

THE WORKING POOR FAMILIES PROJECT

POLICY BRIEF
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Strengthening State Adult Education Policies for Low-Skilled Workers

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The poor state of the Nation's literacy has dire consequences for the long-term strength of the U.S. economy and society as a whole. It has been estimated that literacy deficiencies result in an estimated \$60 billion loss in productivity.³ Adults with less than a high school diploma earn 25 percent less over their lifetimes than high school graduates and 86 percent less than those with a college degree.⁴ Most of these adults only qualify for low-wage work, which offers insufficient wages to support a family.

More than one in seven adults (some 25 million) between the ages of 18-64 have not finished high school or obtained a GED. In addition, some 17.5 million adults do not speak English well.⁵ However, the 2003 National Assessment of Adult Literacy (NAAL) suggests that our basic skills and English language proficiency problem is even more severe than these numbers imply. NAAL found that over 90 million people have limited prose and quantitative skills, which enables them to perform only simple everyday literacy activities. Studies based on the NAAL found that those adults with the greatest proficiency in prose and quantitative skills were twice as likely to be employed full-time as those with "below basic" skills,⁶ and that median weekly earnings increase with each level of literacy.⁷

The Working Poor Families Project (WFPF) supports efforts of state nonprofit organizations to strengthen state policies that can help low-income workers achieve economic security and become productive participants in the local economy. WFPF encourages states to focus on adult education policies and programs, which are typically supported through state and federal resources. At a time when employers increasingly need better educated and skilled workers to succeed, too few states have taken significant actions to improve their adult education and literacy efforts. This report will briefly describe what can be done and offer recommendations for strengthening state policies.

THE WORKING POOR FAMILIES PROJECT

Strengthening State Policies for
America's Working Poor

Millions of American breadwinners work hard to support their families. But, despite their determination and effort, many are mired in low-wage jobs that provide inadequate benefits and offer few opportunities for advancement. In fact, more than one out of four American working families now earn wages so low that they have difficulty surviving financially.²

Launched in 2002 and currently supported by the Annie E. Casey, Ford, Joyce, and Mott foundations, the Working Poor Families Project is a national initiative that works to improve these economic conditions. The project partners with state nonprofit organizations and supports their policy efforts to better prepare America's working families for a more secure economic future.

For more information:
<http://www.workingpoorfamilies.org>

THE CURRENT ADULT EDUCATION SYSTEM

States have primary responsibility for administering adult education and literacy services in the U.S. and contribute the most resources to address this problem. All states receive federal funds for adult basic education and literacy under the auspices of the Adult Education and Family Literacy Act (AEFLA), Title II of the Workforce Investment Act (WIA) of 1998. Although states must provide at least 25 percent of their own resources in order to receive federal adult education funds, states invest three dollars of their own for every federal dollar.

States administer three types of programs under the federal AEFLA:

- **Adult Basic Education (ABE):** instruction in basic skills designed for adults functioning at the lower literacy levels to just below the secondary level (40 percent of total AEFLA students in 2003-2004).
- **Adult Secondary Education (ASE):** instruction for adults whose literacy skills are at approximately high school level and who are seeking to pass the GED test or obtain an adult high school credential (16 percent in 2003-2004).
- **English Literacy (EL):** instruction for adults who lack proficiency in English and who seek to improve their literacy and competency in English (44 percent in 2003-2004). English language programs are the fastest growing component of adult education, particularly as a result of increased state funding for such programs.

