



**Report  
to  
The LEGISLATIVE FINANCE COMMITTEE**



**Public Education Department and Higher Education Department  
Cost-Effective Options for Increasing High School Graduation and Improving Adult  
Education**

**Report #14-09**

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September 25, 2014

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Ms. Hanna Skandera, Secretary-Designate  
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Jerry Apodaca Education Building  
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Dear Secretary Garcia and Secretary-Designate Skandera:

On behalf of the Legislative Finance Committee, I am pleased to transmit the evaluation, *Cost-Effective Options for Increasing High School Graduation and Improving Adult Education*. The evaluation identified efforts to improve high school completion, analyzed costs and outcomes associated with various dropout recovery models, and evaluated adult basic education programs.

This report will be presented to the Legislative Finance Committee on September 25, 2014. An exit conference to discuss the contents of the report was conducted with the Public Education Department and Higher Education Department on September 17, 2014.

I believe this report addresses issues the Committee asked us to review and hope New Mexico's education system will benefit from our efforts. We very much appreciate the cooperation and assistance we received from your staff.

Sincerely,

A handwritten signature in dark ink, appearing to read "David Abbey".

David Abbey, Director

Cc: Representative Luciano "Lucky" Varela, Chairman, Legislative Finance Committee  
Senator John Arthur Smith, Vice-Chairman, Legislative Finance Committee  
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## **Table of Contents**

### **Page No.**

<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
<b>BACKGROUND INFORMATION.....</b>	<b>8</b>
<b>FINDINGS AND RECOMMENDATIONS.....</b>	<b>13</b>
Graduating 2,600 More Students Annually Would Produce About \$700 Million In Net Benefits To New Mexico Over The Lifetimes Of These Students .....	13
Research-Based Dropout Prevention Strategies Occur Sporadically Around The State, But Efforts Should Be More Targeted To Schools With Large Numbers Of Dropouts And Low Graduation Rates .....	20
New Mexico Is Not Investing In The Most Cost Effective Forms Of Dropout Recovery .....	25
New Mexico Should Better Target Adult Basic Education Resources To Improve Outcomes For Adults .....	33
<b>AGENCY RESPONSES .....</b>	<b>46</b>
<b>APPENDIX A: Evaluation Objectives, Scope, and Methodology .....</b>	<b>58</b>
<b>APPENDIX B: ABE Student Wait List 2012-2013 .....</b>	<b>59</b>
<b>APPENDIX C: HED ABE FY12-13 Allocation Worksheet .....</b>	<b>60</b>
<b>APPENDIX D: Characteristics of ESL Students .....</b>	<b>61</b>
<b>APPENDIX E: FY14 Full vs. Part-Time Faculty by ABE Provider .....</b>	<b>62</b>
<b>APPENDIX F: Four-Year Cohort Graduation Rates for Schools with the Largest Number of Dropouts .....</b>	<b>63</b>
<b>APPENDIX G: Persons Age 25 and Older with a High School Credential by County, 2012 .....</b>	<b>64</b>

Lagging high school graduation rates in New Mexico produce significant drains on the state's economy. National research suggests adults without a high school credential are more likely to live in poverty, become incarcerated at some point in their lives, rely upon public assistance, and cost tax payers \$200 thousand over their lifetimes. In New Mexico, adults without a high school credential earn an annual median income of \$17 thousand, compared to high school graduates who earn an annual median income of \$25 thousand, and over 50 percent of the adults incarcerated in New Mexico lack a high school credential. Though the state's four-year graduation has increased since FY08, New Mexico's dropout rate has increased as well. Each ninth grade class loses roughly 7,700 students who fail to graduate in four years, and in FY13 nearly 7,200 students dropped out of the state's public school system.

This evaluation assessed various efforts to increase the number of adults in New Mexico with a high school credential, including dropout prevention and recovery efforts and adult basic education programs. Additionally, the evaluation analyzes resource allocation and costs associated with various dropout prevention and recovery efforts.

Increasing the number of students who graduate annually by 2,600 would result in an estimated \$700 million in net benefits to tax payers, society, and these students over their lifetimes. Evidence-based strategies, including alternative education programs, case management, mentoring and counseling, and vocational training, increase the likelihood that at-risk students will graduate. Evaluation findings suggest promising initiatives are being implemented inconsistently across the state or not at all. Efforts are not targeted in schools and school districts where dropouts tend to be concentrated. Additionally, the evaluation found the state is spending millions on adults over the age of 22 in the public school system that never earn a high school credential and tend to be enrolled for far less than a complete school year.

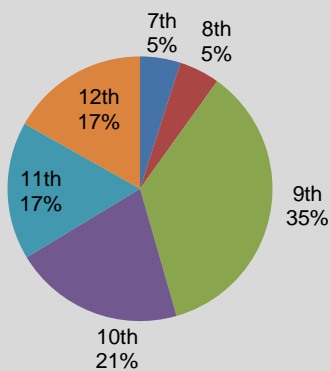
Finally, this evaluation concluded a significant need for ABE services exists in New Mexico, but resources are stretched thin and not targeted. Increased investments in adult basic education are warranted if used to improve outcomes for adults by focusing on quality and providing more intensive and targeted services.

Recommendations include implementing evidence-based dropout prevention strategies in a systematic and organized way in areas with the greatest number of dropouts to increase the number of youth graduating from the public school system. Additionally, the state should modify statute to move dropout recovery efforts for adults over the age of 22 from public schools to the adult basic education system. Any increases in adult basic education funding should be used for performance funding and targeted improvements instead of simply providing the same level of services to more adults.



Nationally, nearly one of every 10 young male high school dropouts is institutionalized on a given day.

**FY13 Dropouts by Grade**  
**N=7,185**



Source: LFC Files

Research-based dropout prevention strategies:

- alternative education programs
- case management
- college-oriented programming
- mentoring/counseling
- vocational training

## KEY FINDINGS

**Graduating 2,600 more students annually would produce \$700 million in net benefits to New Mexico over the lifetimes of these students.** Each additional high school graduate produces roughly \$267 thousand in benefits using New Mexico data and the Pew Results First cost-benefit model suggests each high school graduate in New Mexico produces considerable net benefits, including \$100 thousand to taxpayers and other beneficiaries and \$178 thousand to participants, compared to non-graduates. If New Mexico were to increase the state's four-year graduation rate by 10 percent, an additional 2,600 students annually, the state would experience net benefits of \$700 million for each cohort year increase over the lifetimes of the students. These benefits come primarily from increased earnings, crime reduction, and healthcare benefits. New Mexico can increase the number of students who graduate annually by reducing the number of students who drop out before completing high school.

Despite improvements in graduation rates, the large numbers of students dropping out impedes New Mexico from reaching graduation targets. New Mexico's dropout rate has increased from 3.6 percent in FY08 to 4.7 percent in FY13. In FY13, the PED reported 7,185 of 152 thousand students in grades seven to 12 dropped out, leaving the public school system without a high school credential and reducing the state's four-year graduation rate. Yet, much data exists about who these students are and where they went to school.

Students who drop out tend to be clustered in a few schools and districts and leave during the first few years of high school. Schools across the state are not experiencing equivalent dropout rates. In FY13, 10 school districts and state-chartered charter schools accounted for 4,886, or 68 percent, of the state's dropouts. Over half of the state's dropouts are concentrated in 25 schools. Given dropouts tend to be concentrated in a few schools and school districts, the state's efforts should be targeted in these areas.

Over half of New Mexico's dropouts leave in ninth or 10<sup>th</sup> grade, though the decision to drop out of high school is made over years, mostly stemming from success and failures prior to high school. For example, first graders who are absent nine or more times are twice as likely to drop out. Research also suggests the strongest indicators of dropping out of school are attendance, behavior, and course failures, commonly called the ABCs of dropping out, and these characteristics can be used to identify students who are not on track to graduate.

Eight percent of New Mexico high school students are absent 10 percent or more of the school year and are at risk of dropping out. Of the 25 high schools with the greatest numbers of dropouts, 13 have chronic absenteeism rates above 10 percent, meaning more than 10 percent of students miss 18 or more days of school annually. Similarly, over 7000 students, or 8 percent, of New Mexico high school students are at risk of failing to graduate because they were suspended in FY14.

Over half of the state's dropouts are concentrated in 25 schools.

Of the 2,342 students who repeated ninth grade in FY10, 864, or 37 percent, dropped out in FY10-13.

#### FY14 New Mexico High School Student Absences

Number of Absences	Number of Students	Percent of Students
0	16,008	17%
1 to 5	44,922	47%
6 to 10	17,022	18%
11 to 17	9,094	10%
18+	7,822	8%

Source: LFC files

Twelve percent of New Mexico students who repeated ninth grade in FY10 graduated on time and 37 percent dropped out. In FY14, roughly eight percent of students repeated ninth grade or did not earn enough credits to be considered 10<sup>th</sup> graders. Ninth grade success and credit completion are also strongly associated with graduation. Research conducted by the University of Chicago Consortium of Chicago School Research found being on-track for graduation in ninth grade was a better predictor of high school graduation than race, income, neighborhood where a student lives, and prior test scores combined. In FY10, 27 thousand students in New Mexico were enrolled in ninth grade. Of these students, 2,342, or eight percent, were also enrolled in ninth grade in FY09.

**Research-based dropout prevention strategies occur sporadically around the state, but efforts should be more targeted to schools with large numbers of dropouts and low graduation rates.** Research identifies evidence-based programs that reduce incidences of student dropouts. Across studies, alternative education programs, mentoring or counseling, vocational training, college-oriented programming, and case management were consistently associated with reductions in truancy and dropping out. Several other interventions, including alternative schools, academic remediation, youth development programs, and attendance monitoring demonstrated mixed results when rigorously evaluated. A research-based framework for dropout prevention and high school completion includes both comprehensive and targeted approaches.

The Public Education Department (PED) has received \$1 million to develop a statewide early warning system that the department reports should be operational in 2015. PED reports the early warning dropout prevention system will combine various student indicators that a student may not be on track to graduate in a single report. If implemented as proposed, this initiative demonstrates promise as it follows evidence-based recommendations for identifying and targeting interventions to increase high school completion.

Examples of local efforts to reduce dropouts appear promising, though not always fully replicative of research based strategies, including attendance monitoring, case management, and alternative education programs. These initiatives and programs generally have not undergone rigorous evaluation, so the state lacks comprehensive data on the effectiveness of these efforts.

Santa Fe Public Schools has implemented comprehensive dropout prevention strategies, including the use of data to identify students at-risk and multiple programs to meet student needs. Albuquerque Public Schools and Las Cruces Public Schools have recently developed truancy initiatives that blend attendance monitoring with case management.

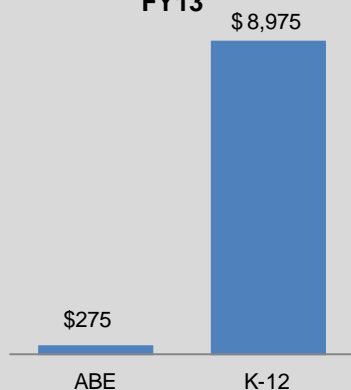
Several school districts are implementing alternative educational programs, though programs are sometimes limited to a few schools in the district. Alternative programs, which are embedded within traditional school settings, provide learning alternatives that are held within a traditional school.

**Per Student Formula  
Funds for the School  
Districts with the Greatest  
Number of Dropouts, FY14**

District	Per Student Formula Funds	At-Risk Index
Albuquerque	\$7,112	0.058
Gallup	\$7,053	0.095
Las Cruces	\$7,111	0.058
Roswell	\$6,836	0.066
Santa Fe	\$6,833	0.062
Farmington	\$6,629	0.057
Deming	\$6,804	0.09
Statewide	\$7,300	0.06

Source: Final Funded FY14

**State Funding per  
Adult: ABE and K-12  
Funding Formula,  
FY13**



Source: LFC files

***Changes to the public school funding formula would provide incentives to school districts to implement evidence-based interventions and increase the number of students graduating annually.*** New Mexico could develop financial incentives to encourage school districts to focus on increasing the number of high school students who graduate by basing a portion of the 12<sup>th</sup> grade formula weight upon the number of students who graduate annually and do not require remediation in postsecondary education. Additional increases would provide districts with large numbers of at-risk students additional resources to invest in interventions for students not on track to graduate, such as hiring social workers to provide case management services to regular education students, as opposed to only exclusively special education students.

**New Mexico is not investing in the most cost effective forms of dropout recovery.** New Mexico is implementing several strategies to reengage students who have left the public school system, including alternative schools, charter schools, efforts to recover students who have recently dropped out, flexible options for students, and preparation for high school equivalency exams. Programs vary in cost and demonstrate varying levels of effectiveness in increasing a student's likelihood of graduation.

Alternative schools tend to be expensive, and research about their effect on high school completion is mixed. Unlike alternative programs, alternative schools are typically separate from traditional settings, housed in their own buildings, and have their own teachers and staff. In New Mexico, assessing the impact alternative schools have on high school completion is difficult because no comparison group is readily available and students served tend to be high risk. As a result, alternative schools report low graduation rates and high numbers of dropouts. How students might have fared without the alternative school is unknown. Similarly, charter schools provide alternative school options for students but also account for a large proportion of New Mexico's dropouts and are expensive to operate.

***Reengaging adult students over the age of 22 through the K-12 public school system is not a cost-effective recovery strategy.*** Statute currently allows public schools to enroll and claim funding for adult students, though federal special education laws limit the provision of services to students age 22 or younger. Several school districts and charter schools are currently enrolling adults over the age of 22, and several other districts reported looking into the legality of enrolling adults. Adults enrolled in New Mexico Public Schools range between the ages 23 and 90, and 30 percent of these adult students are between the ages of 31 and 40. In FY13, a total of 1,125 adults age 22 and over were enrolled in New Mexico Public Schools. Of the adults over the age of 22 attending public schools in New Mexico, 90 percent were enrolled in charter schools, where per student formula funding tends to be higher than the state average of \$7,044 in FY13.

Public schools educating adult students spent more to educate 1,000 adult students than the adult basic education system spent to educate 19 thousand students in FY13. Public schools received approximately \$10.1 million through the public school funding formula in FY13 to educate a total of 1,125 adult students. In comparison, adult basic education (ABE) programs



Public schools educating adult students (over the age of 22) spent more to educate 1,000 adult students than the adult basic education system spent to educate 19 thousand students in FY13.

Adults enrolled in New Mexico public schools range between the ages 23 and 90, and 30 percent of these adult students are between the ages of 31 and 40.

received \$5.4 million in state funds to educate over 19 thousand students. Many adults who attend charter schools in the K-12 system never earn a high school credential and schools that serve adults tend to enroll students for far fewer than 180 days, a full school year.

Adult basic education programs, which help adults earn a GED, are more cost-effective ways to help adult students over the age of 22 earn a high school credential than dropout recovery programs for adults in the public school system. The difference between a GED or other high school credential equivalent and high school credential in New Mexico does not appear substantial. While national data suggests there may be advantages to having a high school diploma over a high school diploma equivalent, advantages are not dramatic in New Mexico.

**New Mexico should better target adult basic education (ABE) resources to improve outcomes for adults.** According to the U.S. Census, more than 220 thousand adults in New Mexico lack a high school diploma or equivalent. ABE programs serve roughly 20 thousand adults, but few report waiting lists.

ABE programs in New Mexico spread limited resources thinly among many students. In FY13, a total of \$8.8 million, including \$3.5 million in federal funding, \$5.1 million in state funding and \$200 thousand in carry-over funds, was allocated to ABE providers to serve 19 thousand fundable students, reflecting an average allocation of \$453 per student. New Mexico allocated proportionally more state funds to ABE programs in FY13 than several surrounding states but also allocated less per student. Arizona, in contrast, has elected to allocate more funds per student and serve a smaller adult population.

Currently, New Mexico does not target adults who lack a high school credential as the primary target population for ABE services. Students who enroll in either adult basic education services or adult secondary education (ASE) services, in preparation for a high school credential equivalent are often young parents. Given the demographics of students pursuing a high school credential equivalent, many are likely the same populations for which early childhood interventions, such as home visiting and early childhood services, are intended and the state could further target the parents of children receiving these services.

***New Mexico ABE performance on several federal indicators lags behind surrounding states, in part as a result of low instruction intensity.*** New Mexico ABE programs are generally not performing as well as programs in surrounding states, and students tend to be enrolled in ABE programs for lengthy, yet discontinuous, amounts of time. Surrounding states report higher rates of students making academic growth, gaining and retaining employment, and entering postsecondary education.

Adults tend to enter ABE services performing below the high school level and require several years of instruction to earn a high school equivalent. Adult education students are able to complete a high school equivalent with relatively few class sessions, but discontinuous attendance and other barriers

PED has the authority to approve high school credential equivalent exams but has not yet approved assessments other than the GED.

Nine percent of students enrolled in adult education services entered the program ready for instruction at the adult secondary level, the equivalent to ninth through 12<sup>th</sup> grades.

Students who completed a GED in FY13 only attended an average of 77 instructional hours, but required three years to complete a GED.

hinder students from quickly earning a high school credential. Students who completed a GED in FY13 only attended an average of 77 instructional hours but required 3 years to complete a GED.

Opportunities for improving ABE programs include hiring full-time faculty, which is associated with higher rates of academic growth, and providing professional development opportunities for instructors. Additionally, New Mexico should consider strategies to remove barriers to program completion and provide more intensive services, such as providing financial aid to students as long as they reach certain benchmarks and reconfiguring course offerings. The existing ABE funding formula provides a mechanism through which the state may provide incentives to improve ABE program outcomes.

Finally, other states may provide additional examples of ways to focus efforts on targeted adult populations. Two-generation approaches to addressing cycles of poverty focus on addressing the needs of both vulnerable parents and children together by equipping parents to better support their children's learning. Currently, low-income parents may receive assistance from a variety of sources, including adult basic education and workforce development programs, while their children receive services from early childhood education programs, such as child care or prekindergarten. Several models exist nationally for blending funds or stacking services to provide interventions and programs to parents and child simultaneously, and research consistently indicates parental education is highly predictive of child outcomes.

Adult education efforts should be coordinated with the state's workforce system to enhance their potential impact. The 2014 reauthorization of the federal Workforce Investment Act will require more collaboration between the workforce system and the adult basic education system, among others. WIOA is intended to encourage alignment and coordination among federal programs that support employment services, workforce development, adult education, and vocational rehabilitation services and will require common performance measures across programs.

## KEY RECOMMENDATIONS

The Legislature should:

- Modify the funding formula weight for 12<sup>th</sup> grade, creating an index to allocate a portion of the 1.25 weight based on high school completion and possibly postsecondary remediation.
- Continue to increase the at-risk index and associated funding for the new units.
- Amend the Compulsory School Attendance Law to require districts to contact parents or guardians after 10 excused student absences to identify and address the causes of absenteeism.
- Limit the age at which students may be counted in the state's public school funding formula to age 22 and reprioritize a portion of the funds generated by adults over the age of 22 in the state's funding formula to the adult basic education program administered by the Higher Education Department.
- Additional funds for ABE programs should be applied to the performance-based component of the ABE allocation to support the implementation of targeted and intensive ABE instructional efforts.
- Fund a pilot ABE program initiative that targets young adults who lack a high school credential and are receiving other public assistance programs that would include efforts to improve outcomes for adults.

The Higher Education Department should:

- Use ABE funds to provide additional professional development for ABE instructors.
- Work with the Workforce Solutions Department to develop a coordinated workforce and adult basic education state plan that identifies populations and programs to target to address the state's need.

The Public Education Department should:

- Complete the data component of the early warning system as planned by February 2015.
- Require districts with large numbers of students at risk to present drop out plans prior to approval of FY16 district budget.

