



Todd Wagner, Minnesota's Director of Adult Basic Education

Change the delivery of job training to produce a competitive workforce

A Civic Caucus Focus on Competitiveness Interview

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Present

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Summary

An increasing proportion of young adults of high school graduation age and a little older are lower skilled and not qualified for the jobs the baby boomers are leaving, according to Minnesota's Director of Adult Basic Education (ABE) Todd Wagner. Current labor market projections show a shortfall around manufacturing, health care and other middle-skill occupations, those requiring one to two years of postsecondary training, along with some kind of degree or industry-recognized certification or credential.

Wagner says ABE is mostly concentrated on adults age 21 or older, because ABE tries to reconnect young people with the K-12 system, since they are K-12 eligible until they turn 21. He says ABE has been trying to encourage its clients under age 21 who are working toward a high school diploma to also enroll in Minnesota postsecondary institutions through the state's Postsecondary Enrollment Options (PSEO) program. He calls PSEO a "tremendously underutilized option" for kids who are coming back to the education system after dropping out of school.

Wagner believes the pendulum in K-12 is swinging away from the philosophy of everybody going to a four-year college. He says that is not realistic or necessary and that we should change the philosophy to *postsecondary* for everyone. According to Wagner, people can get living-wage jobs with one year of postsecondary training and an industry-recognized credential. He laments the dismantling of the high school technical education system and its replacement by the alternative education system.

Background

Todd Wagner is state director of Adult Basic Education (ABE) in the Minnesota Department of Education (MDE), a position he has held since 2012. He has worked in ABE for 15 years and at MDE for 27 years. Prior to his work in ABE, he was a program evaluation researcher in special education and before that, he worked for 10 years as the state accountability specialist for Title I, a federal program that provides financial assistance to schools with high numbers or high percentages of children from low-income families. Before joining MDE, he worked in the research office of the Wilder Foundation.

Wagner earned his B.A. degree and his M.A. degree in Educational Psychology from the University of Minnesota.

Discussion

Retiring baby boomers, the growing skills gap among high school graduates and the small size of the Generation X birth cohort create a perfect storm. Minnesota's Interim Director of Adult Basic Education (ABE) Todd Wagner pointed out that today's cohort of people coming out of the K-12 system and a little older is much smaller than the baby boomer cohort. In addition, he said, there is an increasing proportion of kids of graduation age who are lower skilled and not qualified for the jobs the baby boomers are leaving. As baby boomers leave the job market, we will likely start to see gaps where we're not able to backfill behind them.

He said a 2012 study by the Center on Education and the Workforce at Georgetown University showed that we'll face shortages in middle-skill occupations, those requiring one to two years of postsecondary training, credentialed with some kind of degree or industry-recognized certification. Current labor market projections, according to Wagner, show a shortfall around manufacturing, health care and other middle-skill occupations.

The mission of Adult Basic Education (ABE) in Minnesota is to provide adults with educational opportunities to acquire and improve the literacy skills needed to become self-sufficient and to participate effectively as productive workers, family members and citizens. ABE, which is part of the Minnesota Department of Education (MDE), offers six general programs:

- **Preparation for GED** (General Educational Development Diploma), a national high school equivalency assessment.
- **Adult Diploma:** programs for eligible adults leading to a high school diploma from a local Minnesota school district.
- **English as a Second Language (ESL);**
- **Basic Skills Enhancement:** For learners who need goal-specific elementary or secondary level basic skills, such as work-related math, functional literacy (such as banking skills), or reading or writing assistance. Generally considered "brush-up" and does not lead to a diploma or GED.

- **Family Literacy:** Program for adults and their preschool children, which features instruction for adults in literacy and parenting and educational/developmental services for children.
- **Citizenship and Civics Education:** Programs that prepare new Minnesotans for U.S. citizenship. Civics education includes ESL, work readiness and skills to encourage full participation in U.S. society, culture and employment.

ABE was part of the original War on Poverty legislation. The original goal of ABE was eighth-grade functioning, but over the years the program has evolved and the goal for students is now to participate in some amount of postsecondary education or training that leads to an industry-recognized credential.

The state provides 89 percent of the funding for Minnesota's ABE program. In fiscal year 2013, the program received \$46.5 million in state ABE aid and \$5.1 million in federal ABE aid. It also received \$1 million through grant programs for English language and civics instruction. Wagner said ABE in Minnesota is fortunate, because, as these figures show, the program receives about \$9 in state money for every \$1 of federal money. He said some states get only the federal money and only a few other states are as well funded as Minnesota.

