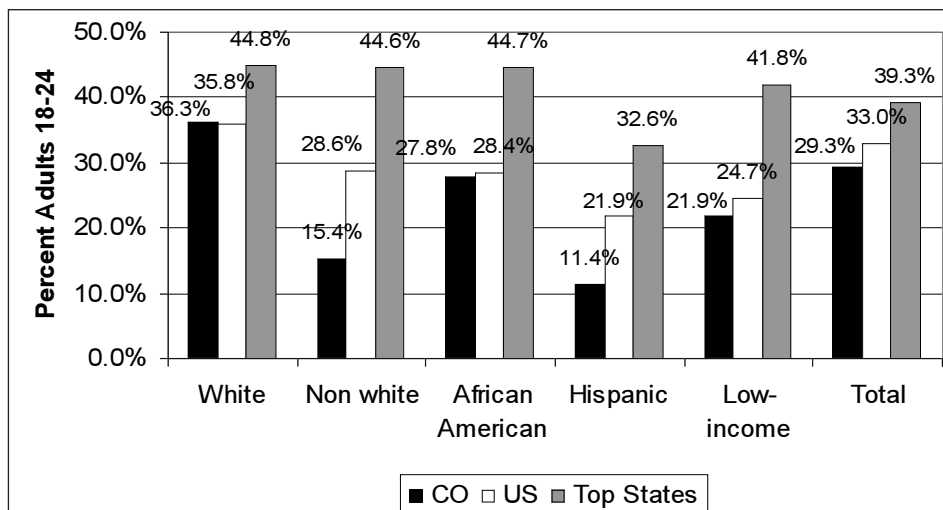
In 2002, Colorado’s college participation rate for whites aged 18-24 was 36 percent. By comparison, 28 percent of African-Americans and 11 percent of Hispanics of the same age were enrolled.³

In 2003 the proportion of white and African-American students enrolled in college matched their numbers in the state’s total population. But Hispanics fell short in this comparison. While Hispanics were 17 percent of the state’s population in 2003, just 10 percent of the state’s college students were Hispanic.⁴

Students from low-income families face considerable educational and financial challenges to get into college. Chronic low rates of college enrollment make it harder for them to achieve the earning power that comes with college or technical education and to enter the Cycle of Opportunity.

Because of the close correlation between race and income, minority students face many of the same challenges faced by low-income students. Because fewer of their relatives may have a college education, many students don’t know how to prepare for and apply to colleges and training programs. Often there is no family expectation or support to attend college.

Figure 2. Percent of young adults 18-24 enrolled in postsecondary education by race and income, 2002



Sources: For race: *Postsecondary Enrollment, By Race and Ethnicity*, 2002 American Community Survey Supplementary Survey microdata. Analysis by the Population Reference Bureau, Washington, D.C., for the Annie E. Casey Foundation. For income: *College Participation Rates by State for Students from Low-Income Families, 1992-2002*, Tom Mortenson. *Postsecondary Education OPPORTUNITY*, No. 150 (December). Note: Low-income families earn less than \$25,000 a year.





Indicator 3: College degrees awarded by race and ethnicity

Not all postsecondary degrees are created equal. The more advanced the degree, the greater the income potential.

On average, people with certificates earn more than those with high school diplomas; those with associates degrees earn more than those with certificates; those with bachelor's degrees earn more than those with associates degrees; and those with post-graduate or professional degrees earn more than those with bachelor's degrees.

So while getting into college is a critical step, completing the course of study and obtaining a degree is the ultimate objective.