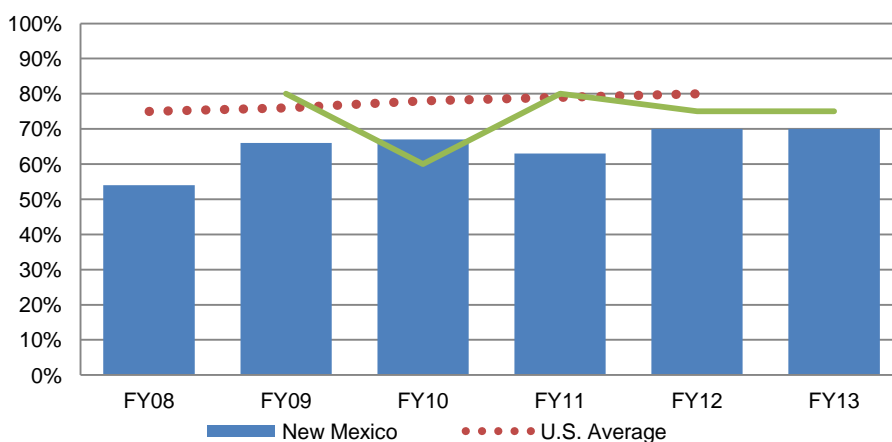
## BACKGROUND INFORMATION

New Mexico invests heavily to provide a high school education for its students and has implemented a number of high school “redesign” efforts to improve accountability and better prepare students for college and the workplace. In 2007 and 2008, the Legislature passed bills that added the requirement of an additional year of math for all high school students, required at least one advanced placement, dual-credit, or online course, and replaced the New Mexico high school competency exam with exams designed to assess student readiness for college and the workplace. In FY14, New Mexico allocated \$363 million for students in grades nine through 12 through the state’s public school funding formula. Recent LFC evaluations have emphasized the importance of postsecondary educational attainment, as 65 percent of all jobs nationally will likely require a postsecondary education by 2020, and high school completion is a necessary condition for college and career readiness.

**Graduation Rates.** Despite significant investments, New Mexico’s graduation rate lags behind desired outcomes and the national average. New Mexico’s high school graduation rate has improved over the last five years, from 54 percent in FY08 to 70 percent in FY13, but continues to fall below the state performance target of 75 percent for a four year cohort. A graduation rate of 70 percent translates to roughly 7,700 non-graduates in the FY13 four-year cohort.

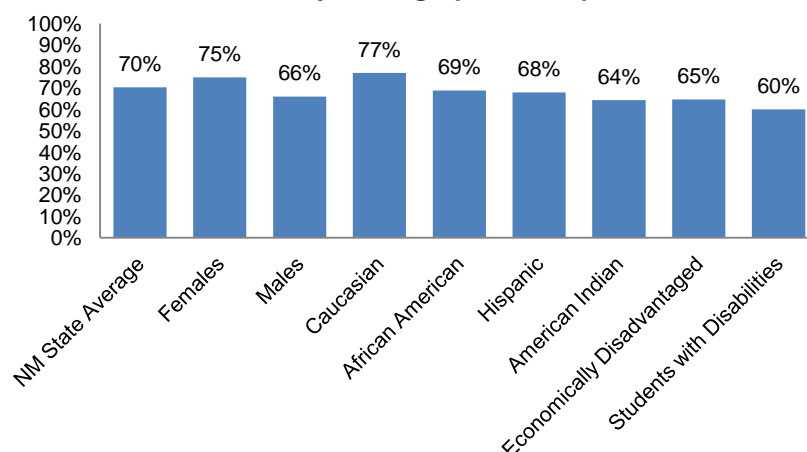
In FY12, the most recent year for which national data is available, New Mexico’s four-year graduation rate of percent lagged behind the national average of 80 percent and was higher than only Nevada and Oregon.

**Chart 1. New Mexico Four-year Cohort Graduation Rate**



Additionally, graduation rates among demographic groups vary. Seventy-five percent of female students in the FY13 cohort graduated on time, compared to 66 percent of males. Also in FY13, 65 percent of economically disadvantaged students, 60 percent of students with disabilities, and 68 percent of Hispanic students graduated in four-years.

**Chart 2. FY13 Four-Year Graduation Cohort Rate by Demographic Group**



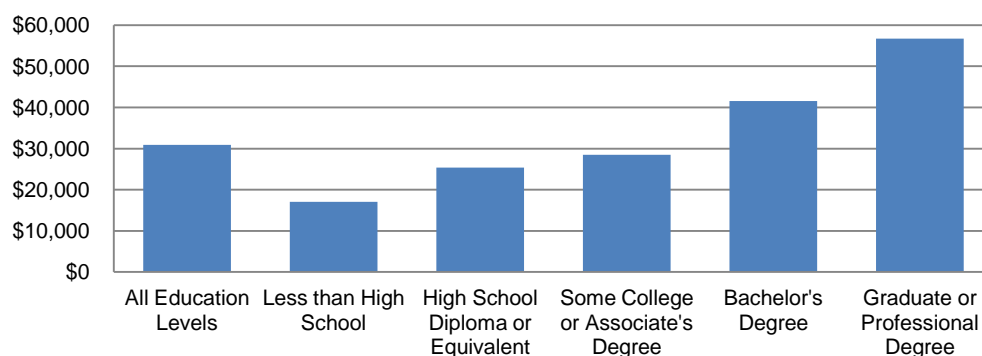
Source: PED

States experience significant costs when students do not graduate. The National Governor's Association (NGA) estimates each adult who does not complete high school costs the public more than \$200 thousand over the course of their lifetime as a result of decreased tax payments, increased public health costs, increased costs related to crime, and welfare costs. The NGA reports tax payers could save \$45 billion annually if the number of high school dropouts were cut in half.

Adults who lack a high school credential are significantly more likely to rely on public assistance, and generate income far below the median annual household income in New Mexico. Failing to complete high school is associated with negative employment and life outcomes. Additionally, adults without a high school diploma are much more likely to live in poverty, more likely to become incarcerated at some point in their lives, and tend to be less healthy than adults with a high school credential (Burrus & Roberts, 2012).

The median annual income of adults without a high school credential in New Mexico is \$17 thousand, roughly \$14 thousand less than the state's median income. Income among females without a high school credential is considerably less, \$12 thousand annually. Adults who possess a high school credential or an equivalent earn a median income of \$25 thousand annually.

**Chart 3. New Mexico Median Annual Earnings by Educational Attainment Among Adults 25 Years and Older, 2012**



Source: WSD



Adults who lack a high school credential tend to be employed in food services, retail, and health care industries. The Workforce Solutions Department (WSD) reports 27 percent of employed adults who lack a high school credential are employed in accommodation or food service industries, and 24 percent are employed in retail and trade.

**Table 1. Distribution of Employment by Major Industry Occupations Typically Requiring Less than a High School Diploma/GED, 2012**

Accommodation and Food Service	27%
Retail and Trade	24%
Health Care and Social Assistance	12%
Construction	5%
Self-Employed	5%
Other	27%

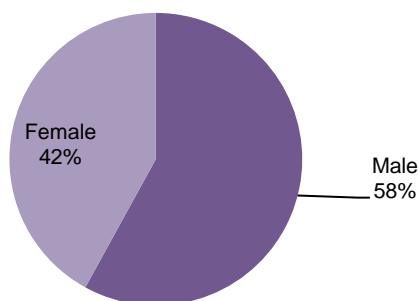
Source: WSD

Adults without a high school credential are likely to rely upon public assistance and be unemployed. Of the roughly 19 thousand adults enrolled in adult basic education courses in FY13, 30 percent self-reported receiving public assistance. Additionally, 22 percent, or 13 thousand adults, receiving unemployment benefits through the WSD unemployment insurance system self-report lacking a high school credential or equivalent.

The majority of the state's incarcerated adults lack a high school credential. Regardless of race or ethnicity, prison and jail inmates come from the least educated segments of society. Nationally, nearly one of every 10 young male high school dropouts is institutionalized on a given day, compared to fewer than one in 33 high school graduates, and one in 500 who hold a bachelor's degree (Center of Labor Market Studies at Northeastern University, 2009). Among white male high school dropouts born in the late 1970s, about one third is estimated to have served time in prison by their mid-30s, according to the National Academy of Sciences. Reflecting a similar association between education and incarceration, the New Mexico Corrections Department (NMCD) reports 54 percent of the state's 6,800 incarcerated adults lack a high school credential or equivalent.

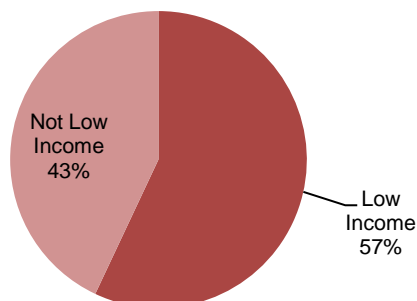
**Student Dropouts.** Reflecting national trends, the majority of New Mexico students who drop out are male and low-income. Additionally, 15 percent of students who dropped out in New Mexico in FY13 were classified as English Language Learners (ELL), and 11 percent were classified as special education students (SPED).

**Chart 4. FY13 Dropouts by Gender**  
N=7,185



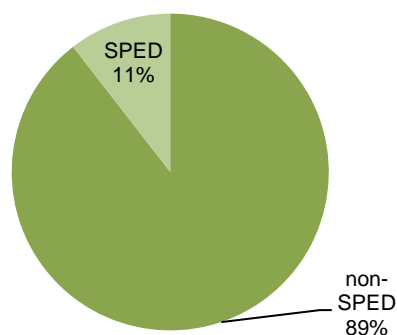
Source: LFC files

**Chart 5. FY13 Dropouts by Student Poverty Status**  
N=7,185



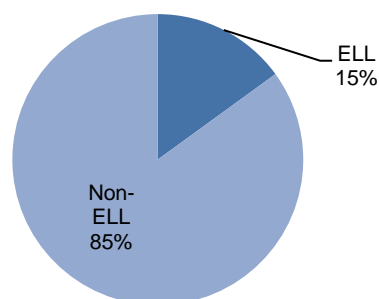
Source: LFC files

**Chart 6. FY13 Dropouts by Special Education Status**  
N=7,185



Source: LFC files

**Chart 7. FY13 Dropouts by English Language Status**  
N=7,185



Source: LFC files

**Dropout Prevention Initiatives.** Dropping out is a process that begins well before high school, and students exhibit identifiable warning signs several years before they leave school (Burrus & Roberts, 2012). Indicators that predict a student's likelihood of dropping out include demographic factors, such as poverty and minority status, performance characteristics, such as school attendance, lack of engagement, and course failure.

National Conference of State Legislatures (NCSL) reports recent attempts to improve drop out rates at the state legislative level have included policies that increase the rigor and relevance of curriculum and improve in-school relationships to make high school more challenging and meaningful for a greater number of students. States including Arkansas and Florida now require students to complete advanced placement (AP) or college-level courses. Indiana and Texas have passed comprehensive dropout prevention legislation, which include consequences for high school dropouts, establishes alternative school programs for students in grades 11 and 12, the inclusion of dropout, suspension, and credit-completion metrics in annual school report cards, and annual review of student career plans.

In 2007 and 2008, New Mexico pursued similar initiatives. For example, beginning with the graduating class of 2013, high school students are required to complete four units of math, including one or more unit at the algebra II level or higher and one unit from a career cluster or workplace readiness cluster. Additionally, students are now required to complete one or more honors, AP, online, or dual credit course. New Mexico also requires students to develop course and career plans beginning in eighth grade. Finally, beginning with the class of 2013, students must meet the cut score for high school graduation on the state's 11<sup>th</sup> grade standards based assessment (SBA) or meet alternate demonstration of competency options to graduate.

**Adult Education.** Title II of the Federal Workforce Investment Act of 1998 (WIA), also known as the Adult Education and Family Literacy Act, provides for adult education, which the act defines as services or instruction below the postsecondary level for individuals who are over 16 years of age, are not enrolled in secondary school, and who lack sufficient mastery of basic educational skills, do not have a secondary school diploma or its recognized equivalent, or who are unable to speak, read, or write the English language.

The purpose of the act is to:

- help adults become literate and obtain the knowledge and skills necessary for employment and self-sufficiency;
- assist adults who are parents to obtain educational skills needed to become full partners in the educational development of their children; and
- assist adults in the completion of a secondary school education.

Adult basic education (ABE) services offered in New Mexico include:

- adult basic education (grades one through eight and adult literacy);
- adult secondary education (grades nine through 12 and high school equivalency preparation);
- English as a second language (ESL);
- family literacy;
- workplace literacy;
- work-based learning; and
- civics education.

Title II of the WIA awards five-year grants to states to provide ABE services. Federal funding levels are determined according to a formula that is based on the number of adults in the state who have not completed high school and requires states provide an appropriation to ABE to receive federal funds.

New Mexico's ABE programs are administered by the Adult Basic Education Division of the Higher Education Department (HED). The division provides overall program administration of state and federal ABE funds, including state planning, site selection, monitoring and evaluation, and technical assistance. HED distributes funds to program providers who are selected through a request for proposal process. Eligible providers include local educational agencies (LEAs), community-based and volunteer literacy organizations, postsecondary educational institutions, and other nonprofit organizations. Funds are awarded according to a formula that calculates weighted student headcount by level of instruction and student contact hours, and the formula includes a performance component. In FY13, 26 ABE providers operated in New Mexico. Of these, 22 were administered by postsecondary institutions, three were administered by community-based organizations, and one was administered by a LEA.

The WIA requires states to report four core indicators annually:

- placement of participants in unsubsidized employment;
- retention in unsubsidized employment or career advancement;
- receipt of a secondary school diploma or its recognized equivalent; and
- demonstrated improvements in literacy skill levels in readings, writing, and speaking the English language, numeracy, problem solving, English language acquisition, and other literacy skills.

## FINDINGS AND RECOMMENDATIONS

### GRADUATING 2,600 MORE STUDENTS ANNUALLY WOULD PRODUCE ABOUT \$700 MILLION IN NET BENEFITS TO NEW MEXICO OVER THE LIFETIMES OF THESE STUDENTS

**Each additional high school graduate produces roughly \$267 thousand in net benefits.** Using New Mexico data, the Pew Results First cost benefit model suggests each high school graduate in New Mexico produces considerable net benefits, including \$100 thousand to taxpayers and other beneficiaries and \$178 thousand to participants, compared to non-graduates. If New Mexico were to increase the state's four-year graduation rate by 10 percent, an additional 2,600 students annually, the state would experience net benefits of about \$700 million for each cohort year increase over the lifetimes of the students. These benefits come primarily from increased earnings, crime reduction, and healthcare benefits. New Mexico can increase the number of students who graduate annually by reducing the number of students who drop out before completing high school.

**Table 2. Results First: Benefits of Each Additional High School Graduate in New Mexico**

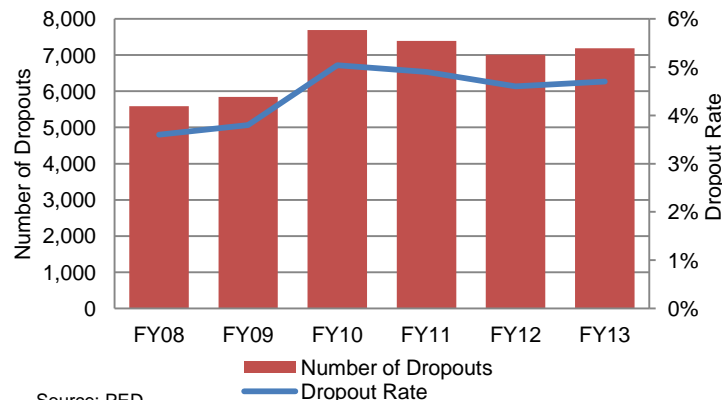
Benefits to Participants	\$178,400
Benefits to Tax Payers	\$100,006
Other Benefits	\$74,097
Total Benefit	\$352,503
State Costs for K-12 Education*	\$85,292
<b>Total Benefits-Costs (net benefits)</b>	<b>\$267,211</b>

Source: LFC New Mexico Results First

\* Includes revenue from the public school funding formula only

**Despite improvements in graduation rates, the large numbers of students dropping out impedes New Mexico from reaching graduation targets.** While the state's four-year graduation rate has improved in recent years, New Mexico's drop out rate has increased slightly from 3.6 percent in FY08 to 4.7 percent in FY13. The drop out rate counts students between grades seven and 12 who leave the state's public school system and do not provide a new school address. The drop out rate metric differs from graduation rate, which only considers cohorts, because it counts students who leave public schools prior to ninth grade and considers all students who leave the public school system in a given year, regardless of their graduation cohort year. In FY13, the Public Education Department (PED) reported 7,185 New Mexico students dropped out, leaving the public school system without a high school credential, and reducing the state's four-year graduation rate. Much data exists about who these students are and where they attended school.

**Chart 8. New Mexico Dropout Rates and Students Dropping Out Has Increased Since FY08**



Source: PED

**Students who drop out tend to be clustered in a few schools and districts and leave during the first few years of high school.** In FY13, seven thousand of 152 thousand seven to 12<sup>th</sup> grade students dropped out of the state's public school system. Schools across the state are not experiencing equivalent drop out rates, nor are they reporting equivalent numbers of dropouts. In FY13, 10 school districts and state-chartered charter schools accounted for 4,886, or 68 percent, of the state's roughly seven thousand dropouts.

**Table 3. Ten School Districts and State-Chartered Charter Schools with the Largest Numbers of Dropouts, FY13**

High School	Total Dropouts	Dropouts as Percent of Total	Four-Year Graduation Cohort Rate
Albuquerque	3,001	7%	69%
Gallup	428	7%	71%
Las Cruces	332	3%	67%
New America Charter- Albuquerque	226	39%	23%
New America Charter - Las Cruces	190	48%	35%
Roswell	178	4%	69%
Santa Fe	159	3%	60%
Farmington	126	3%	68%
The Great Academy- Albuquerque	125	48%	3%
Deming	121	5%	64%
<b>Group Total</b>	<b>4,886</b>		

Source: PED

Note: School districts include locally-chartered charter schools

***Over half of the state's dropouts are concentrated in 25 schools.*** Roughly 3,700 of the students who dropped out in FY13 attended one of 25 of the state's 230 high schools. In FY13, nearly 1,500 students dropped out of Gordon Bernell Charter School, an Albuquerque Public Schools (APS) chartered school. This amount accounts for roughly 50 percent of all APS dropouts and 21 percent of all dropouts statewide. In total, dropouts from these 25 schools account for 52 percent of all FY13 dropouts in New Mexico.



**Table 4. Twenty-Five New Mexico Schools with the Largest Numbers of Dropouts, FY13**

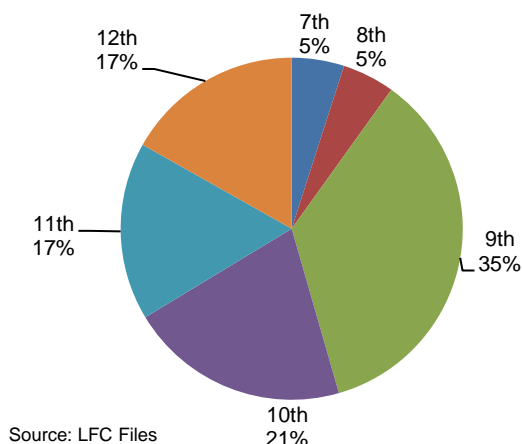
High School	School District/Charter	Total Dropouts	Dropouts as Percent of Total Enrollment	Four-Year Graduation Cohort
Gordon Bernell Charter School	Albuquerque	1,473	100%	14%
New America Charter- Albuquerque	State Charter	226	39%	23%
New America Charter- Las Cruces	State Charter	190	48%	35%
The Great Academy Charter School- Albuquerque	State Charter	125	48%	3%
Robert F. Kennedy Charter School - Albuquerque	Albuquerque	116	42%	16%
Gallup Central Alternative School	Gallup-McKinley	108	29%	39%
Highland High	Albuquerque	106	6%	64%
Clovis High	Clovis	106	6%	78%
Manzano High	Albuquerque	102	6%	68%
SIA Tech (ABQ Charter Academy)	Albuquerque	93	21%	39%
Espanola Valley High	Espanola	87	9%	60%
Ace Leadership High School- Albuquerque	State Charter	86	26%	22%
La Academia De Esperanza	Albuquerque	81	19%	12%
Del Norte High	Albuquerque	79	7%	62%
Carlsbad High	Carlsbad	77	5%	78%
Belen High	Belen	72	6%	60%
Deming Cesar Chavez Charter	Deming	71	36%	20%
Hobbs High	Hobbs	71	4%	82%
Bernalillo High	Bernalillo	69	8%	59%
Roswell High	Roswell	69	5%	66%
Rio Grande High	Albuquerque	68	5%	65%
Las Cruces High	Las Cruces	68	4%	68%
University High	Roswell	68	34%	26%
West Mesa High	Albuquerque	67	4%	65%
Las Montañas Charter	Las Cruces	67	22%	30%
<b>Group Total</b>		<b>3,745</b>		

Source: PED

At the same time, 56 school districts and state-chartered charter schools reported between one and 10 dropouts in FY13, and 28 school districts and state-chartered charter schools reported no dropouts in FY13. Because dropouts tend to be concentrated in a few schools and school districts, state efforts to increase the number of high school students earning credentials should be targeted in these areas.