To be eligible for ABE, people must be age 16 or older, not enrolled in K-12 education, and seeking a high school diploma or equivalency or be functioning below the 12th-grade level in any basic academic area, including reading, math, writing and speaking English.

Wagner said ABE is mostly concentrated on adults, since students are K-12 eligible until they turn 21. "We will do pretty much anything we can to help someone under the age of 18 or 19 reconnect or stay connected to the K-12 system," he said.

ABE enrolled 74,736 students in FY2013 and provided 5.9 million student contact hours. A breakdown of the enrollees (who may be counted in more than one category) shows that 36 percent were English language learners, five percent were conditional work referrals, 10 percent were incarcerated, 19 percent were unemployed and 11 percent were on public assistance. The average annual ABE cost per student was \$704.

Wagner said the federal government counts "participants," not enrollees, which includes only people who participate in ABE for at least 12 hours in a year. Wagner said the number of federally defined participants in Minnesota's ABE program has been steady at 40,000 to 45,000 for many years now. But he said the average in annual hours of instruction has increased substantially in recent years. In FY 2013, the average participant in Minnesota's ABE received more than 124 hours of instruction.

The state's Postsecondary Enrollment Options (PSEO) program provides a good option for students. Started in 1985, PSEO allows high school students to take college classes at any postsecondary institution in Minnesota without paying tuition. PSEO was previously limited to 11th and 12th graders and, Wagner said, had been mostly used by four-year-college-bound students. As of 2012, 10th graders can also use the program, but they are restricted to taking only postsecondary technical and career training classes through PSEO.

Wagner pointed out that since anyone under age 21 without a high school diploma is eligible for the K-12 education system, he or she can register as a student at a public school and use PSEO for job

training while earning a high school diploma. "PSEO is definitely an underexploited pathway for younger people," he said.

An interviewer commented that if you're 19 and dropped out of high school two years early, you have two years of free postsecondary education through PSEO up to age 21. He said we should tell young people, "If you quit, come back for free."

"It's a tremendously underutilized option among students who are not four-year- college-bound," Wagner said.

MDE funds 45 ABE consortia that cover the entire state geographically and deliver ABE programming at hundreds of local sites. Local ABE sites include primarily K-12 school districts, but also community-based organizations, community and technical colleges, workforce centers, prisons and jails, libraries, learning centers and tribal centers.

ABE consortia hire more than 1,400 staff members and work with 2,400 trained volunteers.

Paid staff members include 1,149 teachers, 177 paraprofessionals and 179 administrators. Public school ABE programs are required to use K-12 licensed teachers or teachers with a college degree in ESL. Wagner said three-quarters of the paid instructors are part-time, many earning as little as \$15 an hour with no benefits. "We have no trouble finding highly skilled teachers who will work part-time for low wages and no benefits, as there continues to be a surplus of licensed teachers in Minnesota," he said. "Unfortunately, only about one quarter of our ABE workforce have permanent, full-time, benefited, living-wage jobs."

We're coming out of era where we thought everybody should go to a four-year college. Wagner said there are two problems with that philosophy: (1) There are lots of people for whom that's not a realistic, at least immediate, goal; and (2) There are too many people with four-year degrees who are unemployed or underemployed. He said in the early 2000s, Washington state did a large study that identified the education "tipping point," the level of education and training at which a person can get a living-wage job, as one year of postsecondary training with an industry-recognized credential.

"We should have the goal of *postsecondary and training* for everyone, with less focus on four years of college," he said. "We need to help folks find pathways to education and training that match their assets, e.g., time, money, support systems. 'Stackable pathways are out there already. For example, one could work first on completing a respiratory therapy assistant program through a community college program. That would then enable a person to work at a higher wage and do shift work, while continuing work on a respiratory therapy degree. That experience might then lead to further education and training to become a physician assistant, etc. There are ways to get there other than going straight to a traditional four-year college."

"I think the pendulum is starting to swing back in K-12 away from an implicit assumption that the goal for everyone should be four-year college," he continued. "I think we're becoming more open to the idea that there are a range of postsecondary options, including things like union apprenticeships. I think there has to be a culturally held change in vision away from four-year college for everyone. I think that will happen."

Minnesota FastTRAC Adult Career Pathway programs create fast pathways that provide occupational training and just-in-time basic literacy education. There are FastTRAC programs on 29 MnSCU campuses that cover health care, manufacturing, education, business, energy and other sectors of employment in Minnesota. As of December 2012, FastTRAC programs have served over 1,900 adults, with 88 percent of them receiving an industry-recognized credential or earning credits toward that credential.

