

# ABE Impact Report

## Current Year Statistics

### Minnesota

## Participation & Client Characteristics

**ABE Student Eligibility:** Must be 16 and over, not enrolled in secondary school, and functioning below the 12<sup>th</sup> grade level in any of the basic academic areas including reading, math, writing and speaking English.

### Potential Participants

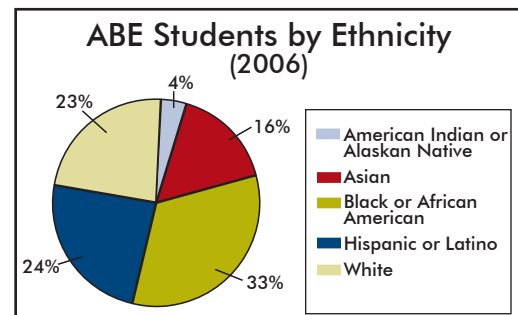
According to the 2000 US Census, 12% of Minnesotans over age 25 (381,345 adults) lack high school equivalency. The 2000 Census also reports that 624,250 Minnesotans are in the ABE “target population” of persons 16 and older, not enrolled in school and without high school equivalency. Of these 624,250 Minnesotans, 151,264 (24%) are living at or below 125 percent of the poverty level. Of the same group, 14,776 have completed less than 4 years of education and 45,894 have only completed 5 to 8 years.

Additionally, just over 6% of Minnesotans are foreign born with an estimated 200,000 adults in need of ESL services. An average of 14% of ABE participants have learning disabilities, whereas in K-12, the national average is 10-12% (Special Education). Many adult refugees and immigrants in need of ESL services have special learning needs due to a lack of special education services in their native countries.

### ABE Enrollment for 2006

<b>ABE Adult Enrollment for 2006:</b>	<b>76,736</b>
• Basic Academic Skills	24,537 (32%)
• ESL	38,954 (51%)
• GED	13,245 (17%)

*NOTE: In a given year, ABE programs serve approximately 12% of the eligible ABE target population.*



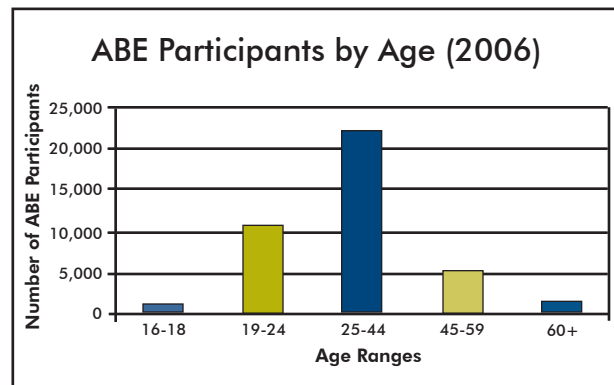
### Outcome Results for ABE Participants in 2006

- ABE enrollment increased by 70% since 1995 (45,322 to 76,736 participants).
- One out of every ten diplomas issued in Minnesota was a GED or Adult High School Diploma.
- GED's earned: 6,308
- Entered post-secondary education: 665
- High school diplomas: 449
- Gained or bettered employment: 2,445

The chart, *ABE Participants by Age (2006)*, illustrates that 96% (ages 16-59) are of working age.

**ABE addresses a variety of other student goals which coincide with labor market needs and community priorities such as:**

- Exiting the public welfare system and becoming self-sufficient.
- Learning to speak and write the English language.
- Helping their children succeed in school.
- Becoming US citizens and participating in a democratic society.