**Students who drop out in New Mexico tend to leave school during ninth or tenth grade.** Of the 7,185 dropouts reported by PED in FY13, over half dropped out in ninth or 10<sup>th</sup> grade. PED collects data about students who drop out in grades seven through 12. Students included in this data either formally dropped out by obtaining a waiver signed by their school district's superintendent, or simply stopped coming to school, could not be found in New Mexico's public school system, and did not request a transcript. Only students between the ages of 16 and 18 are allowed to obtain waivers to formally drop out, and students are officially expected to pursue a high school credential equivalent.

**Chart 9. FY13 Dropouts by Grade**  
**N=7,185**



These findings are consistent with national trends, though the decision to drop out of high school is made over years, mostly stemming from successes and failures prior to high school (Kerzon & Legters, 2013). For example, first graders who are absent nine or more times are twice as likely to drop out. Targeted interventions in the schools producing the greatest numbers of dropouts, if implemented early in a student's high school career, could significantly increase the number of students graduating in New Mexico.

**Both national research and state data confirm students who drop out tend to have poor attendance, behavioral referrals, and multiple course failures.** Research suggests the strongest indicators of dropping out of school are attendance, behavior, and course failures, commonly called the ABCs of dropping out, and these characteristics can be used to identify students who are not on track to graduate. Dropout rates are strongly associated with chronic absenteeism. According to the Utah Education Policy Center, chronically absent students, defined as students who miss 10 percent or more of the school year, are 7.4 times more likely to drop out. Similarly, Johns Hopkins University reports every high school suspension decreases a student's odds of graduating by 20 percent, after controlling for demographics and course completion.

***Eight percent of New Mexico high school students are absent 10 percent or more of the school year and are at-risk of dropping out.*** Of the 25 high schools with the greatest numbers of dropouts, 13 have chronic absenteeism rates above 10 percent, meaning more than 10 percent of students miss 18 or more days of school annually and are at-risk of dropping out.

**Table 5. FY14 New Mexico  
High School Student  
Absences**

Number of Absences	Number of Students	Percent of Students
0	16,008	17%
1 to 5	44,922	47%
6 to 10	17,022	18%
11 to 17	9,094	10%
18+	7,822	8%

Source: LFC files

**Table 6. Percent of Chronically Absent Students at High Schools with the Largest Numbers of Dropouts, FY14**

High Schools with Greatest Number of Dropouts	Students Absent 18+ Days
Bernalillo High	57%
The Great Academy	42%
Belen High	33%
Robert F Kennedy Charter	31%
Gallup Central Alternative	29%
Ace Leadership High School	26%
Deming Cesar Chavez	26%
New America Charter- Las Cruces	23%
University High (Roswell)	19%
New America Charter- Albuquerque	16%
SIA Tech (ABQ Charter Academy)	16%
La Academia De Esperanza Charter	14%
Espanola Valley High	10%
Hobbs High	9%
Clovis High	7%
Gordon Bernell Charter School	7%
Highland High	6%
Las Montañas Charter	6%
Del Norte High	4%
Carlsbad High	3%
West Mesa High	3%
Manzano High	2%
Roswell High	2%
Las Cruces High	1%
Rio Grande High	1%

Source: LFC files

***Eight percent of New Mexico high school students are at-risk of failing to graduate because they were suspended in FY14.*** Suspension rates vary among schools, with many of the high schools that produce the most dropouts reporting suspension rates higher than the state average. In total, over 7,000 high school students in New Mexico were suspended in FY14. Of the 25 high schools with the greatest number of dropouts, Clovis High School reported 23 percent of its students received suspensions in FY14.

**Table 7. Percent of Students Suspended at High Schools with the Largest Numbers of Dropouts, FY14**

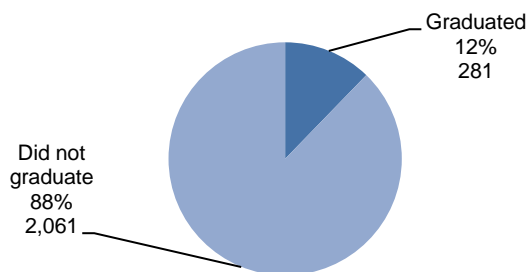
<b>School</b>	<b>Number of Students with One or More Suspensions</b>	<b>Percent of Enrolled Students with One or More Suspensions</b>
Clovis High	349	23%
Bernalillo High	125	17%
La Academia De Esperanza Charter	60	17%
University High (Roswell)	25	16%
Carlsbad High	192	12%
Espanola Valley High	106	12%
Gallup Central Alternative	32	12%
Belen High	117	11%
Highland High	161	11%
Del Norte High	110	10%
West Mesa High	132	10%
Rio Grande High	113	8%
Ace Leadership high School	23	7%
Las Cruces High	120	7%
Manzano High	117	7%
New America Charter- Albuquerque	23	6%
Robert F Kennedy Charter	17	6%
Las Montañas Charter	9	4%
The Great Academy	5	3%
Hobbs High	55	3%
New America Charter-Las Cruces	10	3%
Roswell High	43	3%
SIA Tech (ABQ Charter Academy)	7	2%
Deming Cesar Chavez	2	1%
Gordon Bernell Charter School	2	<1%
<b>All High School Students Statewide</b>	<b>7,175</b>	<b>8%</b>

Source: LFC Files

***Twelve percent of New Mexico students who repeated ninth grade in FY10 graduated on time and 37 percent dropped out.*** Ninth grade success and credit completion are also strongly associated with graduation. Research conducted by the University of Chicago Consortium of Chicago School Research found being on-track for graduation in ninth grade was a better predictor of high school graduation than race, income, neighborhood where a student lives, and prior test scores combined. Researched defined “being on-track” as earning five or more credits in ninth grade and no more than one semester of an “F” in a core class. The more credits students earn during their freshman year, the more likely they are to graduate in four years. A particularly large gap in graduation rates exists between students who earn six or more credits and those who earn fewer, and the number of full credits earned is highly predictive of who will eventually graduate. Similarly, research conducted in the Baltimore City Public Schools found ninth grade attendance and ninth grade course failure are significantly predictive of later graduation and concluded equipping schools to implement interventions to address chronic absenteeism and course failure in ninth grade is a crucial strategy for increasing both high school graduation and college enrollment.

Because high school grade determination is based on credit completion, repeating ninth grade suggests a student did not earn enough credits to advance to the 10th grade. Grade-level requirements vary by district, but students in New Mexico must earn roughly six credits to be classified as a 10<sup>th</sup> grader and 24.5 credits to graduate. In FY10, 27 thousand students in New Mexico were enrolled in ninth grade. Of these students, 2,342 or 8 percent were also enrolled in ninth grade in FY09. Of the 2,342 students who repeated ninth grade in FY10, only 287 graduated with their four-year cohort in FY12. The overall graduation rate for the FY12 cohort was 70 percent. Data to determine whether these students graduated in five or six years is not yet available. However, of the 2,342 students who repeated ninth grade in FY10, 864 or 37 percent dropped out in FY10-13.

**Chart 10. FY12 Graduation Cohort  
Students who Repeated Ninth  
Grade  
N=2,342**



Source: LFC files

In FY14, several of the schools associated with the greatest numbers of dropouts also reported high proportions of students repeating ninth grade, including New America Charter Schools, Belen High School, Highland High School, and Espanola Valley High School. In FY14, more than 20 percent of the ninth graders at each of these schools were also enrolled in ninth grade in FY13.

**Table 8. Percent of Repeating Ninth Graders at the High Schools with  
the Largest Numbers of Dropouts, FY13 to FY14**

High School	Total Ninth Grade Enrollment	Percent of FY14 Ninth Graders also Ninth Graders in FY13
University High (Roswell)	39	77%
Las Montañas Charter	54	46%
La Academia De Esperanza Charter	95	33%
School For Integrated Technology (SIA Tech) Charter	88	32%
Ace Leadership Charter High School	66	32%
The Great Academy Charter	63	32%
Gallup Central Alternative	26	27%
New America Charter- Albuquerque	120	25%
Belen High	437	24%
Highland High	516	22%
New America Charter - Las Cruces	90	20%
Robert F. Kennedy Charter	133	20%
Roswell High	461	15%
Manzano High	528	14%
Las Cruces High	474	8%
Rio Grande High	508	7%
Del Norte High	373	7%
Gordon Bernell Charter School	383	6%
West Mesa High	436	4%
Carlsbad High	496	1%
Espanola Valley High	259	<1%
Clovis High	582	<1%
Hobbs High	692	<1%
Deming Cesar Chavez Charter	10	<1%
Bernalillo High	176	<1%

Source: LFC Files, 120th day count

In the cases highlighted above, LFC staff identified individual students with chronic absenteeism, course failures, and repeated behavioral problems resulting in suspensions, suggesting the state possesses the data needed to identify students at-risk for dropping out and target interventions to these students.



**RESEARCH-BASED DROPOUT PREVENTION STRATEGIES OCCUR SPORADICALLY AROUND THE STATE, BUT EFFORTS SHOULD BE MORE TARGETED TO SCHOOLS WITH LARGE NUMBERS OF DROPOUTS AND LOW GRADUATION RATES**

**Evidence-based dropout prevention initiatives may significantly increase the number of students in New Mexico who receive a high school diploma.** Research conducted by the Washington Institute for Public Policy, Institute of Education Sciences, and Wilson & Tanner-Smith (2013) identifies evidence-based programs that reduce incidences of student dropouts. Across studies, alternative education programs, mentoring or counseling, vocational training, college-oriented programming, and case management were consistently associated with reductions in truancy and dropping out. Several other interventions, including alternative schools, academic remediation, youth development programs and attendance monitoring demonstrated mixed results when rigorously evaluated. Analysis identified additional programs intended to reduce dropout rates for which rigorous evaluations have not been conducted. The research-basis for these programs is thus unknown.

**Table 9. Effects of Programs on Student Truancy and Dropout Outcomes**

Program	Strong Evidence of Effectiveness	Mixed Research Evidence	Research Support is Unavailable
<b>Alternative Education Programs</b> - Programs involving a group of <i>students in a traditional school</i> that usually offer small class size, more individualized instruction, school or class restructuring, small learning communities, or career academies.	X		
<b>Case Management</b> -Programs revolve around connecting students and families with appropriate services.	X		
<b>College-Oriented Programming</b> -College preparatory curriculum, and college-oriented academic advising.	X		
<b>Mentoring/ Counseling</b> - Providing students with positive role models or counselors, who help with specific academic issues (e.g. homework) advocate for the student in the school system, connect to other services, and/or address personal issues.	X		
<b>Vocational/ Employment</b> -Coursework, internships, or employment oriented toward work or career interests.	X		
<b>Academic Remediation</b> -Providing students with additional or intensive instruction to improve academic skills, usually in core subject areas (e.g. reading and math).		X	
<b>Alternative Schools</b> -Schools with separate facilities and services for students who struggle in traditional school settings. Schools usually incorporate alternative curriculum and psychosocial services (e.g. counseling and case management).		X	
<b>Attendance Monitoring</b> -Monitoring and services to increase attendance.		X	
<b>Behavioral Programs</b> -Targeting students' school behaviors by helping them analyze and problem-solve negative behaviors, and/or by establishing a system of contingencies (rewards/punishments) for desirable and undesirable behaviors.		X	
<b>Youth Development</b> -Preventing negative school outcomes by promoting bonding with positive figures and school environment, fostering competence and skill-building, supporting resilience, and community service.		X	
<b>Additional Services</b> -Schools offer services that meet additional needs of the at-risk population served (e.g. childcare center/parenting classes and/or school-based health center).			X
<b>Driver License Suspension</b> -Revoking the licenses of students or parents.			X
<b>Parent Outreach</b> -Engaging parents in identifying and solving their child's school problems; often families are referred to social or other supportive services.			X
<b>Welfare Payment Reductions</b> -Withholding public assistance or benefit payments.			X

Sources: Institute for Education Studies, Washington State Institute for Public Policy, Wilson & Tanner-Smith, 2013

***A research-based framework for dropout prevention and high school completion includes both comprehensive and targeted approaches.*** In contrast, relying upon separate, non-integrated programs is not an effective approach. The George Washington University Center for Excellence in Education recommends an integrated approach to dropout prevention include the following elements:

- identification of students at-risk of dropping out;
- development and implementation of an early warning system; and
- development and implementation of an intervention system linked to an early warning system.

Because the majority of students who do not earn a high school credential are concentrated in a few school districts and charter schools across the state, LFC efforts to identify the implementation of research-based strategies focused on the school districts and charter schools producing the greatest number of dropouts.

**Students at-risk of dropping out should be identified early in their school careers through early warning systems (EWS).** Historically, the state has lacked a comprehensive way to target interventions for students at-risk of dropping out. EWSs involve school personnel collectively analyzing student data to monitor students at-risk of falling off track for graduation so that school personnel can intervene. Research from the Johns Hopkins University and the Philadelphia Education Fund reveals a substantial percentage of eventual dropouts can be identified as early as sixth grade; through an examination of sixth-grade student data regularly collected by school systems, 60 percent of the students who will not graduate from the school system within one year of expected graduation can be identified. Receiving failing grades in core courses, chronic absences, and unsatisfactory behavioral marks in elementary and middle school are strongly associated with not graduating on time and typically serve as identification indicators in an early warning system. EWSs may be readily available, because they rely on existing data, enable teachers and administrators to focus on the most important indicators for graduation success, can be incorporated into real-time data systems to monitor student progress over time, and allow districts and states to monitor how well schools are helping students stay on track to graduate. The Institute of Education Sciences ranks EWSs by themselves as having a low-level of effectiveness because no studies have directly evaluated the effect of using data on staying in school. However, the Institute also reports an EWS is a critical component in identifying students who would benefit from targeted interventions aligned with accurate assessments of the student's problems. Similarly, for early warning systems to be effective states must have strong commitments to the success of the system from schools, districts, and departments of education, strong technical components, and support to ensure accurate and timely access to student data and intervention resources.

***The Public Education Department has received \$1 million to develop a statewide EWS that the department reports should be operational in 2015.*** In April 2013, PED announced a graduation initiative intended to increase graduation rates, decrease the number of dropouts, and prepare students for success in college or careers. This initiative involves funds for advanced placement courses, work readiness, early college high school start up, college and career readiness assessments, and an EWS. According to PED, "the early warning dropout system will utilize data collected by the PED, including third grade reading proficiency, middle school truancy rates and course failures, and ninth grade truancy rates and grade point average, to identify students at-risk of dropping out of school. Factors will be combined into a single report and made available to school guidance counselors, who will engage students and parents for early intervention if needed." Currently, most schools and districts do not have a single report to identify students at-risk of dropping out. If implemented as proposed, this initiative demonstrates promise as it follows evidence-based recommendations for identifying and targeting interventions to increase high school completion. In FY14 and FY15, PED requested \$500 thousand from the general fund for a dropout prevention program. In FY14 the legislature appropriated \$500 thousand for the program, and in FY15 the legislature included dropout prevention as part of \$2.9 million appropriation for college preparation and career readiness. In FY14, PED spent \$300 thousand to provide professional development to education professionals about EWSs, before New Mexico's EWS was developed. PED also contracted for \$200 thousand with Double Line, Inc. to support the development of the Early Warning tool, which is being developed internally by the department.

**Table 10. FY14 PED Dropout Prevention Allocations**  
(in thousands)

	Contractor	Purpose	Amount Allocated	Amount Expended
FY14	Double Line, Inc	Professional services contract for Education Data Dashboard- Early Warning System	\$200	\$198
FY14	High Plains REC	Professional development for the New Mexico Early Warning System	\$300	\$300

Source: Sunshine Portal

In FY15, PED reports plans to procure necessary hardware and licenses, populate the EWS database, and run a compiled version of the standard dashboard. Additionally, PED plans to provide professional development about the use of the EWS and provide technical assistance to early adopters of the system. For FY15, PED has budgeted \$348 thousand to provide professional development support for the EWS, including stipends for participants, and \$250 thousand for professional services to support the development of the EWS tool. PED anticipates the total cost to develop the EWS data tool will be \$550 thousand for contractual services and license.

**School districts and charter schools have implemented strategies supported by research, though these efforts tend not to be implemented consistently across the state.** Examples of state efforts to reduce dropouts appear promising, though not always fully replicative of research-based strategies. The initiatives and programs observed in school districts targeting dropouts appear promising but generally have not undergone rigorous evaluation at the local level so the state lacks comprehensive data on the effectiveness of these efforts. School districts and state leaders should monitor outcomes to determine if programs are producing positive impacts on high school completion in New Mexico. Examples of these strategies include attendance monitoring, case management, and alternative education programs.

***Albuquerque Public Schools and Las Cruces Public Schools (LCPS) have recently developed truancy initiatives that blend attendance monitoring with case management.*** The New Mexico Compulsory School Attendance Law requires school districts to maintain an attendance policy that provides for the early identification of students with unexcused absences while providing intervention strategies to keep students who are habitually truant in school, including communicating with parents and addressing the causes of truancy. Statute defines “habitual truant” as a student who has accumulated the equivalent of ten or more unexcused absences within a school year, and does not apply if absences are excused (Section 22-12-9 NMSA 1978). New Mexico’s compulsory attendance law thus prescribes procedures for dealing with habitual truancy, or unexcused absences, but not excused absences.

Several schools districts interviewed by LFC staff, including Roswell Independent School District, Deming Public Schools, Farmington Municipal School district, and Gallup McKinley-County Schools employ one or more district truancy officers or attendance secretaries. Truancy officers may identify habitually truant students, conduct home-visits to encourage students to attend school, and refer students to the local judicial system. Roswell reports they modified the district’s truancy policy in recent years to include automatic phone calls home after every student absence, a shortened period of time during which parents may excuse student absence, and requirements to increase documentation after students receive 10 excused absences. These efforts were intended to reduce both excused and unexcused absences.

In FY14, APS piloted a truancy initiative in 12 schools, targeting habitually truant students. After three unexcused absences, APS called student families to identify the causes of the student’s absences and then worked with the student’s family, school counselor, nurse, and social worker to develop a personalized truancy intervention plan to address the causes of student truancy. APS relied on University of New Mexico work-study students to conduct initial calls home and a social worker to develop and help implement truancy intervention plans in collaboration with school leaders. APS expanded the program to 23 schools and hired eight additional social workers in FY15, at a cost of \$440 thousand. For full-scale implementation, APS estimates the need for one social worker for every three schools. APS notes, however, the initiative is designed to reduce truancy and not chronic excused absences. Similarly, LCPS is implementing a truancy intervention program which consists of two administrators, one paid social worker, six social work interns, and staff from individual schools who work to identify the causes of truancy and help students address issues that may be keeping students out of the classroom.