In 2004-05, states enrolled 2.7 million students, with the majority (84 percent) falling between ages 16-44. The majority of students being served through the adult education systems are Latino, with nearly half of AEFLA students enrolled in English as a Second Language. Limited English proficient (LEP) adults have a broad range of education and skill levels, but the majority of adult ESL students are enrolled in the most basic ESL programs.⁸ Low-skilled adults pursue adult education and ESL for a variety of reasons, but many students' first priority

is to get job skills and higher paying employment through completion of GED. Fewer than 6 percent of students enter adult education with college enrollment as their goal.⁹

One-third of those who enter adult education programs leave before completing one level of improved literacy. In FY 2003-04, 38 percent of students enrolled in ABE and low ASE programs advanced at least one educational level.¹⁰ For lower skilled adults, obtaining marketable credentials takes too long, especially given competing work and family responsibilities. Only 30 percent of enrolled adult education students with a goal of transition to postsecondary education or training did so after exiting the program.¹¹ As low as this number is, it greatly overstates the number of students who transition because it is based on the number of students who express postsecondary education as a goal of their studies; not the total number of students enrolling in adult education. The federal 2003-2004 report on AEFLA programs indicated that 30 percent translates into about 1.7 percent of all adult education students.

States have great flexibility in determining how adult education is administered. States also can add their own program goals such as transitions to postsecondary education.

States have great flexibility in determining how adult education is administered. While two-thirds of the states (62 percent in 2004) administer adult education through their Departments of Education (K-12 system), the program is administered in some states by other state agencies, reflecting states' greater policy emphasis on the importance of adult education for employment and access to postsecondary education. Departments of Community and Technical Colleges, Departments of Labor or Workforce Development, and Departments of Higher Education are increasingly taking over leadership. There is little consensus regarding which state agencies best administer adult education, although some states believe closer alignment of the adult and postsecondary education systems is achieved by administering both systems through the same agency.

Adult education programs are delivered by a diverse network of 3,500 to 4,000 services providers, including local school districts (over half), community colleges, religious organizations, volunteer literacy organizations, public housing authorities, community-based organizations, and other non-profit organizations and private organizations. States can also influence adult education and ESL programs at the local level through state contracts, requiring particular benchmarks, and other programmatic structures.

All states, under the requirements of AEFLA, are required to collect data and report on program performance. Under the National Reporting System (NRS), states are required to collect and set performance measures on the following basic items: educational gain (basic literacy skills and English language acquisition), high school completion, entered postsecondary education or training, entered employment, and retained employment. States can add other measures that reflect their priorities. For instance, Arizona measures gains in family literacy, computer literacy, corrections, work-based learning; increases in the number of full-time teachers, teacher pay; decreases in class size; and implementation of research-based “best practices.”

FUNDING

In FY 2007, AEFLA was funded at \$579,563,000, of which \$68 million is for English Language Civics Education (EL).¹² This represents about \$23 dollars for every 18-64 year old without a high school degree or GED. Even with state funds added in, the U.S. has less than \$90 for every working age adult needing adult education services.

Federal funds are allocated to states based on the number of adults 16 and over who are not enrolled or required to be enrolled in secondary school and who do not have a secondary school credential. In some states, the state match requirement is passed on to counties. State investment varies widely with some states investing well beyond the required match. Seven states account for roughly 80 percent of the total state investment in adult education. Many states lack a stable funding source for adult

education so funding can fluctuate yearly. In 2004, state and local funding was \$1.6 billion, which represented 74 percent of all funding. The average cost or expenditure per student was \$839, with significant variations among states.¹³

The focus of this policy brief is on AEFLA-funded programs, the primary point of access for adult education and literacy in the states. However, it should be noted that a variety of other federal, state and local resources, private sector funds, and tuition and fees support adult basic and literacy education programs. Federal sources include the federal Even Start, Temporary Assistance for Needy Families (TANF)¹⁴, WIA Title I (workforce investment) funds, and Trade Adjustment Assistance. In addition, some state customized and incumbent worker training programs provide funding for employer-based ESL and adult education.

STATE POLICY OPTIONS FOR IMPROVING PROGRAM QUALITY

States can take significant actions to improve the education and literacy skills of adult workers to help low-income working families achieve economic security and become productive participants in the local economy. Below, we discuss a number of policy and programmatic actions states can take to expand and refocus the state’s commitment to adult education and enhance the quality of local service delivery.