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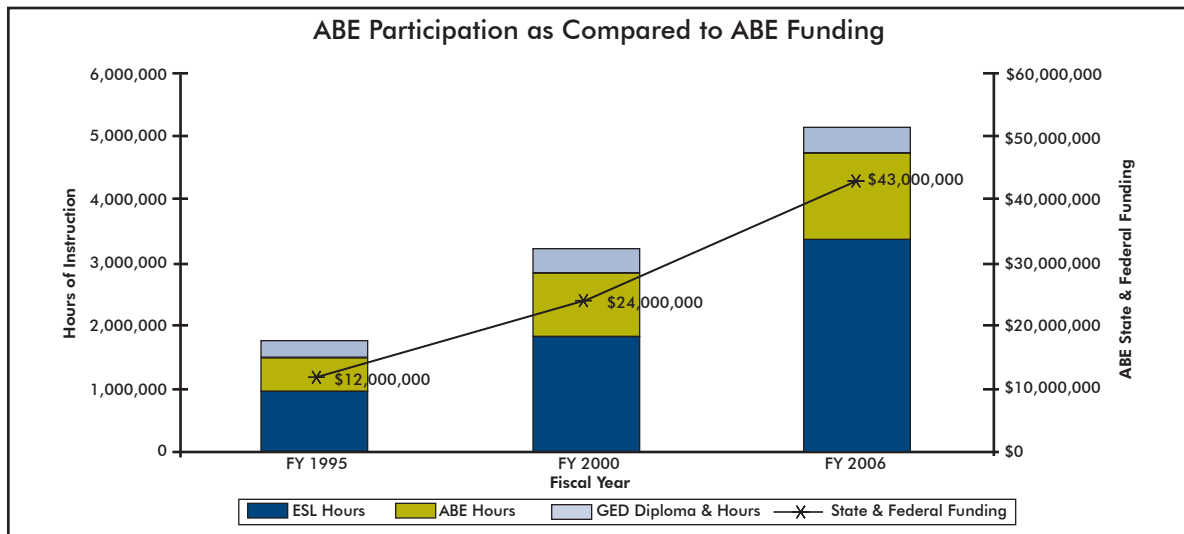
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## Fiscal Resources for ABE Programming 1995, 2000 & 2006

### Funding & Contact Hours

ABE participation increases proportionately with increases in resources – expanded ABE availability allows service delivery to many adults who have either been unable to access limited services in the past, or who are new Minnesotans. As the educational requirements for entry level jobs continue to increase, the need for ABE increases. Over the past 10 years, increased funding for ABE has facilitated increased client participation and performance statewide.



## Investment in ABE

In comparison to other educational systems, ABE is a bargain at an average cost of about \$590 per student per year. Approximately 80,000 students receive ABE services per year. The table below provides an overview of Minnesota's investment in ABE services over the past three years.

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
State ABE Aid:	\$ 36,509,000	\$ 36,518,000	\$ 37,999,000
Federal ABE Aid:	\$ 6,833,000	\$ 6,809,000	\$ 6,809,000
Grant Programs:	\$ 800,000	\$ 1,100,000	\$ 1,900,000
<b>TOTAL \$</b>	<b>\$ 44,142,000</b>	<b>\$ 44,427,000</b>	<b>\$ 46,708,000</b>
Cost per student per year:	\$ 538	\$ 546	\$ 590

## ABE Partnerships & Collaborations

ABE prides itself on supporting its collaborative efforts with Workforce Centers, school districts, community and technical colleges, welfare providers, correctional institutions, libraries, employers, community- and faith-based organizations, and the judicial system. Partnerships are developed to share resources and to refer clients. Such partnerships strengthen services and enhance the students' ABE academic experience. Through partnerships, ABE programs can offer services such as transportation and child care in order to reduce the barriers for adults to attend ABE classes. These partnerships make the most of limited ABE resources and increase the cost-effectiveness and efficiency of existing ABE consortia.

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## Challenges for the Future

### Challenge One: Investing in a Skilled Workforce

*ABE assists individuals in improving their basic skills in order to become employed and self-sufficient.*

#### **Impending Labor & Skills Shortage:**

According to the MN Chamber of Commerce, last year nearly 2 out of 5 greater MN employers and a ¼ of metro employers had difficulty finding specialty skilled workers. Forecasters predict that by 2010 there will not be enough college graduates to replace retirees and meet employers' expansion needs in many areas of industry throughout the state. Skills shortages are expected to occur in the industries such as precision manufacturing, long-haul trucking, accounting and nursing.

#### **ABE plays a key role in addressing the following:**

- **Employer Needs:**

In order to be competitive in today's global marketplace, Minnesota employers demand that their workers have basic reading, writing, speaking, and math skills, some understanding of computers, relational skills, and behaviors (soft skills) that are appropriate for the workplace.

- **Economic Climate Shifts:**

A downturn in the economy, or segments of the economy, leads to higher numbers of out-of-work adults seeking educational opportunities.

- **New Americans (ESL growth):**

According to *Immigration in Minnesota: Discovering Common Ground*, a report by the Minneapolis Foundation, "Immigrants contribute to the economy in multiple ways: by paying taxes, filling job vacancies, engaging in entrepreneurial activities and neighborhood revitalization, and also through the consumption of goods and services. Some industries, such as food processing and meat packing, are almost entirely dependent on immigrant labor."