***Las Cruces Public Schools is using district-wide data systems to identify students at-risk of dropping out and target interventions to these students.*** LCPS uses student data to predict truancy and other indicators that may suggest a student will drop out, including family history and sibling outcomes. The district reports data indicate students do not typically drop out suddenly, but problems that lead to a student eventually dropping out are present long before high school. For example, several interviewed districts, including Gadsden Independent School District and Farmington Municipal School District, reported student assistance teams and school counselors identify at-risk

students for dropping out because of attendance, behavioral, or academic concerns at the school level. Other interviewed districts, including Gallup McKinley-County Schools, Deming Public Schools, and Espanola Public Schools, did not appear to be implementing comprehensive student-data systems to identify students in need of interventions and instead rely upon school personnel referrals.

*Several school districts are implementing alternative educational programs, though programs are sometimes limited to a few schools in the district.* Alternative programs, which are embedded within traditional school settings, provide learning alternatives that are held within a traditional school and may allow students separate courses for specialized learning as well as traditional classes for electives. Alternative education programs group students within a traditional school and tend to offer more individualized instruction and different instructional methods or materials, such as vocational instruction. Examples of alternative programs include school-within-a-school models, freshman, and career academies. Career academies are alternative program models that offer strong career or technical focuses, while freshman academies tend to group freshmen students in one area in a larger school, and allow for collaborative preparation among all freshmen grade-level teachers, and focus on building relationships among freshmen students and teachers. Many alternative programs serve struggling students and achieving students, which avoids social stigma and allows at-risk students to remain a part of the general school population. Alternative programs showed a positive effect on four measured outcomes: dropout prevention, enrollment and attendance, achievement, and graduation according to the Washington Institute for Public Policy, 2008.

Gadsden Independent School District, APS, LCPS, Clovis Public Schools, SFPS, and Farmington Municipal School District report implementing freshmen academies in one or more of the district's high schools. SFPS, APS, and LCPS reported implementing alternative education programs that include elements of career academies. For example, SFPS reports efforts to strengthen career pathways in the district's traditional high schools by developing programs of study based on career interests.

**Changes to the public school funding formula would provide incentives to school districts to implement evidence-based interventions and increase the number of students graduating annually.** A 2011 LFC evaluation of 12<sup>th</sup> grade in New Mexico concluded the 1.25 weighting factor assigned to 12<sup>th</sup> grade in New Mexico is reasonable, when compared to other states, but students enrolled in 12<sup>th</sup> grade generate more revenue through the funding formula than schools spend to deliver 12<sup>th</sup> grade services. Additionally, the study concluded 12<sup>th</sup> grade is not efficiently used because many 12<sup>th</sup> grade students only attend part-time while the state maintains a high postsecondary remediation rate. High school students generate funding based on enrollment, not completion, presenting few financial incentives to ensure students complete high school.

New Mexico could develop financial incentives to encourage school districts to focus on increasing the number of high school students who graduate by basing a portion of the 12<sup>th</sup> grade formula weight upon the number of students who graduate annually and do not require remediation in postsecondary education. For example in FY14, 20 thousand 12<sup>th</sup> grade students statewide were counted in the state's funding formula, and 18,734 graduated. If 0.25 of the 12<sup>th</sup> grade weight were applied to graduates, as opposed to the number of enrolled students, the difference would be \$1.2 million across the state. These savings could be redistributed through the funding formula, increasing the unit value while providing districts with financial incentives to graduate more enrolled students.

Schools do not have financial incentives to improve chronic absenteeism, which is linked to graduation, in part because funding formula calculations and average daily attendance calculations are based on a count of students present on a specific day, which can mask large numbers of students who are chronically absent. If a student is absent 10 percent or more of the school year, the state spends roughly \$704 on academic services for which the student never benefits. Applied to the entire population of chronically absent high school students, this translates to \$5.5 million allocated in FY14 for days students did not attend. Providing financial incentives for high school completion would provide school districts with incentives to address chronic absenteeism.

Previous LFC evaluations have noted the state spends significantly more on small school size adjustments than on at-risk students and have recommended the Legislature continue to increase the at-risk index. The seven school districts that produce the greatest numbers of dropouts also tend to have per student formula funding levels below the state average and at-risk indices higher than the state average. Continuing to increase the at-risk index would provide districts with large numbers of at-risk students additional resources to invest in interventions for students not on track to graduate, such as hiring social workers to provide case management services to regular education students. For example, both APS and LCPS report funding social worker positions is a challenge, as many social workers currently employed by school districts may only provide services for special education students.

**Table 11. Per Student Formula Funds for the School Districts with the Greatest Number of Dropouts, FY14**

<b>District</b>	<b>Per Student Formula Funding</b>	<b>At-Risk Index</b>
Albuquerque	\$7,112	0.058
Gallup	\$7,053	0.095
Las Cruces	\$7,111	0.058
Roswell	\$6,836	0.066
Santa Fe	\$6,833	0.062
Farmington	\$6,629	0.057
Deming	\$6,804	0.090
<b>Statewide</b>	<b>\$7,300</b>	<b>0.060</b>

Source: PED

## Recommendations

The Legislature should:

- Modify the funding formula weight for 12<sup>th</sup> grade, creating an index to allocate a portion of the 1.25 weight based on high school completion and possibly postsecondary remediation.
- Continue to increase the at-risk index and associated funding for the new units.
- Amend the Compulsory School Attendance Law (Section 22-12-1 NMSA 1978) to require districts to contact parents or guardians after 10 excused student absences to identify and address the causes of absenteeism.
- Not provide funding for the early warning system in FY16 if IT system development is not on track by the Legislative session.

The Public Education Department should:

- Report the percent of students chronically absent in annual school grade reports.
- In collaboration with Department of Finance and Administration and LFC develop Accountability in Government Act performance measures to track the number of students who are chronically absent and miss 10 percent or more of the school year.
- Report the percent of students repeating ninth grade in annual school grade reports.
- Complete the data component of the early warning system as planned by February 2015.
- Require districts with large numbers of students at risk to present drop out plans prior to approval of FY16 district budget.



## NEW MEXICO IS NOT INVESTING IN THE MOST COST EFFECTIVE FORMS OF DROPOUT RECOVERY

**Alternative and charter schools across the state are currently working to engage students who have dropped out of the high school system, but these programs tend to be costly and still produce dropouts.** New Mexico is implementing several strategies to reengage students who have left the public school system, including alternative schools, charter schools, efforts to recover students who have recently dropped out, flexible options for students, and preparation for high school equivalency exams. Programs vary in cost and demonstrate varying levels of effectiveness in increasing a student's likelihood of graduation.

*Alternative schools tend to be expensive and research about their effect on high school completion is mixed.*

Alternative high schools may offer unique academic opportunities to address the often numerous and complex challenges students face who do not succeed in traditional schools. Unlike alternative programs, alternative schools are typically separate from traditional settings, housed in their own buildings, and have their own teachers and staff. Many alternative schools serve at-risk students and offer remedial instruction, credit recovery, mental health services, case management or other highly individualized services. Assessing the effectiveness of alternative schools is difficult because these schools tend to serve students who have already disengaged or may already be off track for graduation when they enter the school. Nationally, research is mixed about whether or not alternative schools increase a student's likelihood of high school completion, with some research concluding that alternative schools increase likelihood of graduation and other studies finding attending alternative schools make a student more likely to drop out, compared to comparable populations in traditional school settings.

### Alternative School Costs

*Schools of choice tend to offer students alternatives and flexibility, including credit recovery options, online courses, extended hours or flexible hours, and additional services, such as night classes, child care and social workers. Flexible options can be costly, however. APS estimated the following costs associated with two of the district's alternative schools:*

***Freedom High School: 158 Students-\$6,718/student***

***New Futures School: 155 Students-\$16,611/student***

In New Mexico, assessing the impact alternative schools have on high school completion is difficult because no comparison group is readily available and students served tend to be high risk. As a result, alternative schools report low graduation rates and high numbers of dropouts. How students might have fared without the alternative school is unknown.

**Table 12. Alternative School Performance in Districts with High Numbers of Dropouts**

Alternative School	District	Four-Year Graduation Rate FY13	Dropout Rate FY13	Total Number of FY13 Dropouts	Total Graduates FY14
Academy at Larragoite	Santa Fe	27%	15%	22	29
Belen Infinity High	Belen	16%	28%	31	12
Career Prep	Central	28%	9%	15	19
Freedom High	Albuquerque	45%	17%	39	56
Gallup Central	Gallup	39%	29%	108	58
Independence High	Rio Rancho	51%	12%	38	77
New Futures	Albuquerque	37%	20%	50	42
Rocinante	Farmington	36%	21%	48	58
University High	Roswell	26%	34%	68	37

Source: PED

***District initiatives to reengage recent dropouts appear promising for young students.*** Santa Fe Public Schools' Engage Santa Fe initiative is part of a comprehensive district-wide system of alternative pathways for students at-risk of not completing high school. The district considers Engage a final component of its efforts to provide flexible alternatives to disengaged students, including night school and alternative schools. The new program aims to reengage students who have dropped out of the public school system. Engage will operate like a school, with virtual and classroom learning options and support from on-site teachers or "graduation coaches". Each graduation coach will supervise 20 to 25 students between the ages of 16 and 22 and monitor the students' mastery of core subjects. The program offers flexible scheduling and a self-paced curriculum, and students have access to on-site resources 12 hours a day. To participate, students must enroll in a minimum of three credit hours but cannot enroll in more than three classes. Students are recruited to the program after they have dropped out of or have been identified as disengaged from school. The estimated operational cost for the program is \$6,700 per student, and the district hopes to have 75 students for its first year of operation, which began in August 2014.

While the program should eventually be self-sustaining as Engage students are counted in the district's formula funding, the district reports finding start-up funds for the initiative was challenging. SFPS relied upon revenues from the sale of capital assets and private foundation grants to implement the initiative. Other districts, including APS, report they would like to attempt a similar initiative to recover dropouts but note that finding sufficient start-up funding is a challenge.

***Charter schools provide alternative school options for students but also account for a large proportion of New Mexico's dropouts and are expensive to operate.*** Charter schools may offer at-risk, as well as achieving students, academic opportunities that traditional schools typically do not offer. Charter schools may reengage students who have disengaged from traditional learning institutions or offer students a self-paced, mastery based learning experience, allowing students to recover credit for a year-long course in as little as a few weeks. However, several charter schools targeting at-risk students produce outcomes similar to alternative schools, with low graduation rates and large numbers of dropouts.

**Table 13. Performance of Charter Schools Serving Students At-Risk of Not Completing High School**

Charter School	Charter Authorizer	Four-Year Graduation Rate FY13	Dropout Rate FY13	Total Number of FY13 Dropouts	Total Graduates FY14
ACE Leadership High School	State	22%	26%	86	73
Cesar Chavez Community School	State	23%	36%	59	48
Gordon Bernell Charter School	Albuquerque	14%	100%	1,473	55
La Academia de Esperanza	Albuquerque	12%	19%	81	35
New America Charter- Albuquerque	State	23%	39%	226	50
New America Charter- Las Cruces	State	35%	48%	190	71
Robert F. Kennedy	Albuquerque	16%	42%	116	23
SIA Tech (Albuquerque Academy Charter)	Albuquerque	39%	21%	93	106
The Great Academy	State	3%	48%	125	unknown

Source: PED

**Reengaging adult students over the age of 22 through the K-12 public school system is not a cost-effective recovery strategy.** Statute currently allows public schools to enroll and claim funding for adult students, though federal special education laws limit the provision of services to students age 22 or younger. The New Mexico Public School Code guarantees a free public school education to any school-age person who is a resident of the state and has not received a high school diploma or its equivalent.

New Mexico law allows state residents with a diploma or equivalent to enroll in classes if space is available. Statute also makes clear that any person entitled to a free public school education may enroll or re-enroll at any time. State statute sets an age limit of 22 for persons classified as special education membership, because the federal Individuals with Disabilities Act (IDEA) limits services to students who have not reached their 22<sup>nd</sup> birthday (Section 22-1-2 NMSA 1978). Similarly, the Public School Finance Act defines “qualified student” in the same way. Thus, statute does not set an age limit for students not receiving special education services. The lack of a definitive age limit for eligibility creates ambiguity, and several school districts and charter schools interpret the statute differently. PED has interpreted the definition of “qualified student” to permit regular education students beyond what is generally considered to be a “child of school age” to qualify for public education funding.

### Public School Finance Act

*“qualified student” means a public school student who:*

*1) has not graduated from high school;*

*2) is regularly enrolled in one-half or more of the minimum course requirements approved by the department for public school students;*

*3) in terms of age:*

*a) is at least five years of age...*

*b) is at least three years of age at any time during the school year and is receiving special education pursuant to rules of the department;*

*c) has not reached the students’ twenty-second birthday on the first of the school year and is receiving special education services pursuant to rules of the department.*

Section 22-8-2 NMSA 1978

Several school districts and charter schools are currently enrolling adults over the age of 22, and several other districts reported looking into the legality of enrolling adults. Adults enrolled in New Mexico public schools range between the ages 23 and 90, and 30 percent of these adult students are between the ages of 31 and 40. In FY13, a total of 1,125 adults age 23 and over were enrolled in New Mexico public schools.

**Table 14. Age Ranges of Adult Students Enrolled in Public Schools, FY13**

Program	Age 23	Age 24	Age 25	Age 26	Age 27-30	Age 31-40	Age 41-50	Age 51-60	Age 61-90	Total
Charter Schools	82	108	84	64	188	304	127	46	5	1,008
District Alternative Schools	28	18	5	8	21	28	7	1	0	117
<b>Total</b>	<b>110</b>	<b>126</b>	<b>89</b>	<b>72</b>	<b>209</b>	<b>332</b>	<b>134</b>	<b>47</b>	<b>5</b>	<b>1,125</b>

Source: PED

Of the adults over the age of 22 attending public schools in New Mexico, 90 percent were enrolled in charter schools, where formula funding program costs tend to be higher than the state average of \$7,044 in FY13.

**Table 15. Charter Schools with Adults (22+) Enrolled, FY13**

Charter School	Number of Enrolled Adults	Per Student Formula Funding	Total Formula Funding Revenue
Academy of Trades and Technology	2	\$10,358	\$20,716
Alma D'Arte Charter	1	\$9,092	\$9,092
Ace Leadership high School	6	\$12,216	\$73,296
Cesar Chavez Community School	1	\$9,857	\$9,857
Deming Cesar Chavez	39	\$9,311	\$363,129
The Great Academy	109	\$9,102	\$992,118
Gordon Bernell Charter School	545	\$9,881	\$5,385,145
Los Puentes Charter	5	\$9,497	\$47,485
New America Charter- Albuquerque	126	\$6,691	\$843,066
New America Charter- Las Cruces	112	\$8,083	\$905,296
Robert F. Kennedy Charter	19	\$9,534	\$181,146
School of Dreams Academy	9	\$8,659	\$77,931
SIA Tech (ABQ Charter Academy)	34	\$8,690	\$295,460
<b>Total</b>	<b>1008</b>		<b>\$9,203,737</b>

Source: LFC files

**Table 16. School Districts with Adults (22+) Enrolled, FY13 (Charter Schools Excluded)**

School District	Number of Enrolled	Per Student Formula Funding	Total Formula Funding Revenue
Alamogordo	19	\$6,598	\$125,362
Albuquerque	7	\$6,821	\$47,747
Belen	1	\$6,585	\$6,585
Bloomfield	2	\$6,749	\$13,498
Central Consolidated	1	\$7,035	\$7,035
Clovis	6	\$6,438	\$38,628
Cuba	1	\$9,915	\$9,915
Deming	5	\$6,595	\$32,975
Espanola	1	\$7,141	\$7,141
Estancia	5	\$8,683	\$43,415
Eunice	1	\$7,579	\$7,579
Farmington	1	\$6,344	\$6,344
Gallup	33	\$6,698	\$221,034
House	2	\$12,282	\$24,564
Las Cruces	1	\$6,940	\$6,940
Logan	28	\$9,778	\$273,784
Rio Rancho	1	\$6,418	\$6,418
Silver City	1	\$7,464	\$7,464
Taos	1	\$7,429	\$7,429
<b>Total</b>	<b>117</b>		<b>\$893,857</b>

Source: LFC files

*Public schools educating adult students over the age of 22 spent more to educate 1,000 adult students than the adult basic education system spent to educate 19 thousand students in FY13.* Public schools received approximately \$10.1 million through the state's K-12 funding formula in FY13 to educate a total of 1,125 adult students. In comparison, adult basic education (ABE) programs received \$5.4 million in state revenue in FY13 to educate over 19 thousand students. Adults in the public school system tend to be enrolled in school districts or charter schools with higher per student funding than the average per student funding. Several of the charter schools serving adult students do not provide the comprehensive services expected of public school programs funded by the state, including transportation services, extra-curricular activities, and electives.

Gordon Bernell Charter School primarily serves incarcerated adults and is the largest public charter school serving adults, has an average enrollment of 500 to 600 students and generated \$5.3 million in formula funding in FY13, but may see many more students in a given year. Students who transition from Gordon Bernell to a state correctional facility will be required by the New Mexico Corrections Department to earn a high school credential equivalent and participate in adult basic education courses, working toward a GED.

**Table 17. State Revenue Generated by Adult Students, FY13**

Program	Average Revenue Generated per Adult	Number of Students	Total State Revenue
Public Schools	\$8,975	1,125	\$10.1M
Adult Basic Education Programs	\$275	19,364	\$5.4M

Source: LFC files

*Many adults who attend charter schools in the K-12 system never earn a high school credential.* Public schools educating adults offer much-needed services as they help adults develop literacy and numeracy skills. However, more cost-effective ways to offer adult students education opportunities exist in the state. Roughly 16 percent of all adults enrolled in adult basic education at the secondary level earned a GED in FY13. In contrast, roughly 15 percent of students in charter schools that enroll adults received a high school diploma in FY14.

**Table 18. Total Enrollment and Graduates from Charter Schools who Serve Adults, FY14**

School	Total Enrollment	Total Graduates	Graduates as Percent of Enrolled
Albuquerque Charter (SIA Tech)	299	106	35%
Deming Cesar Chavez	148	4	3%
The Great Academy	189	Unknown	Unknown
Gordon Bernell Charter School	613	55	9%
New America Charter - Albuquerque	430	50	12%
New America Charter-Las Cruces	230	71	31%
Robert F. Kennedy Charter	213	23	11%
<b>Total</b>	<b>2,122</b>	<b>309</b>	<b>15%</b>

Source: PED

Schools that serve adults tend to enroll students for far fewer than 180 days, a full school year. For example, Gordon Bernell students were enrolled in the charter school an average of 43 days in FY14, and the Great Academy students were enrolled an average of 74 days. Both of these schools enroll students throughout the year, meaning the students reported in their 40<sup>th</sup>, 80<sup>th</sup>, and 120<sup>th</sup> day counts are often not the same. In addition, schools with low average enrollment throughout the year also have high absence rates.

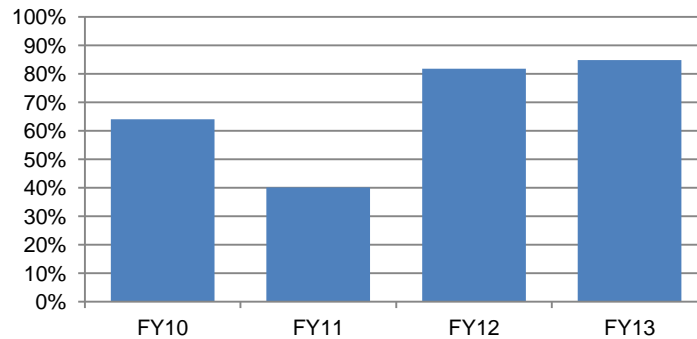
**Table 19. Enrollment and Attendance for Select High Schools, FY14**

School	Average Number Days Enrolled	Average Number Days Students are Absent	Percent Average Days Absent
Great Academy	74	20	27%
Bernalillo High	109	24	22%
Robert F. Kennedy Charter	67	14	21%
Deming Cesar Chavez	76	12	16%
New America Charter- Las Cruces	73	12	16%
Ace Leadership High School	83	12	14%
Belen High	114	16	14%
Gallup Central Alternative	82	11	13%
New America Charter- Albuquerque	76	10	13%
Gordon Bernell Charter School	43	5	12%
University High (Roswell)	100	12	12%
La Academia De Esperanza Charter	93	9	10%
SIA Tech (ABQ Charter Academy)	77	7	9%
Las Montañas Charter	89	6	7%
Clovis High	105	6	6%
Espanola Valley High	111	7	6%
Hobbs High	111	7	6%
Carlsbad High	113	5	4%
Del Norte High	110	4	4%
Highland High	110	4	4%
Manzano High	111	3	3%
Roswell High	113	3	3%
West Mesa High	111	3	3%
Las Cruces High	113	2	2%
Rio Grande High	112	2	2%

Source: LFC files

Adult students attending charter schools visited by LFC staff are typically placed in a grade level based on the results of an assessment or placement exam. Many students test below high school level and require remedial courses but are classified as high school ninth graders if they lack sufficient credits to be classified as 10<sup>th</sup> graders. In the case of Gordon Bernell, the vast majority of their students are enrolled as ninth graders every year, suggesting students are not progressing toward high school graduation over time. This phenomenon is likely explained by the fact that the larger of the charter school's two campuses is located within the Metropolitan Detention Center in Bernalillo County, where adult inmates serve sentences of less than a year.