SET A NEW GOAL: PROMOTE TRANSITIONS TO POSTSECONDARY EDUCATION

The assumption by states and adult education students that obtaining a GED is the best route to good jobs and postsecondary education does not hold true. Research shows that those who reach at least one year of college realize the largest economic payoff—a 10 percent increase in earnings.¹⁵ Although most students who take the GED see postsecondary education and training as their ultimate goal, only 12 percent who earn the GED complete one year of college within 10 years.¹⁶ To change this low rate of transition, states need to see

adult education as part of a continuum that prepares a skilled workforce.

States should not focus solely on the GED as the end goal of adult education, but should also make transitions to postsecondary and the attainment of marketable, for-credit postsecondary credentials a central goal of state adult education policy aimed at helping individuals earn family-supporting wages. For example, Kentucky redirected its adult education program with this express purpose several years ago. As part of the state's "Go Higher" campaign—designed to increase the number of Kentuckians pursuing education—the state set a goal of 40 percent of GED graduates transitioning to postsecondary, which refocused the efforts of local service providers to achieve this outcome. Washington State also committed to increasing the number of participants transitioning to postsecondary education by adding more resources within the postsecondary system.

ALIGN ADULT EDUCATION PROGRAMS WITH CREDIT-BEARING POSTSECONDARY EDUCATION AND TRAINING ENTRANCE REQUIREMENTS TO ACCELERATE LEARNING AND PROMOTE ATTAINMENT OF POSTSECONDARY CREDENTIALS

Eighty-five percent of GED graduates who transition into postsecondary find they must take remedial courses, which lengthens their time to a credential, whether it be an occupational certificate or a bachelor's degree.¹⁷ States can achieve greater program alignment in three broad ways:

- **Bridge programs.** States can focus state agency resources, fund pilot programs, support technical assistance and/or develop evaluation standards to support implementation of bridge programs. The goal of such programs is to sequentially bridge the gap between the initial skills of students and what they need to enter postsecondary education. Students move into postsecondary education after completing an adult education/ESL bridge. Occupational bridge programs tailor and contextualize adult education/ESL content to general workplace

needs and to knowledge and skills needed in a specific occupation. For example, Illinois has supported 30 pilot bridge efforts in community colleges that reflect high priorities for the health care and transportation-logistics industries. These efforts have served over 1,500 adults and have achieved impressive results: an estimated 80 percent of students have completed a pilot bridge program. In comparison, nationally, half of students in traditional adult education classes drop out before 10 weeks and only 10 percent attend classes continuously for a year.¹⁸

- **Concurrent programs.** States can facilitate transitions between separate adult education/ESL and postsecondary education and training programs in which students are concurrently enrolled by promoting alignment of curriculum and academic assessments. For example, Connecticut's College Transition Initiative supports partnerships between adult education and postsecondary institutions to facilitate such alignment and funds pilots that at a minimum must provide dual or concurrent enrollment for academic and technical courses; and funds academic and career-related counseling combined with other student support services.
- **Dual Enrollment/Dual Credit Integrated programs.** States can promote implementation of integrated programs in which adult education/ESL content is embedded in the postsecondary education or training program by changing state and institutional funding policies to take into account the extra cost of developing new curriculum, coordinating instruction (often programs use co-instruction, with one adult education/ESL instructor teaching alongside an occupational or academic faculty member), and the additional student support needed to help students succeed. In addition, states can promote this dual enrollment/dual credit approach, which can shorten the time frame needed to earn a credential. An example of this approach is Washington State's Integrated Basic Education and Skills Training (I-BEST)

program that pairs ABE/ESL instructors with professional./technical instructors in the classroom to co-teach half of the time, and teach the same students contextualized basic skills and job training separately the other half of the time. To take into account the extra cost of this approach, the state offers colleges that implement the program 1.75 rather than 1 FTE, an important policy innovation. All I-BEST programs have to be part of a one-year certificate program or other occupational program with proven ability to place graduates in higher wage jobs. I-BEST students earned 5 times more college credits and were 15 times more likely to complete job training than traditional ESL students.¹⁹