- **Welfare Issues:**

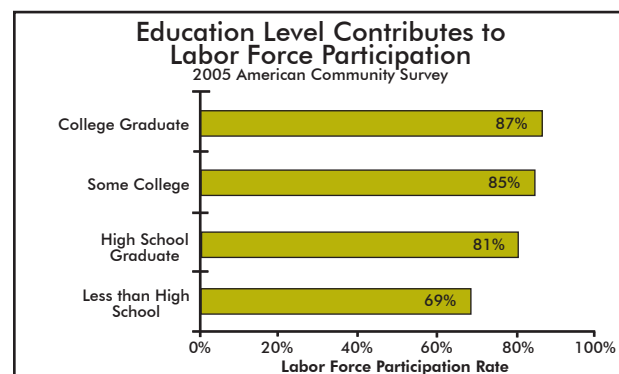
Department of Human Resources (DHS) reported that 42% of MFIP clients lack a high school diploma or equivalency.

- **Workplace Literacy Needs:**

On-site workplace literacy programs have great benefit to both the employee and the employer. Studies have indicated that on-site literacy instruction, such as English as a Second Language, has helped employees overcome communication barriers with their employers and seek promotions. Employers benefit from an educated workforce resulting in fewer errors on the job, increased safety, lower turnover, and higher productivity.

#### **ABE Assists Adults in MN to Find Jobs:**

The chart, *Education Level Contributes to Labor Force Participation*, indicates that more educated people usually find jobs more easily and generate higher incomes (*MN State Demographic Center*). ABE students develop the core literacy skills necessary to attain stable employment, as well as to become better parents, communicate with their children's teachers, and access further education and training.



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## Challenges for the Future

### Challenge Two: Securing Sufficient Funding for ABE in Minnesota

*ABE faces a higher demand for services with limited resources.*

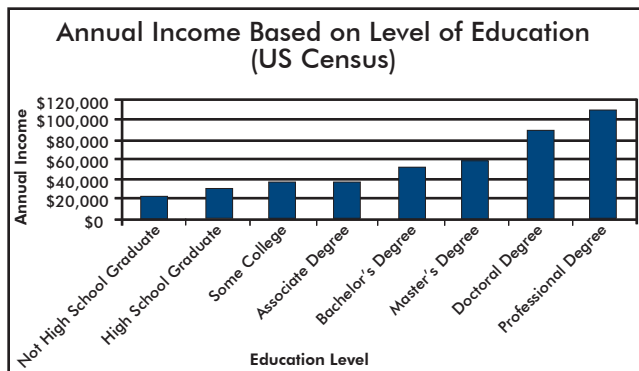
Insufficient funding of ABE was recognized by the state legislature during the mid 1990's. Large waiting lists existed during that time, and over the next seven years the state committed greater resources to meet basic skills and literacy needs of the adult population. Between 2000 and 2003, the state ABE aid grew by a statutory increase of 8% per year. However, significant resource growth ended in 2003 and 2004 with the elimination of the 8% mandated appropriation increase, a \$1.6 million unallotment (decrease) in state aid, a \$1 million decrease in the state aid, and the conclusion of a \$1.1 million per year ESL TANF grant. Had these significant reductions not occurred, ABE programs would have had an additional \$13.6 million over the period of Fiscal Years 2004 – 2007, thereby reducing waiting lists by providing increased access to ABE for Minnesotans. Sizeable waiting lists, particularly in ESL, are an increasingly serious challenge for ABE programs. Additionally, without sufficient resources, ABE programs face site closures, reduction of hours of service to students, increased class sizes and staff layoffs.

### ABE Priority for Fiscal Year 2008

#### Transitions to Post-Secondary Education or Training:

ABE recognizes the economic importance of moving students into post-secondary education and training programs. All ABE programs will be challenged to improve transition opportunities for students beginning the 2007-2008 Fiscal Year.

#### ABE Provides Necessary Educational Skills Training:



The chart, *Annual Income Based on Level of Education*, shows the important relationship between education and earnings potential. ABE has demonstrated its effectiveness in moving students into post-secondary institutions, vocational training programs, and ultimately into higher paying, higher skilled jobs.

### Minnesota ABE System Recognized

In 2006, the MN ABE system was recognized for excellence in a federal review visit by the US Department of Education – Office of Adult and Vocational Education. The MN ABE system was commended for its quality. MN ABE exceeded its federally-negotiated Workforce Investment Act (WIA) core performance measures for the past three years, Fiscal Years 2004 – 2006. (Core performance measures include: standardized level completion based on federally-approved adult assessments, entering employment, retaining employment, obtaining a GED or high school diploma, or entering a post-secondary educational institution or training program.)