**Chart 11. Percent of Students Enrolled in Ninth Grade, Gordon Bernell Charter School**



Source: PED

***Graduation requirements for adults who complete a high school credential vary dramatically, based on the age of the adult.*** Adults attending New Mexico public schools must meet graduation requirements in place during the school year in which the adult entered ninth grade. This means graduation requirements satisfied by adults may vary dramatically from current requirements. For example, a current adult student who initially entered the ninth grade in 1971 need only complete 18 credit hours, including one math course, and no exit exam, compared to the 24.5 credits, four math courses, and graduation requirements for current high school students.

**Adult basic education programs are more cost-effective to help adult students over the age of 22 earn a high school credential than drop out recovery programs for adults in the public school system.** The difference between a GED or other high school credential equivalent and high school credential in New Mexico does not appear substantial. While national data suggests there may be advantages to having a high school diploma over a high school diploma equivalent, advantages are not dramatic in New Mexico.

***Evidence about the value of a high school diploma versus a GED or other high school credential equivalent is mixed.*** According to the National Governor's Association, individuals with high school diplomas tend to outperform GED recipients with respect to employment, earnings, and other labor market outcomes. However, a 2011 New Mexico Business Roundtable survey reveals New Mexico employers do not demonstrate a strong preference for a high school diploma, as 64 of 100 surveyed employers reported preferencing a GED over a high school credential when considering applicants possessing only one or the other. Data disaggregating the earnings of high school diploma versus the earnings of adults with a high school credential equivalent are not available in New Mexico.

Nationally, high school graduates are also more likely to complete a post-secondary education than GED recipients. However, students who obtain a postsecondary degree after earning a GED have wages comparable to individuals who earn a high school diploma prior to completing a postsecondary degree. Compared to adults without a high school credential, earning a GED is far better. For example, among 27-year-old males who had dropped out of school with weak academic skills, GED recipients earned 36 percent more than dropouts without the credential, according to the National Governor's Association.

Nearly all post-secondary learning institutions will accept a high school equivalent and do not require a high school diploma. Nationally, roughly 95 percent of institutions of higher education will accept a high school diploma equivalent, such as the GED. All public institutions of higher education in New Mexico accept a GED or equivalent diploma.

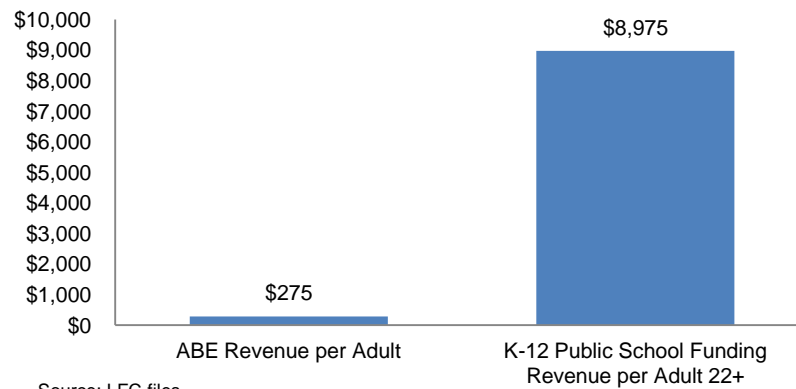
***PED has the authority to approve high school credential equivalent exams but has not yet approved assessments other than the GED.*** State statute dictates PED shall issue a general educational development certificate to any candidate who is at least sixteen years of age and who has successfully completed a high school equivalency test. (Section 22-2-8.8 NMSA 1978). Previously, the “general educational development certificate” (GED) was mentioned in state law, however, the GED is a registered trademark and other high school equivalency exams exist. In 2014, the Legislature amended statute to remove references to the GED, allowing PED to recognize tests other than the GED for high school equivalency certificates.

The GED test was substantially altered in 2014 and is described as more rigorous, as it is now aligned with common core state standards and is designed to ensure career and college readiness. Formerly a paper-based test, the GED is now administered via computer. Several ABE providers visited by LFC expressed concern about the re-designed GED test and increased testing costs. The cost of the GED test increased from \$20 to \$40 to approximately \$120. At least two additional high school equivalency assessments similar to the GED exist. These tests are not offered via computer and cost less than the GED. PED has the authority to review and approve other high school equivalency tests but has not done so to date. The department reports plans to release a request for applications in September 2014 to identify one or more additional high school equivalency exams.

***Several school districts and charter schools have historically claimed students preparing to take the GED as enrolled students.*** Several school districts and charter schools visited by the LFC indicate they will prepare certain students to take the GED if the student is not likely to graduate high school with a diploma. Students remain enrolled in the school district or charter school as they prepare for the GED, counting toward the district’s formula funding. Students must, however, drop out prior to taking the GED. New Mexico’s funding formula allocates funds intended to offer a comprehensive high school education. GED preparation is not a comprehensive high school education because students prepare for a series of tests, as opposed to earning credits in various subjects and electives.

High school equivalent exam preparation courses are already funded through the adult basic education system, and students over the age of 16 are eligible for these programs. However, students completing preparation for a high school equivalent exam in the state’s public school system generate roughly fifteen times the funding allocated per ABE student preparing for a high school credential equivalent. State statute is ambiguous on whether or not a qualified student must be preparing to receive a high school diploma, as opposed to preparing to take a high school equivalent exam, to count in a school district or charter school’s formula funding.

**Chart 12. State Funding per Adult: ABE and K-12 Funding Formula, FY13**



## Recommendations

The Legislature should:

- Limit the age at which students may be counted in the state's funding formula to age 22. Prohibit public schools and charter schools from enrolling new adults or re-enrolling students over the age of 22 in FY16, and prohibit public schools and charter schools from claiming adults over the age of 22 in their MEM beginning in FY19. This would grandfather in adults who are in the process of earning a high school diploma.
- Reprioritize a portion of the funds generated by adults over the age of 22 in the state's funding formula to the adult basic educational program administered by Higher Education Department.
- Clarify in statute the purpose of a public high school is to prepare students for high school graduation by completing the state's high school graduation requirements, and prohibit students enrolled in a high school equivalent exam preparation program administered by a public school or charter school from being counted in the school district's formula funding.



## NEW MEXICO SHOULD BETTER TARGET ADULT BASIC EDUCATION RESOURCES TO IMPROVE OUTCOMES FOR ADULTS

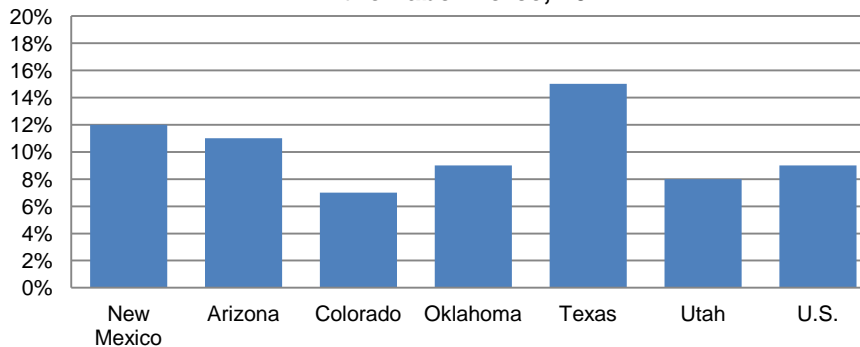
**According to the U.S. Census, more than 220 thousand adults in New Mexico lack a high diploma or equivalent.** The Census reports 14 percent of adults over the age of 24 and below age 65 lack a high school diploma.

The proportion of adults in New Mexico's labor force who lack a high school credential, 12 percent, is slightly higher than surrounding states and the national average. Additionally, the Census reports 180 thousand adults in New Mexico speak English "less than very well." Combining the number of adults who lack a high school diploma in the state and the number of adults who reported insufficient English language skills, HED estimates 400 thousand adults in New Mexico need ABE services.

### Adult Basic Education Program

- Authorized by the federal Workforce Investment Act of 1998.
- Administered by HED, who distributes funds to providers, a total of \$10.1 million in FY13.
- Provides basic literacy and numeracy instruction, preparation for a high school credential equivalent, English, and other educational skill development.
- Funded through a federal allocation and state match.

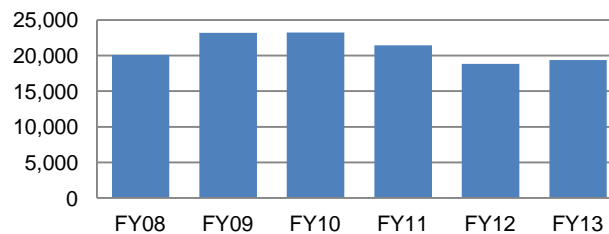
**Chart 13. Adults without a High School Credential in the Labor Force, 2012**



Source: WSD

**ABE programs serve roughly 20 thousand adults, but few report waiting lists.** In FY10 and FY13, enrollment in ABE programs declined statewide from 23 thousand to 19 thousand. HED reported this decline results from reductions in funding.

**Chart 14. Students Enrolled in Adult Basic Education, Statewide FY08-13**



Source: HED

Only eight of the 26 ABE providers reported a waiting list for program enrollment in FY13. HED reported a statewide waiting list of 1,338 adults, far fewer than the number of adults eligible for ABE services in New Mexico. At the current per student cost, \$607 thousand could fund slots for all of the adults on the waiting list, if service levels remained the same. ABE providers report waiting list data is not an effective indicator of demand for ABE services.

Several providers reported not keeping waiting lists, while others reported that they do not keep waiting lists because they are able to accommodate all students who seek their services. The disparity between the need for ABE services as measured by Census and Workforce data and relatively small waiting lists may indicate a lack of awareness about services available or other barriers to participation (Appendix B).

**ABE programs in New Mexico spread limited resources thinly among many students.** Federal regulations require that an ABE student receive a minimum of 12 instructional hours to be considered fundable. In FY13, a total of \$8.8 million, including \$3.5 million in federal funding, \$5.1 million in state funding and \$200 thousand in carry-over revenues, was allocated to ABE providers to serve 19 thousand fundable students, reflecting an average allocation of \$453 per student.

**Table 20. ABE Allocations by ABE Program, FY13**

<b>Sites</b>	<b>12-13 Total Allocation</b>	<b>Total Fundable Student Enrollment</b>	<b>Allocation Per Student</b>
ABQ - GED	\$142,929	211	\$677
Alamo Navajo	\$103,595	111	\$933
Catholic Charities	\$492,246	966	\$510
Central NM	\$1,169,588	3284	\$356
Clovis Community College	\$266,338	634	\$420
Dine College	\$144,269	180	\$801
ENMU Roswell	\$572,393	1558	\$367
ENMU Ruidoso	\$164,836	271	\$608
Luna Community College	\$131,754	164	\$803
Mesalands	\$117,498	57	\$2,061
NM Junior College	\$265,503	406	\$654
NMSU Alamogordo	\$221,659	417	\$532
NMSU Carlsbad	\$328,577	602	\$546
NMSU Dona Ana	\$1,290,772	3155	\$409
NMSU Grants	\$152,605	282	\$541
Northern NMC	\$208,196	252	\$826
Sage LLC	\$171,395	167	\$1,026
San Juan College	\$368,020	763	\$482
Santa Fe Community College	\$747,016	1909	\$391
SIPI	\$140,864	294	\$479
UNM Gallup	\$287,470	290	\$991
UNM Los Alamos	\$159,408	208	\$766
UNM Taos	\$172,916	216	\$801
UNM Valencia	\$505,075	856	\$590
WNMU	\$211,600	291	\$727
<b>Total</b>	<b>\$8,784,271</b>	<b>19,370</b>	<b>\$453</b>

Source: HED

***ABE Programs tend to rely on in-kind contributions to operate, and the state has included in-kind contributions in the state allocation reported to the federal government to meet maintenance of effort requirements.*** ABE programs report that they often rely on other sources of revenue or support to provide adult basic education services. For example, ABE providers operated by community colleges often rely upon their institutions to provide building and maintenance support. Programs may also rely upon their host institution to provide support services for ABE students. The University of New Mexico Gallup and Central New Mexico Community College (CNM) both rely upon their institutions to provide academic planning and student support.

In FY13, HED attempted to quantify addition revenue sources utilized by ABE providers through a cost survey. Statewide, programs reported receiving an additional \$7.6 million in revenue from other sources and in-kind contributions (Appendix C). If other revenue sources are included, the average cost per fundable ABE student increases to roughly \$840 per student in FY13.

In recent years, HED reports including some of the in-kind contributions reported by providers when calculating the state's allocation for federal maintenance of effort (MOE) reporting to the Office of Vocational and Adult Education. Federal regulations require states to expend at least 90 percent of what they spent in the prior year on adult basic education. Between FY09 and FY14, the state's general fund appropriation to ABE declined, and HED has included some in-kind contributions in the state's calculation of MOE.

**Table 21. ABE Revenue, FY09-15**  
(in thousands)

	General Fund Appropriation to ABE	State Allocation Reported (includes in-kind)	Federal Allocation
FY09	\$6,735	\$6,711	\$3,799
FY10	\$6,122	\$6,100	\$4,024
FY11	\$5,860	\$6,100	\$4,163
FY12	\$5,387	\$6,100	\$4,217
FY13	\$5,187	\$6,100	\$4,125
FY14	\$5,186	not yet reported	\$4,091
FY15	\$5,350	not yet reported	\$4,124

Source: LFC files and U.S. OVAE

*New Mexico allocates a greater share of state funds than surrounding states.* The federal government requires states provide a 25 percent match of federal ABE funds. Generally, New Mexico provides an appropriation to ABE well above the required match level. According to the U.S. Office of Vocational and Adult Education, New Mexico allocated proportionally more state funds to ABE programs in FY13 than several surrounding states.

**Table 22. Total Adult Basic Education**  
(in thousands)

	Federal Allocation	State Allocation (includes in-kind)	State Allocation as Percent of Federal
New Mexico	\$4,217	\$6,100	145%
Arizona	\$11,912	\$4,210	35%
Colorado	\$6,955	\$2,434	35%
California	\$90,933	\$355,330	391%
Oklahoma	\$6,199	\$2,263	37%

Source: U.S. Office of Vocational and Adult Education

\* Allocation reported by New Mexico includes in-kind contribution

Though New Mexico puts a greater share of state revenue into ABE than surrounding states, New Mexico allocates less per student. Arizona, for example, has elected to allocate more funds per student and serve a smaller adult population, while New Mexico serves a greater number of adults but spends less per student.

**Table 23. State Comparison of Allocation per Pupil, FY13**

	ABE Funds (in thousands)	Students Served	Allocation per Pupil
New Mexico*	\$10,317	19,364	\$533
Arizona	\$16,122	17,554	\$918
Colorado	\$9,389	10,579	\$888
California	\$446,264	302,169	\$1,477
Oklahoma	\$8,536	16,524	\$517

Source: U.S. Office of Vocational and Adult Education

\* Allocation reported by New Mexico includes in-kind contribution

**New Mexico does not currently target specific populations for ABE services but could focus efforts on specific populations and combine resources to improve benefits to the state.** Currently, New Mexico does not target adults who lack a high school credential as the primary target population for ABE services. ABE providers report frequently relying on word-of-mouth to recruit students, and programs tend to enroll students who demonstrate interest in either obtaining a GED or developing English language skills. Students who enroll in either ABE services or adult secondary education (ASE) services, in preparation for a high school credential equivalent often are young parents. The median age is 29 for a student receiving adult basic or secondary education services, excluding English as a second language (ESL) students. Given the demographics of students pursuing a high school credential equivalent, many are likely the same populations for which early childhood interventions, such as home visiting and early childhood services, are intended and the state could further target the parents of children receiving other services who lack high school credentials.

**Table 24. ABE and ASE Employment Status, FY13**

Employed- Full time	22%
Employed- Part time	11%
Not Looking for Work	20%
Retired	<1%
Unavailable for Work	16%
Unemployed	32%

Source: LFC files

**Table 25. ABE and ASE Participants with One or More Dependents, FY13**

One or more dependents	68%
No dependents	22%
Not reported	10%

Source: LFC files

**Table 26. ABE and ASE Participants Who Report Receiving Public Assistance, FY13**

Report public assistance	32%
Did not report public assistance	68%

Source: LFC files

***ESL students tend to be older, enter with more formal education, and complete more instructional hours, on average, than the rest of the ABE population.*** In FY13, 7,317 students, roughly 37 percent of all ABE students, received ESL services. In contrast with students pursuing a GED, these students tend to be slightly older and are less likely to receive public assistance (Appendix D). Additionally, more than 30 percent of the ESL student population reports obtaining a high school equivalent credential or higher prior to enrollment in ESL services, compared to roughly 10 percent of all adult basic education and adult secondary education students already possess a high school credential upon enrollment.

**Table 27. Education Level Completed on Entry, ESL Students, FY13**

	ESL Students N=7,317
No Schooling	<1%
K-6th grade	18%
7th-8th grade	8%
9th grade	18%
10th grade	6%
11th grade	6%
12th grade- no diploma	11%
High School Diploma or GED	22%
Post-Secondary	9%
Unknown or Other	2%

Source: LFC files

Students receiving ESL services also tend to be enrolled for greater lengths of time than students pursuing a GED. The median length of enrollment for ESL students in FY13 was four years and 125 instructional hours. One reason for the longer enrollment may be the fact that the ESL component of ABE does not have a uniform goal for achievement or completion, and students could remain enrolled indefinitely. However, the state could set a benchmark for English proficiency and choose not to fund students after they have reached that benchmark.

Unlike New Mexico, which has an even larger adult population in need of ABE services, Arizona has decided to target specific adult populations and provide a limited number of adults with more intensive services. New Mexico could identify populations to target services, such as adults who lack a high school credential, rely upon public assistance, and have children.

**New Mexico ABE performance on several federal indicators lags behind surrounding states, in part because of low instruction intensity.** New Mexico ABE programs are generally not performing as well as programs in surrounding states, and students tend to be enrolled in ABE programs for lengthy, yet discontinuous, amounts of time. Like all states receiving Title II funds, New Mexico is required to report the proportion of students who improve a level in each adult education program. Each of the three adult education programs contains three levels, and a level is equivalent to approximately two grade levels in the public education system. Adult basic instruction is comprised of four levels, adult secondary instruction is comprised of two levels, and ESL is comprised of six levels.

***New Mexico lags behind several surrounding states and desired results in the proportion of students who experience instructional level gains.*** Between 2012 and 2013, New Mexico reported 31 percent of enrolled adults completed a program level, 3 percent less than Colorado and 21 percent less than Arizona reported in the same year.