FastTRAC is a partnership of a number of state agencies, local employers, workforce development agencies, human services and community-based organizations. Wagner said it provides "just-in-time basic education" support for students in credit-bearing classes and "wrap-around services" that offer help with things like transportation, childcare, housing and financial aid. "These components are critical for adults who need something to happen fast and can't afford to spend extended periods of time improving basic education skills or breaks in education do to issues around transportation, childcare and housing," Wagner said.

He said that for people who are single, with no kids and no debt and read at a high level, a two-year or four-year postsecondary program is a great option. But for someone with a low level of literacy and five kids, even a two-year pathway is likely too long. Rather, that person needs a pathway to traverse quickly that leads to higher wages, stable employment and "stackable" credentials.

"Initial FastTRAC work was funded by Joyce Foundation grants and grants we've earned by meeting federal performance goals," Wagner said. But he said that in 2013, the Legislature appropriated \$1.5 million per year to the Department of Employment and Economic Development (DEED) for FastTRAC programming.

ABE funding provides the majority of all adult education programming in the state correctional system and in regional and local correction systems throughout the state. Wagnersaid the Department of Corrections (DOC) has an "education first" requirement: anyone incarcerated in a state prison must have a GED or diploma before being allowed to work for MinnCor. Wagner indicated that FastTRAC is a model that can work in corrections, as well.

Almost all jobs require higher technical skills today. Wagner said the area of basic technology skills is currently considered supplementary content in ABE instruction, available to people already eligible for ABE. But his office is considering making lack of basic technology skills another way of becoming eligible for ABE, just like a lack of literacy skills and/or a lack of a high school diploma are now.

He said ABE increasingly is using the Northstar Digital Literacy Standards developed by the St. Paul Public Library to determine what people need to know about technology. ABE has a partnership with the state unemployment insurance program to identify people at risk of running out of benefits before they get jobs. He said before that happens, ABE assesses them for technology skills and for literacy skills.

Lots of people have trouble following the pathway through school to work. Wagner said that transitions, such as pre-K to being kindergarten, middle to high school, high school to postsecondary education or training and postsecondary to work, are especially critical times. In order to help more people make those transitions successfully, he said we need:

- "Scaffolding," a safety net around that central pathway to help people stay on and or reconnect to that pathway; and
- To continue to improve the connection between secondary and postsecondary; we must rethink that interface.

"We also need a system with lots of "on-ramps" back into it," he said.

There is some expectation now that it's the public sector's job to provide a semi-skilled workforce that employers can tap into. Wagner said he shares an interviewer's impression that employers are doing less on-the-job-training now. He said he thinks the higher skilled employees are, the more employers are willing to invest in them.

The technical education system has been systematically dismantled and replaced by the alternative education system. An interviewer who regularly

visits kids at the Hennepin County Juvenile Detention Center said they all go to alternative schools and seem to go to school for short hours or not every day. And at the Juvenile Center, the kids are supposed to take classes every day all week, which they may or may not do. "I have no sense of any accountability at the Juvenile Center or in the alternative schools," he said.

Wagner responded, "For the first two-thirds of the 20th century, the technical education system was a safety valve for 'at-risk' kids. I'm not sure high schools can rebuild that capacity. We can take better advantage of the two-year college system through PSEO. We have to try to connect students to pathways that can work, given their life assets."

We're underinvesting and overpromising in education. An interviewer commented that [Darlene Miller, owner of Permac Industries, said in an October 2013 Civic Caucus interview](#) that business should be doing more to help educate and train the workforce. Wagner responded, "We're underinvesting and trying to get by on the cheap in education generally. In recent years we seemed to think that we could improve education outcomes through high-stakes accountability systems. I think there's plenty more that can be done and it can't be just the schools. I think the quality of our education systems has improved steadily over time and will continue to do so."

At the same time, Wagner said he fears that the growing gap in income will lead to a two-tiered society. "I think we're overpromising on the education side," he said. "We're not going to fix the income gap solely by education and training."

Combining online and in-person education works best in ABE. In response to a question about offering education online, Wagner said, "We're big on using technology as an integral part of our

programming. With our population, a hybrid model works best, combining online and in-person work. The social support of in-person contact is important. We think technology is a critical component, if people are going to function successfully in the workplace."

Conclusion

Wagner ended the discussion by saying, "You cannot believe how many smart, capable people are working in a system that pays them so poorly. I think a big part of the reason people chose to work in the ABE field, despite the pay, is that we feel like we have some control over making good things happen. We are a small and very collegial system and have gotten very good at growing and evolving our services to better meet the needs of those we serve."