INCREASE INTENSITY OF SERVICES TO BETTER HELP STUDENTS ACHIEVE THEIR GOALS

The demand for adult education and literacy services far outpaces supply. In 2004-05, only 10 percent of a potentially eligible 25 million adults with less than a high school diploma participated in the federally-supported adult education system. As a result, there are long waiting lists for services; in some states these are several years long. To meet increasing demand, especially for ESL services, states and communities are forced to make hard choices between offering more instructional hours for fewer students or fewer instructional hours for more students, or between more instructional hours or providing needed child care or transportation supports. Although research shows that more hours of instruction lead to better outcomes, it is politically difficult for states to allocate increases in adult education funding toward greater intensity rather than reducing waiting lists.

Experts estimate that between 500 and 1,000 hours of instruction are needed before limited English proficient adults who are literate in their own native language can master basic English verbal and literacy skills for basic needs and workplace functioning.²⁰ And between 100-150 hours of instruction are necessary for students to advance one NRS level. Yet, many adult education and ESL programs do not have the funding capacity to serve students at a greater intensity than 4 to 6 hours/week, which makes advanc-

ing literacy levels and transitioning to postsecondary education slow and difficult.

SUPPORT STUDENT SUCCESS

States can influence success by encouraging implementation of promising program models and requiring that contracts include wrap-around support services and other program design features that will increase persistence and completion. Such design features include: using a case management model of advising for students, using cohorts (such as learning communities), offering classes through flexible delivery modes (evening, weekend, distance learning), providing opportunities to integrate work and learning, using a mix of instructional methods, providing advisement services that include career counseling and development of an action plan, and providing traditional supports (such as child care and transportation). States should also align related policies, such as incumbent worker and customized training programs, TANF, and child care, with adult education transition goals, so a host of wrap-around supports are available to ensure students have the resources they need to persist and complete. States can also support student success by setting standards with clear expectations and by establishing student goals early.

RAISE THE QUALITY OF INSTRUCTION

Insufficient funding also influences the quality of instruction and skill development of adult educators. About 80 percent of adult educators nationwide are part-time, which impacts the number of hours that can be provided, and most lack formal training for teaching adult education or ESL and have insufficient opportunities for professional development. In addition, teacher pay can be quite low and many positions lack benefits, which limits the pool of potential quality instructors. Turnover among adult educators is high, partially due to low pay. States could invest more money in professional development and/or increase the quality of such offerings, as well as raise the job quality of teacher positions.

INCREASE FUNDING TO SERVE MORE STUDENTS, ESPECIALLY IN ESL PROGRAMS

With many states facing greater demand for literacy services than available resources can offer, states need to explore ways to increase funding. This is particularly true in states with an increasing limited English population, where ESL is the fastest-growing portion of adult education programs. As of 2005, one in five working-age adults between 18 and 65 years old spoke a language other than English at home.²¹ According to the 2000 Census, 62 percent of low-wage immigrant workers are LEP, compared to 2 percent of low-wage natives. Limited English is not solely concentrated at the low end of the wage spectrum; 29 percent of foreign-born workers in the U.S. more than 20 years are LEP. States can increase funding to better serve LEPs in a variety of ways.²² The state can: seek state appropriations to fund ESL, ensure that formulas distributing ESL funds match the geographic distribution of populations needing ESL services (a policy pursued in California and New York), include ESL goals in state plans for WIA Titles I and II, and fund remedial ESL through a full-time equivalent funding formula (like community colleges in California and Oregon). States can also fund ESL through incumbent worker training programs, as Massachusetts has through its Workforce Training Fund.