**Table 28. Program Enrollment and Level Completion in New Mexico and Comparison States, 2012-2013**

		Adult Basic Education	Adult Secondary Education	ESL	Total
<b>New Mexico</b>	Enrolled	10,399	1,668	7,297	<b>19,364</b>
	Percent Completed	29%	28%	35%	<b>31%</b>
<b>Arizona</b>	Enrolled	10,110	1,218	6,226	<b>17,554</b>
	Percent Completed	60%	68%	69%	<b>54%</b>
<b>Colorado</b>	Enrolled	3,952	1,069	4,873	<b>9,894</b>
	Percent Completed	35%	36%	38%	<b>34%</b>
<b>California</b>	Enrolled	85,347	31,079	185,743	<b>302,169</b>
	Percent Completed	41%	32%	47%	<b>43%</b>
<b>Utah</b>	Enrolled	12,714	2,012	5,939	<b>20,665</b>
	Percent Completed	28%	33%	33%	<b>30%</b>
<b>Texas</b>	Enrolled	43,274	2,941	45,151	<b>91,366</b>
	Percent Completed	60%	62%	69%	<b>65%</b>
<b>Oklahoma</b>	Enrolled	11,132	1,551	3,841	<b>16,524</b>
	Percent Completed	41%	37%	38%	<b>40%</b>

Source: U.S. Office of Vocational and Adult Education, NRS, Table 4a

Many students included in the previous calculations did not receive the recommended level of instructional hours needed to experience level gains in a given year. Students generally must receive a minimum of 40 hours of instruction to complete post-test assessments to measure level gains, though assessment developers report more than 40 hours of instruction are needed to experience level gains. In FY13, 9,800 of the 19,000 students enrolled in adult education completed a post-test. Of these, 62 percent experienced a level gain across all adult education levels. This rate also tends to be lower than rates reported by surrounding states.

**Table 29. Percent of Students who Post-Tested and Completed a Level, FY13**

	New Mexico	Arizona	Texas	Colorado	Utah
ABE	64%	83%	76%	72%	71%
ASE	59%	92%	85%	53%	67%
ESL	60%	85%	90%	59%	63%
<b>Total</b>	<b>62%</b>	<b>84%</b>	<b>83%</b>	<b>63%</b>	<b>68%</b>

Source: Federal Office of Adult and Vocational Education

The federal Office of Vocational and Adult Education also collects additional program outcome measures: entering employment, retaining employment, obtaining a GED, and entering postsecondary education. However, this data is tracked for a cohort of adult basic education participants for which such goals are appropriate, not the entire ABE population. Additionally, outcome measure data may rely on self-reports and should be interpreted with caution. In FY13, New Mexico cohorts also lagged behind several surrounding state cohorts on the employment and postsecondary outcome measures but outperformed surrounding states on GED attainment.

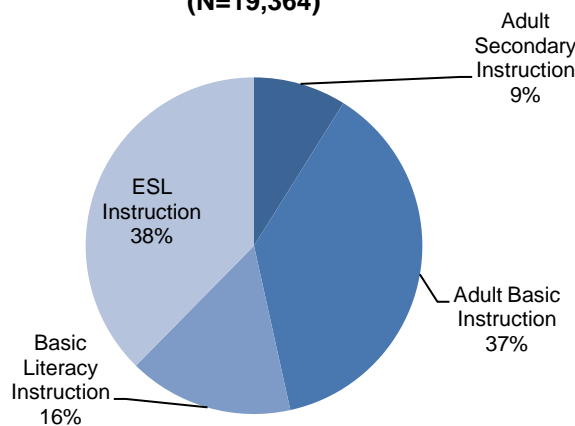
**Table 30. Core Follow-Up Outcome Achievement for Cohorts, FY13**

	New Mexico	Arizona	Texas	Colorado	Utah
Cohort entered employment	29%	96%	50%	0%	36%
Cohort completed a GED	90%	62%	82%	65%	39%
Cohort retained employment	38%	100%	72%	0%	69%
Cohort entered postsecondary education	36%	93%	20%	0%	39%

Source: Office of Vocational and Adult Education, NRS, Table 5

*Adults tend to enter ABE services performing below the high school level and require several years of instruction to earn a high school equivalent.* Upon enrollment, all ABE providers are required to conduct pre-tests to assess the academic performance level of students and to place students into ABE instructional levels. HED reports only nine percent of students enrolled in adult education services entered the program ready for instruction at the adult secondary level, the equivalent to ninth through 12<sup>th</sup> grades; 38 percent entered at the adult basic level, equivalent to fourth through eighth grade, and 16 percent entered at the basic literacy level, roughly equivalent to third grade or less.

**Chart 15. Adult Education Enrollment by Program Type, FY13  
(N=19,364)**

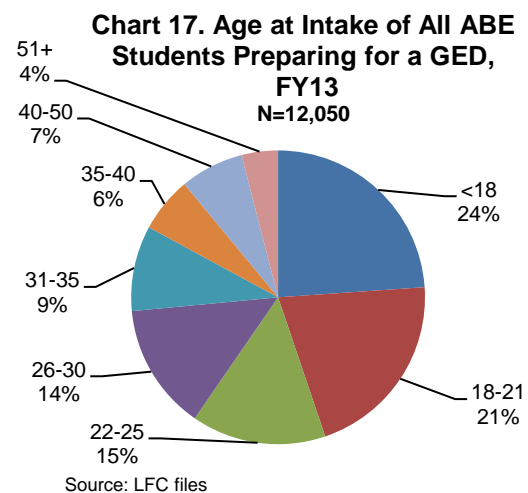
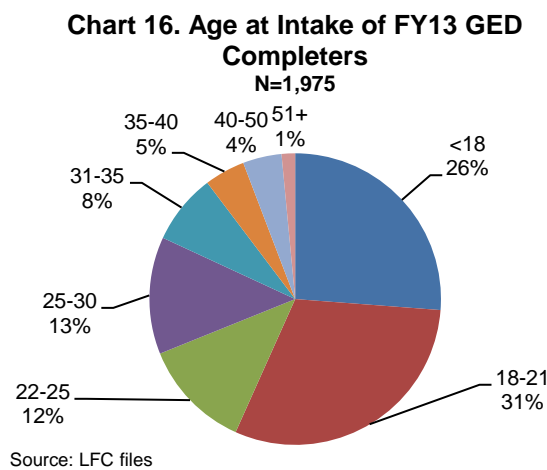


Source: HED annual report

**Adult education students are able to complete a high school equivalent with relatively few class sessions, but discontinuous attendance and other barriers hinder adult students from quickly earning a high school credential.** In FY13, over 12 thousand enrolled students received GED preparation courses including adult basic education and adult secondary education. Of the enrolled students pursuing a GED, 1,975 or 16 percent completed the program and earned a GED.

On average, students who completed a GED in FY13 tended to be younger than the general population of ABE students. The median age of a student who completed a GED in FY13 was 23, while the median age of the total population of ABE students in FY13 was 29. Among GED completers, 57 percent were age 21 or younger when they began taking courses, whereas 45 percent of all students enrolled in GED preparation were age 21 or younger.

ABE students who completed a GED in FY13 also tended to enter the program having completed higher levels of education than the general ABE student population. While 81 percent of completers reported attending high school, 67 percent of the general ABE population seeking a GED reported attending high school prior to entering the ABE program.



**Students who completed a GED in FY13 only attended an average of 77 instructional hours, but required three years to complete a GED.** Among FY13 GED completers, these 77 instructional hours were spread over 32 days, over three years. Though the length of time completers took to earn a GED varied, 81 percent received 200 or fewer hours of instruction. These data show adults are able to prepare for the GED with relatively few class sessions, but these sessions are often spread over several years, and efforts to improve ABE services should consider ways to provide more intensive services to students.

**Table 31. Instructional Hours Received by FY13 GED Completers**  
N=1,975

<40 hours	26%
40-100 hours	35%
101-200 hours	20%
201-300 hours	8%
301-400 hours	5%
401-500 hours	2%
500+ hours	4%

Source: LFC files

ABE providers report adult education students experience several barriers to program completion, including unstable transportation, the need for child care, and the need for employment. These barriers are reflected in ABE data, as proportionally few GED completers report having one or fewer dependents, compared to total population of students preparing for a GED (68 percent). In contrast, however, proportionally more adults who completed a GED in FY13 were employed full-time, 30 percent, compared to the total population of adults preparing for a GED, 22 percent.

**Table 32. GED Completers with One or More Dependents, FY13**

One or more dependents	58%
No dependents	36%
Not reported	6%

Source: LFC files

**Table 33. GED Completer Employment Status, FY13**

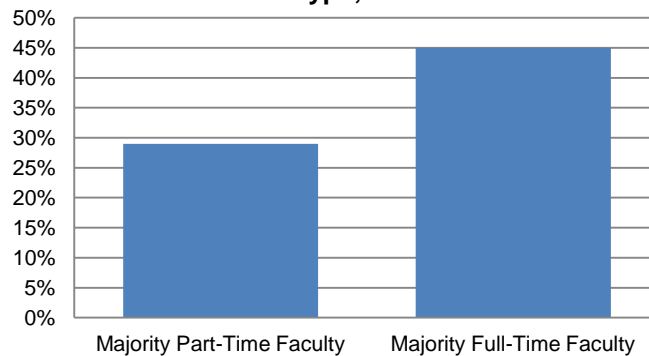
Employed- Full time	30%
Employed- Part time	14%
Not Looking for Work	18%
Retired	<1%
Unavailable for Work	7%
Unemployed	31%

Source: LFC files

***ABE providers rely on part-time faculty, but programs tend to perform better when full-time instructors are employed.*** Of the roughly 670 active ABE instructions in FY14, 76 percent were part-time. Most ABE providers around the state rely on part-time faculty to provide instruction. However, variation among programs exists. Eastern New Mexico University, Central New Mexico Community College, New Mexico State University, University of New Mexico, and Santa Fe Community College primarily employ part-time ABE faculty. In contrast, the majority of the faculty employed by Catholic Charities are full-time. The non-profit reports it has experienced improved student outcomes, particularly student level gains, because full-time faculty are better able to plan collaboratively, prepare curriculum, and provide individualized support to students. Similarly, the University of New Mexico Gallup reports deciding to hire fewer teachers and more full-time faculty because they believe full-time faculty are better able to develop relationships with students, collaborate with other faculty members, and develop curriculum (Appendix E). University Of New Mexico Gallup also expects students to participate in roughly 12 hours of instruction weekly.

***Programs primarily staffed by full-time faculty observed higher student level gains than programs staffed by primarily part-time faculty.*** ABE providers are required to report the number of students who make gains among ABE levels, as measured by the TABE, CASAS or a similar federally-approved assessment. A level gain is roughly equivalent to two grade levels of academic growth. In FY13, programs in which the majority of the staff are employed full-time reported 16 percent more students making level gains, a statistically significant difference.

**Chart 18. Percent of Students Making Achievement Level Gains, by Instructor Type, FY13**



Source: HED



***New Mexico's ABE instructors tend to have few years of adult education teaching experience and no consistent education or training experience.*** In FY14, ABE instructors had an average of four years of experience teaching adult education. Sage Lifelong Learning reported the greatest average years of experience, 11 years, while Northern New Mexico College reported the lowest average years of experience, one year.

Most of the adult education instructors in the state hold a bachelor's degree or higher, though neither the state nor the federal government mandates adult education teaching credentials. New Mexico ABE providers establish credential requirements for ABE instructors, leading to variation across the state. Additionally, no formal credential or license is required to become an ABE instructor. Of the instructors for which educational attainment data is available, the majority completed post-secondary training, though 66 ABE instructors across the state possessed less than a bachelor's degree.

**Table 34. Highest Educational Level  
Attained by ABE Instructors, FY14**

Less than a high school diploma	4
High school credential or equivalent	28
Post-secondary certificate	4
Associate's degree	30
Bachelor's degree	118
Master's degree	97
PhD or professional degree	17
Unknown	368
<b>Total</b>	<b>666</b>

Source: LFC analysis of LACES Database

Several states, including Massachusetts, California, and Arizona require teachers to obtain a teaching credential similar to that of a public school teacher to become a qualified ABE instructor. Mandating specific credentials, however, may not be feasible and could significantly limit the pool of qualified applicants. Instead, New Mexico should invest in professional development and training for ABE instructors.

**Opportunities to focus ABE efforts to improve outcomes for adults exist across the state.** To enable students to complete a GED more quickly, New Mexico should consider strategies to remove barriers to completion and provide more intensive services, such as providing financial aid to students as long as they reach certain benchmarks while they are working toward a GED and reconfiguring course offerings. Additionally, the state's existing ABE funding formula provides a mechanism that can be modified to provide incentives for desired outcomes.

***ABE performance-based funding provides incentives for programs to improve outcomes for adults.*** HED primarily allocates funds to ABE providers according to program enrollment but has started to award a portion of program allocations based on performance in recent years. HED is responsible for distributing both state and federal ABE funds to providers. As of FY15, 80 percent of a provider's award is based on enrollment and program need. First, each provider is awarded \$70 thousand. Then providers receive funds based on the number of students enrolled in the program, and providers receive a small portion of their award according to need. Federal regulations mandate that providers only count students who receive 12 or more hours of instructional contact in their enrollment count. As of FY15, New Mexico will only count students who receive 40 or more hours of instructional contact to provide incentives for programs to improve student attendance and outcomes.

As of FY15, 20 percent of ABE funds awarded to program providers will be performance-based. Performance-based funding shifts funding away from awards exclusively based on enrollment and has been phased in over several years. In FY11, 5 percent of program allocations were determined by performance. In FY15, performance-based funds will account for 20 percent. Both federal ABE allocations and state ABE allocations are administered according to this formula. Performance awards are based on the percent of students making growth and meeting performance targets on federal performance indicators: GED attainment, adult education student transitions to postsecondary education, student employment, and student achievement level gains. Performance targets for each

of these goals are developed in collaboration among the U.S. Office of Adult and Vocational Education and the New Mexico Higher Education Department. Because funding for ABE has not increased in recent years, increasing the weight of the performance component of the formula has meant that some programs have received more funds while others have received less. Regardless, the performance component of the allocation formula provides ABE programs with incentives to improve student outcomes.

**Figure 1. HED Method for Calculating ABE Program Allocation**

Core Funding (85% in 2012-2013)			Performance
Base Grant	Headcount (increase in performance % deducted from headcount)	Need 5% of Core	15% in 2013 (increases annually)
<b>CORE FUNDING</b> <ul style="list-style-type: none"> <li>• Supports State value of Student Access</li> <li>• Measures Program Inputs</li> <li>• Supports head count and amount of need in counties served</li> <li>• Ignores program performance</li> </ul>			<b>PERFORMANCE FUNDING</b> <ul style="list-style-type: none"> <li>• Supports State value of Student Success</li> <li>• Measures Program Outputs</li> <li>• Rewards program performance</li> <li>• Ignores program headcount</li> </ul>

Source: HED

*New Mexico could target specific populations through a two-generation approach to improve outcomes for adults without high school credential equivalents and families.* Research consistently suggests parental education is important in predicting children's achievement (Davis-Kean, 2005). Among low-income minority families, mothers with higher levels of educational attainment had higher expectations for their children's academic achievement, and these expectations were related to their children's actual achievement in math and reading (Halle et al, 1997). Similarly, maternal education has a consistent direct influence on children's cognitive and behavioral outcomes. This research suggests targeting parents with low educational attainment for high school credential achievement may produce significant benefits not only to adults but also to their children.

Two-generation approaches to addressing cycles of poverty focus on addressing the needs of both vulnerable parents and children together by equipping parents to better support their children's learning. Currently, low-income parents may receive assistance from a variety of sources, including adult basic education and workforce development programs while their children receive services from early childhood education programs, such as child care or prekindergarten. Several models exist nationally for blending funds or stacking services to provide interventions and programs to parents and child simultaneously.

#### **Career Advance Tulsa**

*Initiated in 2009 in Tulsa, Oklahoma, Career Advance links Head Start/Early Head Start programs for children operated by the Community Action Program of Tulsa with education and training in the healthcare sector for parents. Each level of the sequences training courses leads to an industry-recognized credential that provides participants with higher wages and advancement opportunities.*

Foundation for Child Development, 2014

***Other states may provide additional examples of ways to focus efforts on a targeted population to improve outcomes.*** In FY13, Arizona was ranked second nationally for adult education gains, producing two grade level increases per student on average, at a cost of \$1,200 per student. Roughly 17 percent of Arizona’s adult population, or 825 thousand adults, lack a high school credential, but the state has elected to serve only 18 thousand adults annually and provide more intensive services. Arizona maintains a competitive funding process, based on provider’s demonstrated success toward meeting performance targets. Additionally, the state has developed adult education standards aligned to expectations for postsecondary students and standards for adult education instructors.

In Delaware, technical assistance is given to programs, and adult students enrolled in adult education courses may receive support services, such as assistance with transportation and child care, while they attend the educational and vocational programs. Kentucky similarly provides professional development for teachers. New Mexico may not find all of these strategies appropriate but may wish to consider similar efforts to provide more intensive instruction and student supports with technical assistance to providers while focusing on a smaller, more targeted group of adult students.

***I-BEST initiatives in New Mexico demonstrate promise, but future efforts for expansion should consider program capacity and institutional barriers.*** Efforts to contextualize basic skills courses in workforce skill development are considered adult basic education best practices. I-BEST programs, initially developed in Washington state, move students quickly through basic skills courses by combining them with college-level technical education courses, allowing students to immediately begin earning credits toward a credential. Typically, basic skills instruction is customized to the given workforce program. Programs are designed with a specific sequence of courses, leading directly to a degree or certificate in high-demand jobs. Basic skills instructors and technical education faculty work collaboratively to develop and teach I-BEST programs to combine traditional basic skills, such as writing and numeracy, with college level concepts, allowing students to immediately apply their professional learning.

A Washington evaluation of the I-BEST program found significantly improved outcomes among I-BEST participants when compared to demographically similar students participating in traditional basic skills programs. Among I-BEST participants, earned college credit increased by 33 percent, credential awards increased by 37 percent, and gains on a test of basic skills increased 20 percent. Additionally, I-BEST students reported earning an average of \$2,300 more than traditional basic skills students. However, evaluators noted that the highly-structured elements of the I-BEST program, including guidance counseling and scaffolded transitions into tradition college courses, were very important to student success.

A Washington I-BEST program evaluation notes colleges will likely have to decide whether they want to sacrifice larger enrollments and service small numbers of students for better outcomes. I-BEST program costs in Washington State vary widely depending on several factors, including field of study, number of students served, and costs for instruction and support services. On average, I-BEST programs cost more than equivalent regular credits \$6,157 compared to \$4,571. A cost-benefit analysis found I-BEST programs approximately equal the additional costs incurred by providing the programs.

In FY11, Santa Fe Community College (SFCC) received a \$2.7 million federal Trade Adjustment Assistance Community College and Career Training grant (TAACCCT) grant from the U.S. Department of Labor to target training and workforce development to help economically dislocated workers who are changing careers. Part of New Mexico’s grant has been used to support the development of I-BEST programs in New Mexico. In 2012, six colleges began piloting I-BEST classes. In the envisioned New Mexico I-BEST model, basic skills instruction is embedded within career technical education, including certified nursing assistance, pharmacy technician, welding, plumbing, business administration, wind energy, and early childhood certificate programs. In FY15 the legislature appropriated \$162 thousand to SFCC for the I-BEST program, but the appropriation was line-item-vetoed.

HED reports the key elements of the I-BEST approach include:

- program acceleration by eliminating separate remediation classes;
- stackable, industry recognized credentials;
- building evidence of success; and
- building capacity.

Between spring semester of 2012 and the spring semester of 2014, 839 students participated in I-BEST programs around the state. Of these, 51 percent earned credentials, and 53 percent completed programs of study.

**Table 35. I-BEST Outcomes Spring 2012- Spring 2014**  
N=839

Students Completing Program	Students Earning Credentials	Students Still in Process	Students Who Stopped Out
53%	51%	32%	15%

Source: SFCC

***TAACCCT grant funds cannot be used to cover all I-BEST program costs, sometimes shifting tuition burdens onto students or leading colleges to target populations in a way that may duplicate remediation services.*** Grant funds have primarily been used to fund adult education teachers who co-teach in vocational and certificate preparation courses. Grant funds cannot be used to cover the costs of tuition or books associated with the certificate or vocational courses taken by students participating in the I-BEST program. Federal financial aid policies used to allow students without a high school equivalent certificate to qualify for funds if they demonstrated the “ability to benefit.” As of 2012, however, students must possess a high school diploma or equivalent to qualify for federal financial aid. Thus, ABE students enrolled in vocational or other college-level courses cannot qualify for federal financial aid.