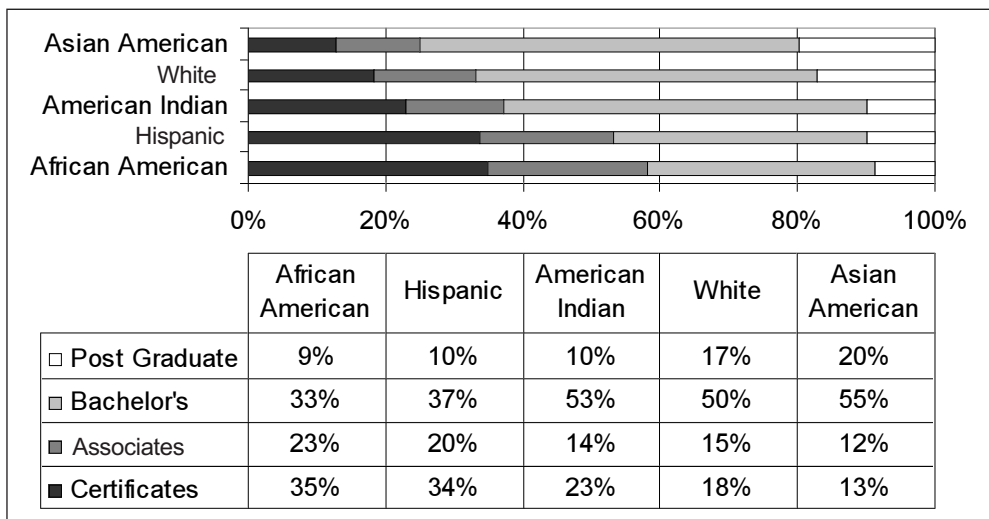
The outcomes of the higher education system in Colorado vary significantly by race, with African-American and Hispanic students concentrated at the lower end of the system.

More than half of all African-Americans and Hispanics who attend college in Colorado earn certificates or associate's degrees, while two-thirds of white students earn bachelor's or post-graduate and professional degrees.

On average, only workers with a bachelor's degree or higher can earn enough for a family of four to be self-sufficient in Colorado.

Most minority students who attend college in Colorado are in programs that, on average, may not give them the earning power to be self-sufficient.

Figure 3. Distribution of degrees and certificates awarded by public higher education institutions per 100 students, by racial/ethnic group, 2003-04



Source: Colorado Commission on Higher Education, Degrees and Certificates Awarded by Colorado Public Higher Education Institutions.
<http://www.state.co.us/cche/I&R/degreesawarded/index.html>

Indicator 4: Postsecondary affordability

Cost is a barrier many students must overcome to attend college and other postsecondary training programs. This is particularly true for students from low-income families.

Community colleges

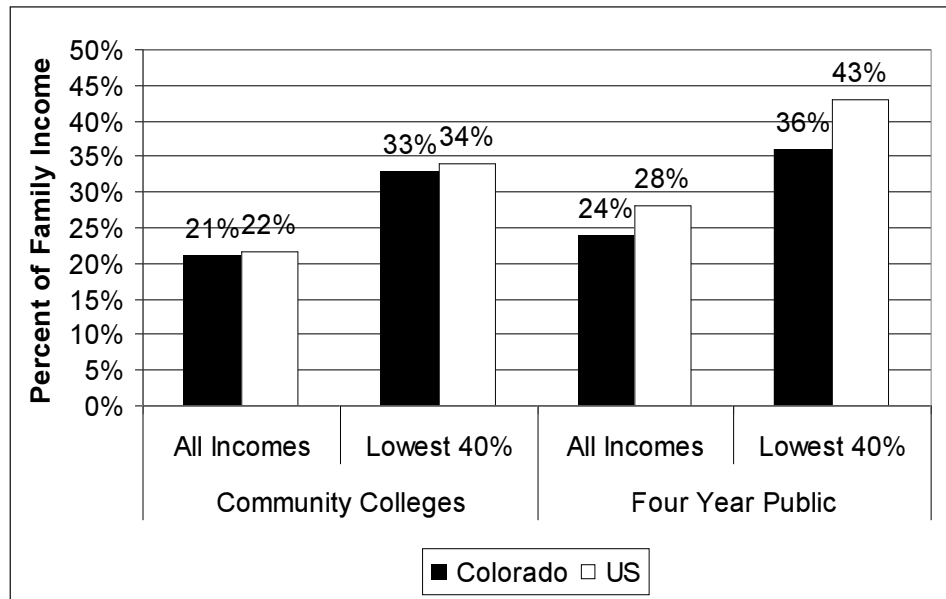
In 2003-04, it took 21 percent of the average Colorado family's income to pay for the expenses of attending a two-year community college, the same as in 2000-01. This includes student financial aid these families receive.

Community college costs consumed 33 percent of the income of the poorest 40 percent of families, those with incomes up to \$31,176, slightly above the 32 percent marked in 2000-01. On average, it took less of a family's income to attend community college in Colorado than the national average.

Four-year colleges and universities

In 2003-04, it took 24 percent of the average Colorado family's income to pay for the expenses of attending a four-year public college. This is in addition to student financial aid the average family received and is up from 22 percent in 2000-01.