INCREASE ACCESS TO WORKPLACE LITERACY

States should also consider increasing access to basic skills and literacy instruction in the workplace. Workplace literacy provides lower skilled workers the opportunity to apply what they learn in their jobs, and potentially advance in the workplace, as well as gives access to education and training to those who might not have time to pursue such education due to the demands of balancing work and family. Several states fund workplace literacy through new and incumbent worker training programs, as well as customized training and AEFLA grants. For instance, the state of New Jersey operates a Workforce Development Partnership Program with a \$100 million dollar budget funded through Unemployment Insurance revenues. The state allocates one-fifth of this amount (about \$20

million annually) to a Literacy/Basic Skills Training Program. This program awards grants to individual employers and other interested organizations, alone or in partnership with training providers, to provide training to qualified displaced, disadvantaged, and employed workers in the areas of reading comprehension, basic math, basic computer literacy, English proficiency, and work-readiness skills. States can increase access to workplace literacy by advocating for targeted use of WIA Title I funds for this purpose, as well as spending more of Title II funds on workplace literacy. States' County programs must meet their enrollment goals and at least 70 percent of NRS performance can also enact tax incentives that encourage businesses to support work-based programs.

CONTINUOUSLY IMPROVE THE PROGRAM THROUGH THE USE OF DATA AND BENCHMARKS

Data collection can be a starting point for states seeking to chronicle and impact program performance. The NRS forced states to focus more closely on data, and many states have moved beyond the NRS to develop comprehensive and integrated data systems for measurement of needs and results. Data also helps states identify and explicitly state goals and shows whether goals are being achieved. Some states have gone even further by using data to set standards, measure progress, and evaluate performance by developing indicators of program quality, choosing content standards, and producing report cards or other descriptive reports, all of which can be connected to performance-based funding.

Kentucky's Adult Education program has used goal setting and performance accountability beyond NRS measures as a means of increasing adult education performance. As discussed above, part of the state's "Go Higher" campaign included a goal of 40 percent of GED graduates transitioning to post-secondary. The state's Adult Education report card measures increases in 1) the number of Kentuckians participating in adult education, 2) the number of students meeting their educational goals, 3) the number of students advancing onto postsecondary within two years of completing the GED, and 4) the number of students prepared for employment. Programs that fail can be terminated at any time, and all providers

reapply for funding every 2 years. The state recently expanded the outcomes measured to include GED attainment, students making multiple learning gains, GED graduates transitioning to postsecondary education, and attainment of Kentucky Employability certificates and Kentucky Manufacturing Skills Standards certificates, the latter reflecting an increased focus on workplace skills.²³

Moving toward a data-driven and outcome-focused adult education system is challenging. States and providers must have the technical capacity to collect and report data based on a common set of measures, which raises the question of what are the appropriate measures. States with diverse populations of adult learners or large populations of adults with low literacy sometimes have trouble documenting learner progress, and there is also the threat of shifting adult education priorities from serving local needs to primarily providing services in which learner progress can be easily documented. Therefore, states should be careful when embarking on the performance accountability route.

CONCLUSION

The policy options discussed in this brief provide strategies for strengthening states' economies and helping low-skill workers access jobs that pay family-supporting wages. However, none of these actions are likely to be taken unless states acknowledge the importance of improving the education and skill levels of its adult workforce, particularly low-skilled workers. States have no choice but to invest more and more wisely in raising the basic and English language literacy skills of their adult populations. With 65 percent of our 2020 workforce already out of school, we cannot rely solely on school reform to address looming skill shortages facing many sectors of our economy.

WORKING POOR FAMILIES PROJECT RECOMMENDATIONS:

State groups can consider promoting the following policy and programmatic actions to expand and refocus the state's commitment to adult education:

- 1) Promote transitions to postsecondary education and the attainment of marketable, for-credit postsecondary credentials.
- 2) Align adult education programs with credit-bearing postsecondary education and training entrance requirements to accelerate learning and promote attainment of postsecondary credentials.
- 3) Increase intensity of adult education and literacy services to better help students achieve their goals.
- 4) Support student success by encouraging implementation of promising program models and requiring that contracts include wrap-around support services and other program design features that will increase persistence and completion.
- 5) Raise the quality of instruction.
- 6) Increase funding to serve more students, especially in ESL programs.
- 7) Increase access to basic skills and literacy instruction in the workplace.
- 8) Continuously improve the program through the use of data and benchmarks.