Because the students participating in I-BEST generally lack a high school credential equivalent, students do not qualify for federal financial aid, and tuition and book expenses can be cost prohibitive for students. I-BEST grant recipients have addressed this challenge in various ways. For example, students participating in CNM’s I-BEST program must pay for tuition and books, an expense of roughly \$450 per semester. SFCC receives funds from the Northern Region Workforce Investment Act Board to help students cover these costs.

Doña Ana Community College has chosen to use its I-BEST allocation to fund adult education instructors to support students with a high school credential taking remedial college courses, though these students are not the population I-BEST programs are typically designed to support. By funding adult education teachers in remedial courses, colleges may be duplicating existing efforts to support students receiving remedial courses in college.

Additionally, not all ABE students will be eligible to participate in I-BEST programs as they are currently structured because the vocational and certification courses often require students to possess literacy or numeracy skills at the secondary level. In FY13, 9 percent of all ABE students were taking courses at the secondary level. However, though not all ABE students may be prepared to participate in formal I-BEST programs, efforts to develop basic literacy and numeracy skills within vocational skills training demonstrates promise and may be extended across ABE programs.

***Adult education efforts should be coordinated with the state’s workforce system to enhance their potential impact.*** Both adult education providers and leaders in the Workforce Solutions Department reported minimal coordination between the state’s workforce development programs, local workforce boards, and adult basic education. In July 2014, the federal Workforce Innovation and Opportunity Act (WIOA) was signed into law. The law reauthorizes the Workforce Investment Act (WIA) with several major revisions. WIOA is intended to encourage alignment and coordination among federal programs that support employment services, workforce development, adult education, and vocational rehabilitation services. Additionally, the law aims to ensure that job seekers receive training services that align to workforce needs.

For the most part, WIOA reauthorizes the programs contained in the WIA, including adult basic education and the programs administered by the U.S. Department of Labor, but requires more collaboration among programs and establishes common performance measures across programs. Additionally, WIOA will require states to develop a unified plan for both workforce programs and adult basic education.

## **Recommendations**

The Legislature should:

- Appropriate additional funds, transferred from K-12 public school funding formula generated by adult students for ABE programs, to be applied to the performance-based component of the ABE allocation to support the implementation of targeted and intensive ABE instructional efforts.
- In collaboration with HED, PED, institutions of higher education, and the National Conference of State Legislatures, lobby Congress to amend law to allow students without a high school credential to qualify for federal financial aid by reinstating “ability to benefit” provisions in the federal Title IV of the Higher Education Act, which were eliminated as part of the Consolidated Appropriations Act of Fiscal Year 2012.
- Fund a pilot ABE program initiative that targets young adults who lack a high school credential and are receiving other public assistance programs that would include:
  - blending state and federal funding streams, such as TANF and child care assistance;
  - intensive instructional efforts to quicken level gain attainment and program completion;
  - includes a financial aid program, administered by the Higher Education Department, to address barriers and opportunity costs of attending ABE programs, such as income and transportation costs; and
  - includes benchmark and performance targets for participating adults.

The Higher Education Department should:

- Modify the ABE performance-based funding formula to place greater weight on performance factors associated with high school equivalency completion.
- Use ABE funds to provide additional professional development for ABE instructors.
- Work with the Workforce Solutions Department to develop a coordinated workforce and adult basic education state plan that identifies populations and programs to target to address the state’s need and enter into memorandums of understanding with the Human Services Department, Child, Youth and Families Department, and Workforce Solutions Department to develop policies to support plan activities.
- In collaboration with the LFC and Department of Finance and Administration, modify ABE Accountability in Government Act performance measures to include metrics for targeted populations, such as adults with dependents and length of time to program completion.

Institutions of higher education should:

- Review institutional barriers to future I-BEST expansion, including policies that students without a high school credential or equivalent from registering in college-level courses.
- Hire additional full-time ABE faculty.
- Develop a central location where ABE students can access student, academic, and financial supports, and hire support specialists.

The Public Education Department should approve alternative high school equivalent tests.



**STATE OF NEW MEXICO  
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HANNA SKANDERA  
SECRETARY OF EDUCATION

SUSANA MARTINEZ  
GOVERNOR

September 23, 2014

David Abbey, Director  
Legislative Finance Committee  
325 Don Gaspar, Suite 101  
Santa Fe, NM 87501

Dear Director Abbey:

Thank you for the opportunity to respond to the draft report: *Cost-Effective Options for Increasing High School Graduation and Improving Adult Education*. Please accept my compliments to your staff for their professionalism and collaborative approach throughout the evaluation process. As always, the Public Education Department (PED) is committed to continuous quality improvement, best practices, and improving outcomes for all New Mexico students.

The release of this report is timely. In recent years, New Mexico has increased four-year high school graduation rates from 63 to 70 percent. What's more, our Hispanic, Native American, and special education students' growth on graduation rate outpaced their peers'. Recent data from the US Department of Education shows that New Mexico's growth on graduation rate outpaced the nations' as well.

PED recognizes that there needs to be opportunities to re-engage adults who have dropped out of high school to allow them to earn either a diploma or high school equivalency credential. However, every effort must be made—while our students are still in the K–12 system—to move them towards on-time high school graduation and prevent them from dropping out.

The recent progress in our state's graduation rate is commendable, yet there is still more work to be done. One of the two recommendations in the report specific to PED concerns the timely completion of the data component of the Early Warning System (EWS). For the current and prior fiscal years, PED has been

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Public Education Department and Higher Education Department, Report #14-09  
Cost-Effective Options for Increasing High School Graduation and Improving Adult Education  
September 25, 2014

working on developing EWS, with the goal that this system will identify students at risk for dropping out before it is too late. To better identify students at risk for dropping out, the EWS will consider factors such as:

- Third grade proficiency rates
- Chronic absenteeism
- Core course failures in grades 7–10
- Behavior

Once students are identified as being at risk for dropping out, the expectation will be that schools and districts use this information to intervene and support these students to become on-track for graduation. As noted in the report, the decision to drop out of high school is largely made based on what students experience prior to high school, and EWS is a tool designed specifically to analyze and identify earlier in a child's school career those research-based factors that are predictive of a higher probability for dropping out of school.

In addition, in June of 2014, PED provided training to New Mexico districts on best practices to support at-risk students. Hosted in Santa Fe, school teams were invited to attend a facilitated and structured workshop titled: *Developing and Monitoring Effective Systems and Interventions for Students at Risk of Dropping Out*. This workshop provided engaging and hands-on experience to secondary-school teams in planning for and implementing effective intervention and support strategies for students identified as at risk, including linking indicators to a tiered intervention system, identifying effective interventions, and facilitating action planning. This effort was facilitated by Robert Balfanz, Ph.D., director of the Everyone Graduates Center at Johns Hopkins University School of Education.

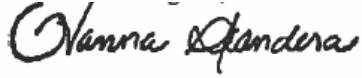
In school year 2014–2015, PED will continue to provide dropout prevention-related professional development for New Mexico public school counselors, teachers, administrators, higher education partners, and other relevant school and district personnel. Development of videos to support EWS training and implementation will be conducted and is likely to be grounded in the research conducted by Johns Hopkins University. PED will coordinate on-site school visits to provide technical assistance to the early adopters as well as develop and disseminate EWS toolkits and resources for early and new adopters of the EWS.

The report includes a second recommendation specific to PED around requiring districts to present drop out plans prior to receiving FY16 budgets for approval. While it is one of PED's priorities to balance the amount of reporting districts are required to do, we will certainly consider the recommendation as we appreciate the need to support those districts with large populations of students at risk for drop out.

As for the broader recommendations that are outlined in the report and do not address specific actions asked of PED, we look forward to discussing these with the committee and clarifying areas where we believe further explanation is needed.

Regardless, PED is pleased to see that the implementation of the EWS aligns well with the recommendations outlined in the report. As we prepare to launch the system this winter, we welcome the opportunity to share the progress with members of the LFC and continue to highlight the excellent work happening across New Mexico.

Warm regards,

A handwritten signature in black ink that reads "Hanna Skandera". The script is cursive and fluid, with the first letter 'H' being particularly large and stylized.

Hanna Skandera

Secretary of Education



# NEW MEXICO HIGHER EDUCATION DEPARTMENT

SUSANA MARTINEZ  
NEW MEXICO GOVERNOR



JOSÉ Z. GARCIA  
CABINET SECRETARY

September 23, 2014

Mr. David Abbey, Director  
Legislative Finance Committee  
325 Don Gaspar Ste. 101  
Santa Fe, NM 87501

RE: Legislative Finance Committee Program Evaluation for Public Education and Higher Education  
Department Cost Effective Options for Increasing High School Graduation and Improving Adult  
Education

Dear Mr. Abbey,

The New Mexico Higher Education Department (NMHED) appreciates the Legislative Finance Committee (LFC) Program Evaluation Report #14-09 and the opportunity to respond informally and formally on Improving Adult Education. We are pleased to see the latest draft that reflects most of the informal comments we made earlier and through this formal response a few other comments, as well as a few adult education performance and funding charts, are provided.

References included within by page number refer to the draft provided to the department on Friday, September 19, 2014. The department's comments:

- a. Page 6, 6<sup>th</sup> paragraph and Page 39, first paragraph – Contrary to the 1<sup>st</sup> statement, Adult Education providers currently target students based on their community's ratio of those needing a High School Credential (ABE/ASE instruction) to those who do not speak English well (ESL instruction).
- b. Page 6, 7<sup>th</sup> paragraph and Page 40, 2<sup>nd</sup> paragraph – after "intensity" the words "and funding levels." should be included both places. Also, to accurately reflect New Mexico ABE performance, it should be noted that of the five key federal indicators, New Mexico exceeds most states on two measures: "high school equivalency and transition to post secondary education". Included (Attachment 1) are charts reflecting the performance of each of the five federal indicators. Additionally, a second chart is provided for each indicator showing the cost per student, which clearly shows a relation with performance and funding level. Lastly, we have provided five other charts (Attachment 2) that show New Mexico ABE performance and state funding on all five federal indicators.

# NEW MEXICO HIGHER EDUCATION DEPARTMENT

SUSANA MARTINEZ  
NEW MEXICO GOVERNOR



JOSÉ Z. GARCIA  
CABINET SECRETARY

- c. Page 8, 1<sup>st</sup> recommendation for HED and Page 48, 2<sup>nd</sup> recommendation for HED – Currently, the department spends about \$300,000 per year for professional development for ABE instructors, administrators and data technicians. It is unclear why this recommendation appears in the report, as this is already done.
- d. Page 46, 6<sup>th</sup> paragraph, to correctly describe the New Mexico I-BEST journey please add the following sentence to the beginning of the paragraph and insert a few words as indicated by the underline in the current first sentence. “The six I-BEST pilots were initially funded by ABE HED through a \$200,000 *Jobs for Future* “Accelerating Opportunity” grant sought by the department in 2011.” “In FY 11, Secretary Garcia selected Santa Fe Community College to receive “ a \$2.7 million .....

Serving the education needs of the adult community to provide New Mexico with a skilled workforce will continue to be a focus of the department. Again, HED thanks the LFC staff for the report and we will review the information and recommendations provided within.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn Walters".

Glenn Walters  
Deputy Secretary of Higher Education

- Attachments:
- 1. ABE Calculation of Completion Rates
  - 2. ABE Trends Comparison

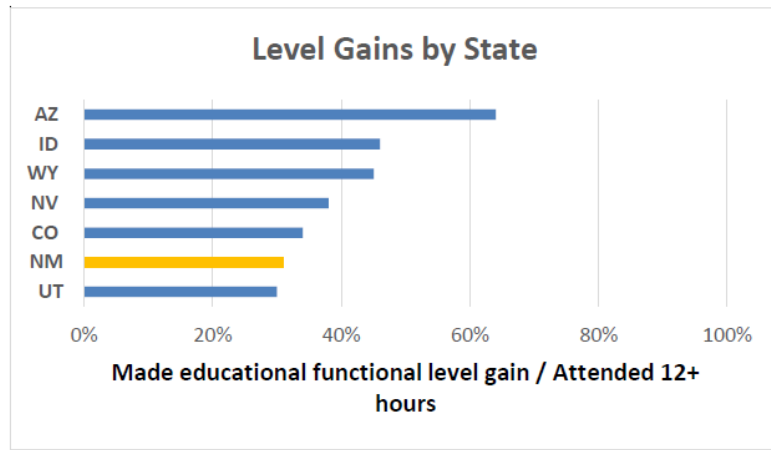
We use five ways of measuring “completion” rate, depending upon the performance measure. Computations are provided at the bottom of each chart.

The charts on the following pages compare the seven mountain plains states in 2012/13.

## I. LEVEL GAINS

### A. By State Performance

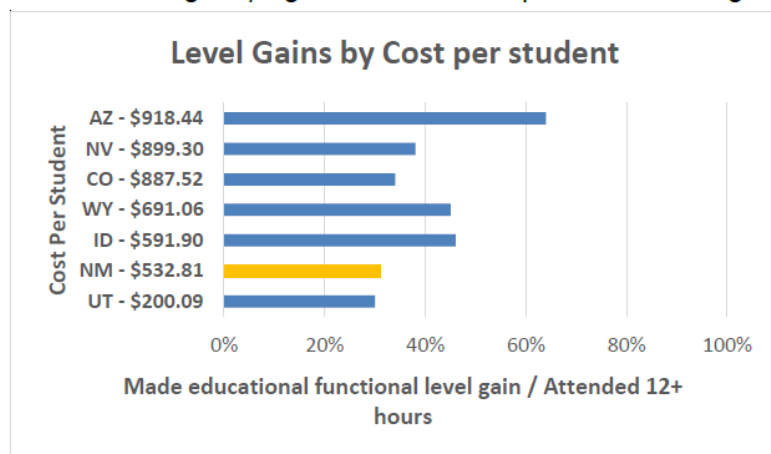
States are arranged highest to lowest performance from top to bottom.



Educational functioning level gains each represent approximately two grade level equivalents as measured by any of several federally approved assessments, cross walked by the American Institutes for Research. Different states use different assessments.

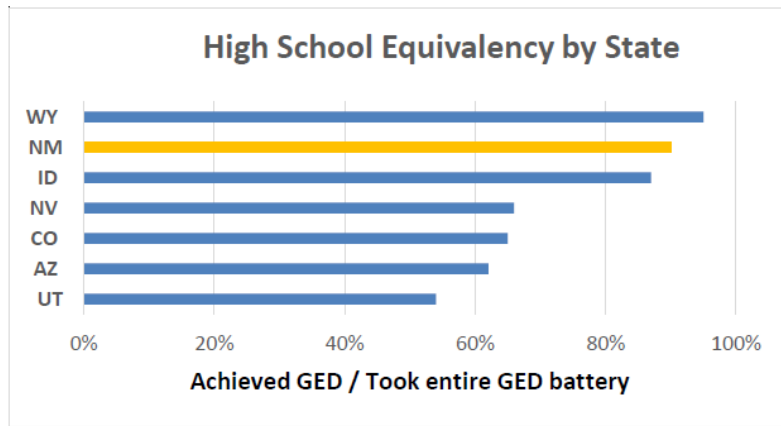
### B. By Cost per Student

States are arranged by highest to lowest state plus federal funding



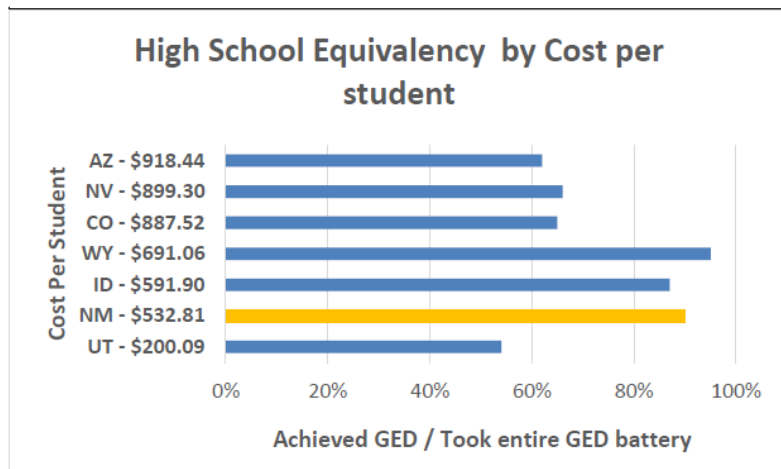
## II. HIGH SCHOOL EQUIVALENCY

### A. By State Performance



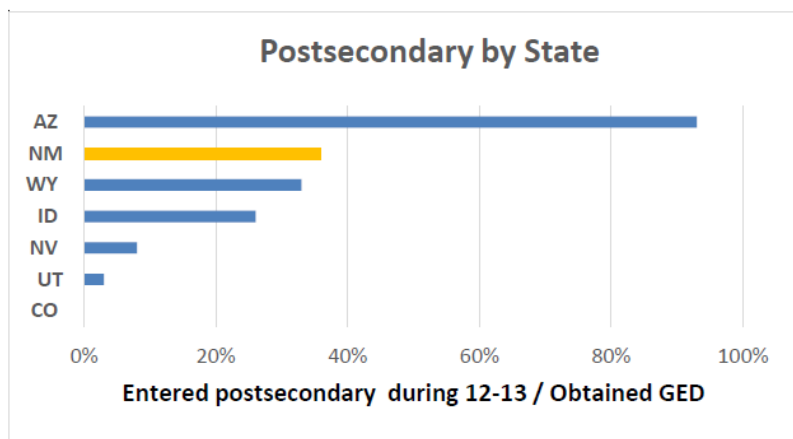
During 2012/13, all states used the GED to determine High School Equivalency. Beginning January, 2014, the GED changed ownership and 2 competing tests entered the market. States now differ in which they administer, and some permit all.

### B. By Cost per Student



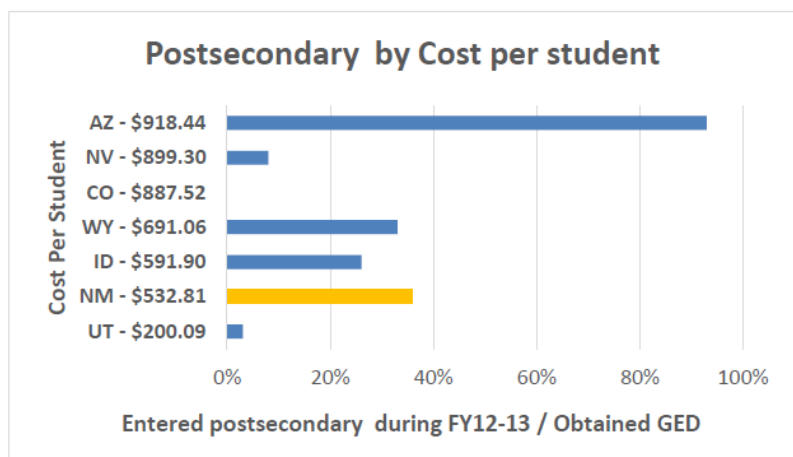
### III. TRANSITION TO POSTSECONDARY EDUCATION

#### A. By State Performance



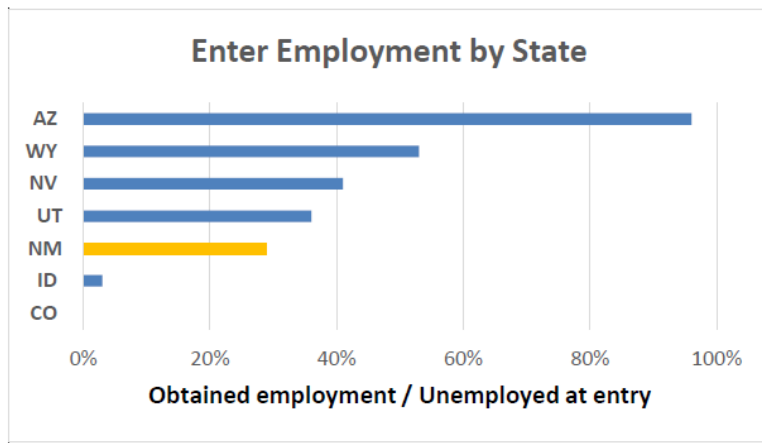
Data obtained by data match between LACES and eDEAR. Therefore the match does not include private, trade, or out-of state institutions.