Figure 4. Percent of family income needed to pay for college expenses after receiving financial aid, 2003-2004



Source: *Measuring Up 2004 Database – Affordability*, National Center for Public Policy and Higher Education, 2004. <http://measuringup.highereducation.org/database.cfm>

The poorest 40 percent of families paid 36 percent of their income to send a student to a four-year college, up from 34 percent in 2000-01. Again, these costs account for financial aid these families received. Currently, attending a four-year public college is still a bit more affordable in Colorado than the national average.

Even for average income families, college costs take a large bite out of the family budget. Cost remains a significant barrier to many people attending college. And these costs are increasing as the average tuition at Colorado's four-year colleges and universities rose by 30 percent between 2001 and 2005.





Indicator 5: Access to adult basic education and English as a second language (ESL) services

In 2004, 328,000, or 11 percent of Colorado adults ages 18-64 did not have a high school diploma.⁵

At the same time, one of the fastest growing segments of the state's population is new immigrants who speak little or no English.

Training that helps adults earn GEDs, upgrade their skills or learn English improves their employment potential and, for some adults, opens the door for a college education. It gives people a hand up to the Cycle of Opportunity and gives them a chance to contribute to the economic strength of the state.

In 2003, adult training programs served 15,137 students, or less than 5 percent of the 328,000 working-age adults without high school diplomas.

It is important to note that this indicator is different than the one used in the previous gateway to determine how many adults get GEDs alone (page 50). While there is some overlap, this indicator is meant to measure the state's capacity to accommodate a broader variety of needs — from GEDs to language acquisition — through adult training programs.

Colorado spends no state funds on adult education or literacy training. We rely on federal funds and grants for these programs. In FY 2004, the state received \$5.6 million in federal funds as part of the Adult Education and Family Literacy Act. The act is designed to help adults:

- Become literate in English and obtain the knowledge and skills necessary for employment and self sufficiency.
- Complete a secondary school education or equivalent.
- Learn enough to participate fully in their children's education.

The federal funds are distributed through competitive grants to communities throughout the state. They are used to establish and provide programs in adult basic and secondary education, workplace literacy, family literacy and English literacy. Currently, 39 local providers are funded by the federal act.⁶

Providers include the Four Corners Virtual Resource Center in Cortez, the Adult Basic Education Program at Morgan Community College in Fort Morgan, the Academic Support Center at the Community College of Denver and the Adult Basic Education Program at Pueblo Community College.

Because the federal act has not been reauthorized, the Colorado Department of Education will not issue requests for new training programs for fiscal year 2006. Programs that have been funded in the past three years will be extended for another year.

A bill to reauthorize the Adult Education and Family Literacy Act is pending in the U.S. Senate. It passed the U.S. House on March 2, 2005.

What is Colorado doing?

Funding for colleges and universities

Since the early 1990s, Colorado cut state funding for higher education. This trend accelerated during the economic downturn of the early 2000s. General fund appropriations per resident student dropped by 34 percent from 2002 to 2005.

Tuition increases partially offset the declines. In 1988, for every \$1 in student-paid tuition, the state provided \$2 in general funds. Today, for every \$1 in tuition, the state provides 73 cents in general fund support.

College Opportunity Fund

In 2004, Colorado restructured the way it finances public higher education. It created the College Opportunity Fund (COF) to provide a four-year stipend for every in-state student to attend any of the 26 state colleges or universities. Low-income students who qualify for the federal Pell grants may apply half the stipend to attend participating private, four-year colleges.

Students register for their stipend, and money flows from the COF directly to the college. The COF replaces the old, less visible method of giving each institution a lump sum, but does not bring any new money to the system.

The current COF stipend is \$2,400 per student per year. The stipend is likely to decline over the next decade.

The Colorado Commission on Higher Education also negotiates performance contracts that set objectives that schools are expected to meet in using the state funding.

The COF was designed primarily to qualify the colleges for enterprise status under Colorado's Taxpayer's Bill of Rights (TABOR).

By making the value of state support for higher education more visible, backers say the stipends will encourage low-income and

minority students to attend college. They claim the stipends help students see that college is more affordable, removing a barrier to access.

Enterprise status also allows the colleges and universities to increase tuition. The COF requires the schools to set aside 20 percent of the funds generated through tuition increases above inflation for need-based aid.

Need-based financial aid

In addition to aid provided by individual colleges, Colorado provides need-based and merit financial aid to students.