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ENDNOTES

¹The authors work for the Center for Law and Social Policy and work closely with the Working Poor Families Project on a number of education and workforce training issues. This policy brief is partly derived from an academy on this issue delivered June 2007 for WFPF state partners. To obtain more details see: http://www.workingpoorfamilies.org/reports_and_pubs_more2.html. Thanks to Mike Leach, Southern Good Faith Fund, and Jessa Lewis, Center on Wisconsin Strategy, for their contributions to this brief.

² Tom Waldron, Brandon Roberts and Andrew Reamer. "Working Hard, Falling Short," Working Poor Families Project, October 2004, p. ii.

³ Dale Lipschultz, President, National Coalition for Literacy 2006. The National Center on the Educational Quality of the Workforce found that raising average education by one literacy level increased productivity by 8.6 percent in manufacturing and 11 percent in non-manufacturing occupations in comparison with other strategies, such as increasing work hours.

⁴ Baum, S. and Ma, J., *Education Pays 2007, The Benefits of Higher Education for Individuals and Society*, The College Board, 2007.

⁵ Working Poor Families Project, data generated by Population Reference Bureau from 2005 American Community Survey.

⁶ NCES 2005, *A First Look at the Literacy of America's Adults in the 21st Century*

⁷ NCES 2007, *Literacy in Everyday Life*

⁸ U.S. Department of Education. *2003-2004 AEFLA Report to Congress* (2006).

⁹ *Ibid.*

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² EL Civics Education is designed to educate persons new to the U.S. in the rights and responsibilities of citizenship; and to instruct them in naturalization procedures, civic participation, and U.S. history and government. EL Civics funding is distributed to states using a separate formula that takes into account immigration patterns.

¹³ U.S. Department of Education, Office of Vocational and Adult Education, Division of Adult Education and Literacy, August 2007.

¹⁴ Under new TANF rules, for all recipients other than teens, education directly related to employment and secondary school completion/GED can only count toward the work participation requirements when combined with 20 hours/week (30 hrs for two-parent families) of core, mostly work-related activity.

¹⁵ Barrow, Lisa and Cecilia Elena Rouse. *Do Returns to Schooling Differ by Race and Ethnicity?* Working Paper. Federal Reserve Bank of Chicago and Princeton University (2005). Getting a GED alone does increase earnings but by less than a high school diploma, and it really only pays off for high school dropouts with lower skills and for immigrants.

¹⁶ Murnane, R. J., Willett, J. B., & Tyler, J. H. (2000). Who benefits from a GED? Evidence from high school and beyond. *The Review of Economics and Statistics*, 82 (1), 23–37.

¹⁷ U.S. Department of Education. *The Condition of Education 2004*, Indicator 18. <http://nces.ed.gov/programs/coe/2004/section3/indicator18.asp>

¹⁸ *Women Employed*, see: <http://www.womenemployed.org/fileadmin/templates/docs/BridgeFactSheet.pdf>.

¹⁹ Washington State Board for Community and Technical Colleges. *I-BEST: A Program Integrating Adult Basic Education and Workforce Training* (2005).

²⁰ National Center for ESL Literacy. *Adult English Language Instruction in the 21st Century* (2003).

²¹ U.S. Census Bureau, 2006.

²² Recommendations drawn from presentation by Judith Combes Taylor "Increasing Access to Quality ESOL Programs: State Policy Challenges and Opportunities (June 2007).

²³ <http://www.kyae.ky.gov/NR/rdonlyres/5D218E65-A7CE-4536-B77B-2D101638A341/0/ANewFrameworkforAdultEducation.pdf>