During the 2003 session, to cope with the recession, the Legislature cut need-based aid by \$6.9 million and essentially held funding flat in 2004. In 2005, the Legislature converted about \$4.5 million of merit aid into need-based aid, for a total of \$42.6 million in general need-based aid. This was a positive step in making college more affordable to low-income students.

While this helps promote access for low-income students, it only brings the total available back to the FY 2002-03 funding level, which already was well below the identified need. Lack of financial aid continues to be a major barrier to college for many low-income students.

Adult education

As noted earlier, Colorado spends no state funds for adult education or literacy training. We rely on federal funds, grants and donations for these programs.

In 2002, the Legislature created the Colorado Family Literacy Act to support adult education and improve family literacy as a means of closing the achievement gap. However, no state funds were appropriated. Putting the idea to work depends on gifts, grants and donations.





What is Colorado doing?

Colorado Achievement Scholarship Program

Created in 2005 by passage of SB05-003, this program will provide scholarships for students from low-income families. Students must sign up in eighth or ninth grade, take a pre-collegiate curriculum, maintain a 2.5 grade point average or better and avoid expulsion during their middle and high school years.

CollegeInvest will put \$50 million in profits earned on its loan portfolio into a trust, and the investment returns will fund the scholarships.

CollegeInvest is a state enterprise within the Colorado Department of Higher Education that oversees Colorado's tax-advantaged (529) college savings plans

Colorado Legislative Council estimates up to \$2.5 million will be available to provide 2,200 students with an average scholarship of \$1,136.

The first scholarships will be awarded in 2008. The scholarships provide an incentive for low-income middle school students to prepare for college.

What more should Colorado do?

Funding for colleges and student aid

Colorado's colleges and universities face a serious funding crisis that could lead to closures or deep program cuts. Such cuts will severely limit the opportunity for many Coloradans to get the education they need to succeed. And in today's global economy, such cuts also would be a major blow to Colorado's economic competitiveness.

Recommendation: Colorado's leaders and citizens must increase funding for the state's colleges and universities. At a minimum, we should find a way to ensure stipends from the College Opportunity Fund keep pace with the rising costs of higher education. This should be a priority for use of revenues generated by Referendum C.

Recommendation: Colorado should significantly increase the amount of need-based aid available to students.

In-state tuition for immigrants

The Urban Institute estimates that undocumented immigrants represent 40 to 49 percent of the total foreign-born population in Colorado. Between 200,000 and 250,000 undocumented immigrants lived in Colorado during 2002-04, according to the Pew Hispanic Center.

Undocumented students can't receive federal or state financial aid and can't qualify for in-state tuition rates.

In January 2005, the 27-member bipartisan Colorado Commission for High School Improvement recommended that resident undocumented immigrants be allowed to pay in-state college tuition rates.

Recommendation: The Legislature should allow undocumented high school students who attended Colorado high schools for at least three years and graduated to attend college in Colorado at in-state tuition rates.

What more should Colorado do?

Access for low-income students

Colorado does a poor job helping low-income and minority students go to college. One of the goals behind the College Opportunity Fund was to expand access for these students.

Recommendation: Increasing access for low-income and minority students as measured by the number of federal Pell grant recipients attending their institutions should be part of the performance contracts CCHE signs with each college. In addition, institutions should be required to report their share of minority undergraduate students.

Recommendation: CCHE should be required to report critical data on the operation of Colorado's financial aid programs. The agency should publicly report on race and ethnicity, level of financial need, award amount, full-time or part-time status, year of study, grade point average and other characteristics for recipients of state-funded financial aid programs.

Recommendation: CCHE should continue to inform students about College Opportunity Fund stipends and evaluate how effective they have been in encouraging low-income students to attend college.

Family Literacy programs

Family literacy programs improve the skills of undereducated adults and increase their children's chances for academic success. Improving family literacy is an effective strategy for closing the achievement gap.

Recommendation: The Legislature should appropriate state funds to implement the Colorado Family Literacy Act and expand the reach of existing, federally-funded adult literacy and training programs.



Information online:

NCHEMS Information Center for State Higher Education Policymaking and Analysis:

www.higheredinfo.org

National Center for Public Policy and Higher Education: www.highereducation.org

Colorado Commission on Higher Education: www.state.co.us/cche_dir/hecche.html

Colorado Department of Education, Adult Education and Family Literacy:

www.cde.state.co.us/index_adult.htm