#### B. By Cost per Student



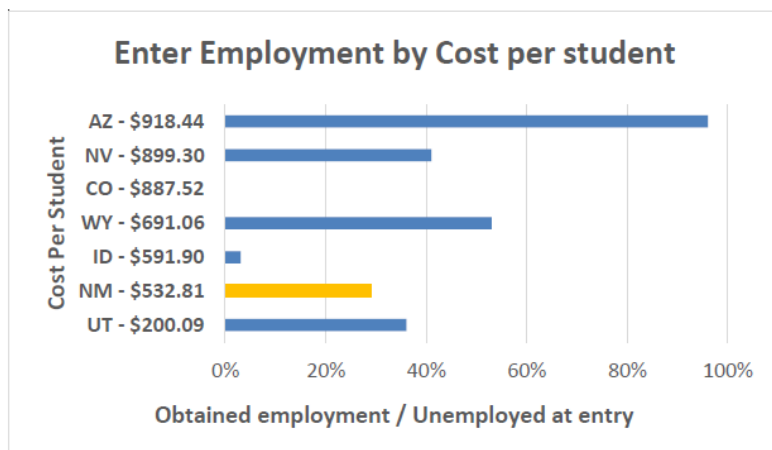
#### IV. ENTERED EMPLOYMENT

##### A. By State Performance



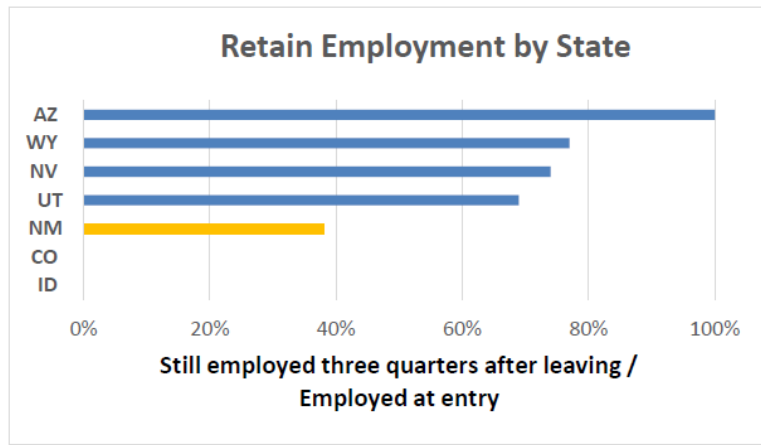
Data obtained by data match with Department of Workforce Solutions. Does not include those "not in the workforce" by choice or disability.

##### A. By Cost per Student



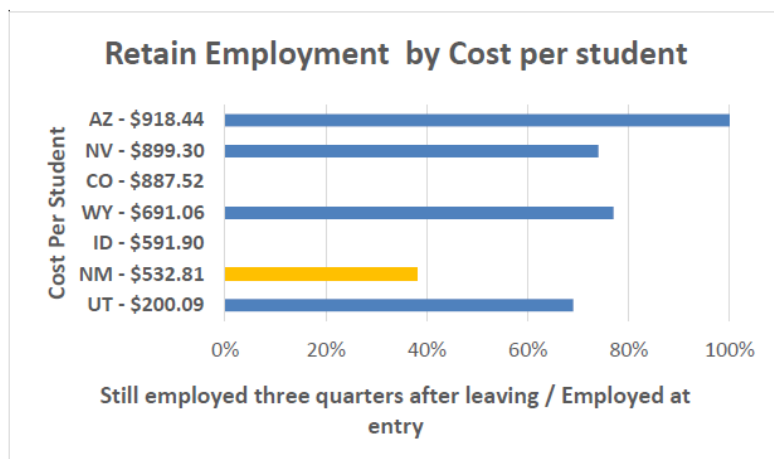
## V. RETAINED EMPLOYMENT

### A. By State Performance

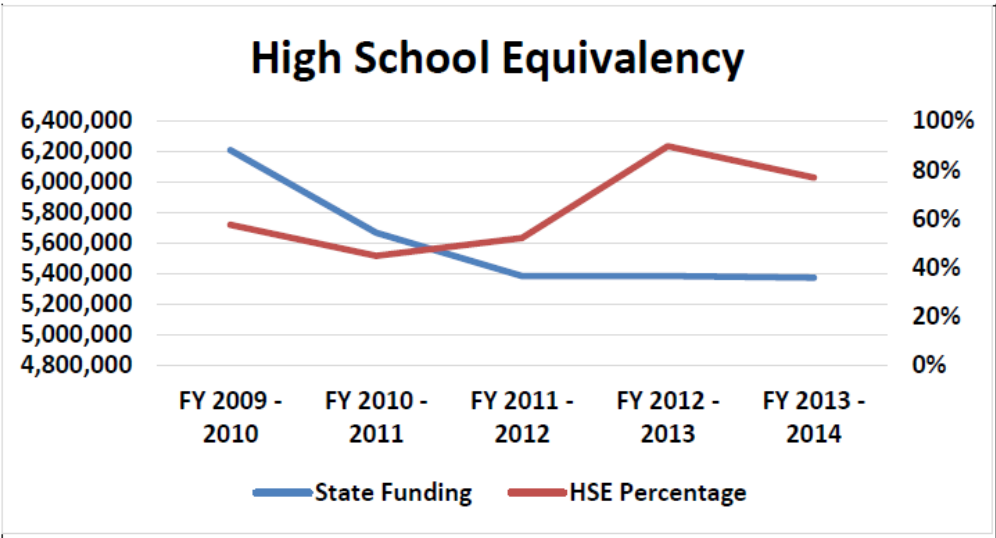
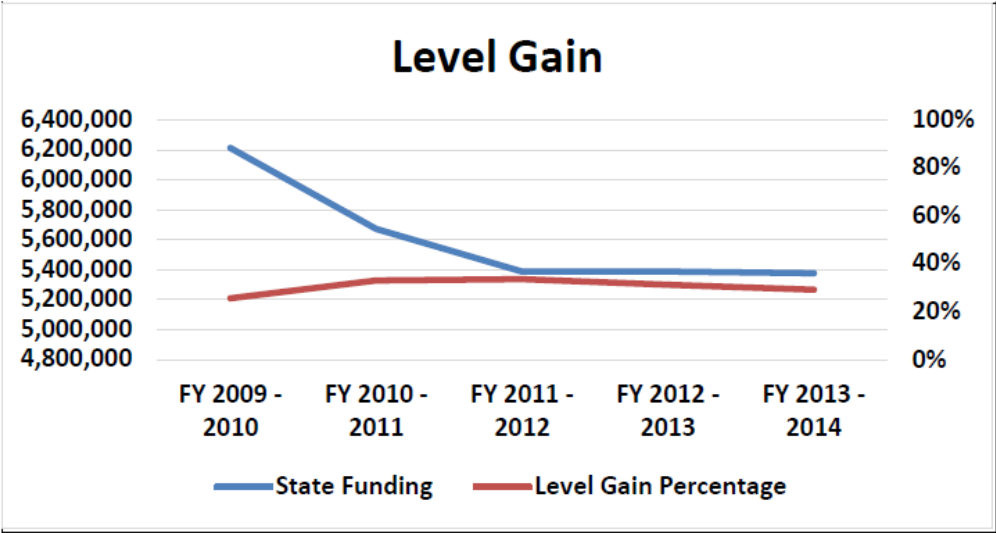


Data obtained by data match with Department of Workforce Solutions. Does not include those "not in the workforce" by choice or disability.

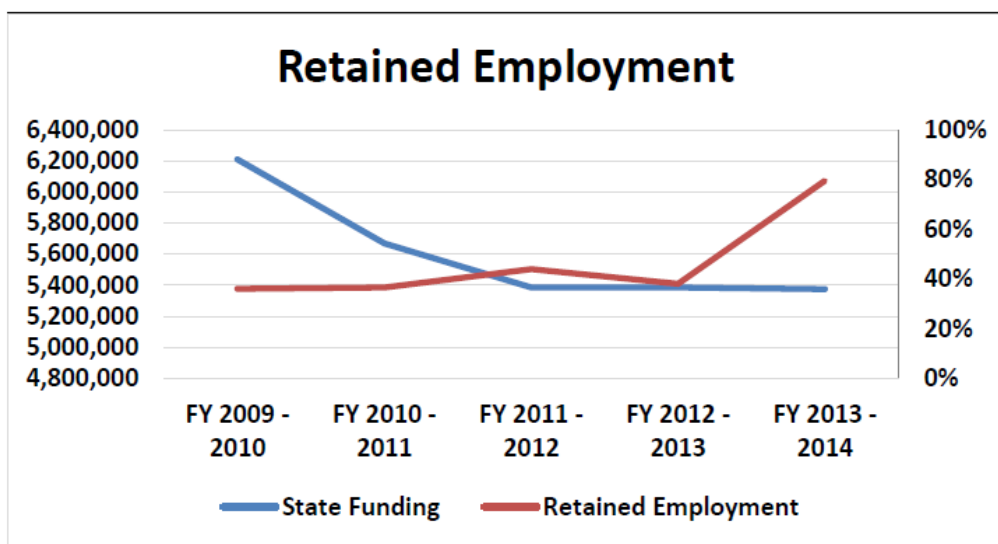
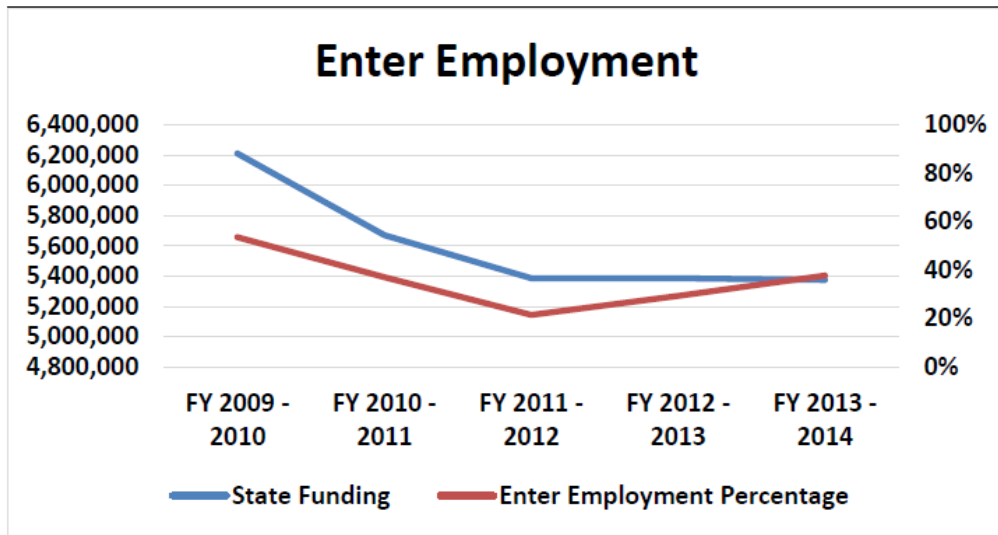
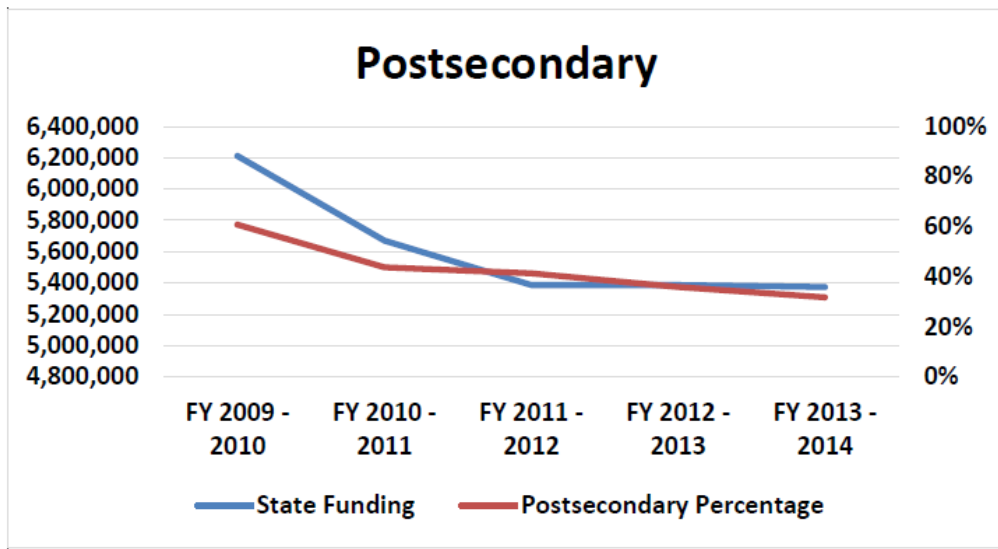
### A. By Cost per Student



In FY10, NMHED implemented performance based metrics as part of its ABE funding formula. The following five charts compare [State Funding trends](#) to [performance trends](#) for each of the five performance measures. As shown in the five charts below, student performance improved in three out of five metrics and remained flat in the other two metrics despite declining state funding.







## APPENDIX A: Evaluation Objectives, Scope, and Methodology

### **Evaluation Objectives.**

- Identify existing efforts to improve high school completion in New Mexico, including opportunities for improvement.
- Analyze costs and outcomes associated with various models currently helping dropouts gain a high school diploma or equivalent.
- Evaluate adult basic education programs in New Mexico.

### **Scope and Methodology.**

- Reviewed applicable laws and regulations.
- Reviewed prior LFC reports.
- Reviewed available information on PED and HED websites.
- Interviewed PED and HED key personnel.
- Reviewed available project contracts, budgets, and financial data.
- Met with LFC staff, including analysts and LFC staff leadership.
- Analyzed LACES and STARS data provided by HED and PED.
- Conducted site visits to school districts, and ABE programs.

### **Evaluation Team.**

Rachel Mercer-Smith, Program Evaluator

Nathan Eckberg, Program Evaluator

Trevor Schmitt, Intern

**Authority for Evaluation.** LFC is authorized under the provisions of Section 2-5-3 NMSA 1978 to examine laws governing the finances and operations of departments, agencies, and institutions of New Mexico and all of its political subdivisions; the effects of laws on the proper functioning of these governmental units; and the policies and costs. LFC is also authorized to make recommendations for change to the Legislature. In furtherance of its statutory responsibility, LFC may conduct inquiries into specific transactions affecting the operating policies and cost of governmental units and their compliance with state laws.

**Exit Conferences.** The contents of this report were discussed with the Higher Education Department and the Public Education Department on September 17, 2014. A report draft was provided to the Higher Education Department and the Public Education Department on September 16, 2014 for a formal written response.

**Report Distribution.** This report is intended for the information of the Office of the Governor; Public Education Department; Higher Education Department, Office of the State Auditor; and the Legislative Finance Committee. This restriction is not intended to limit distribution of this report, which is a matter of public record.



Charles Sallee

Deputy Director for Program Evaluation

## APPENDIX B: ABE Student Wait List 2012-2013

### Adult Basic Education Student Wait List 2012-2013

ABQ-GED	427
Catholic Charities	47
Eastern New Mexico University Roswell	415
New Mexico Corrections Dept.	116
New Mexico State University- Carlsbad	25
Northern New Mexico College	81
Santa Fe Community College	145
University of New Mexico Gallup	82
<b>Total</b>	<b>1,338</b>

Source: HED

## APPENDIX C: HED ABE FY12-13 Allocation Worksheet

### NMHED Adult Basic Education Division FY12-13 Initial Allocation Worksheet

Sites	12-13 Federal	EL/Civics	12-13 State	Other, Including In-Kind Support	12-13 Total
ABQ - GED	\$96,830		\$42,971	\$298,756	\$438,557
Alamo Navajo	\$85,194		\$17,514	\$67,714	\$170,422
Catholic Charities	\$201,921	\$37,711	\$243,942	\$224,262	\$707,836
Central NM	\$377,550		\$768,030	\$1,641,284	\$2,786,864
Clovis Community College	\$97,473		\$163,964	\$128,515	\$389,952
Dine College	\$57,000		\$85,164		\$142,164
ENMU Roswell	\$200,451		\$358,481	\$74,744	\$633,676
ENMU Ruidoso	\$58,914		\$103,595	\$203,978	\$366,487
Luna Community College	\$40,156		\$89,499	\$30,665	\$160,320
Mesalands	\$48,272	\$7,534	\$60,405	\$140,281	\$256,492
NM Corrections	\$223,127		\$10,000	\$1,475,865	\$1,708,992
NM Junior College	\$94,857	\$13,021	\$153,224	\$57,842	\$318,944
NMSU Alamogordo	\$84,748	\$4,538	\$128,993	\$89,659	\$307,938
NMSU Carlsbad	\$122,563		\$199,825	\$329,458	\$651,846
NMSU Dona Ana	\$356,039	\$67,465	\$840,479	\$489,150	\$1,753,133
NMSU Grants	\$50,528		\$99,229	\$208,305	\$358,062
Northern NMC	\$83,196		\$122,018	\$212,014	\$417,228
Sage LLC	\$140,039		\$29,207	\$21,440	\$190,686
San Juan College	\$138,550		\$222,988	\$457,819	\$819,357
Santa Fe Community College	\$208,313	\$38,074	\$486,905	\$133,969	\$867,261
SIPI	\$42,314		\$96,018	\$529,566	\$667,898
UNM Gallup	\$103,788		\$178,237	\$104,970	\$386,995
UNM Los Alamos	\$55,910		\$100,995	\$1,111	\$158,016
UNM Taos	\$61,669		\$108,591	\$37,477	\$207,737
UNM Valencia	\$170,464	\$38,587	\$287,166	\$296,762	\$792,979
WNMU	\$75,331		\$133,796	\$354,408	\$563,535
<b>Totals:</b>	<b>\$3,275,197</b>	<b>\$206,930</b>	<b>\$5,131,236</b>	<b>\$7,610,014</b>	<b>\$16,223,377</b>

Source: HED

## APPENDIX D: Characteristics of ESL Students

### ESL Student Employment Status, FY13

Employed- Full time	33%
Employed- Part time	15%
Not Looking for Work	33%
Retired	<1%
Unavailable for Work	1%
Unemployed	18%

Source: LFC Files

### ESL Participants with One or More Dependents, FY13

One or more dependents	82%
No dependents	16%
Not reported	2%

Source: LFC Files

### ESL Participants Who Report Receiving Public Assistance, FY13

Report public assistance	26%
Did not report public assistance	74%

Source: LFC Files

## APPENDIX E: FY14 Full vs. Part-Time Faculty by ABE Provider

**FY14 Full vs. Part-Time Faculty by ABE Provider**

Provider	Part-Time Faculty	Full-Time Faculty
Alamo Navajo School Board, Inc (N=4)	0%	100%
ABQ-GED (N=12)	50%	50%
Catholic Charities (N=16)	31%	69%
CNM (N=95)	76%	24%
Clovis Community College (N=6)	17%	83%
Dine College (N=4)	25%	75%
ENMU Roswell (N=61)	93%	7%
ENMU Ruidoso (N=12)	75%	25%
Luna Community College (N=7)	71%	29%
Mesalands Community College (N=2)	50%	50%
New Mexico Junior College (N=9)	56%	44%
Corrections (N=2)*	50%	50%
NMSU Alamogordo (N=14)	93%	7%
NMSU Carlsbad (N=23)	87%	13%
NMSU Dona Ana (N=194)	89%	11%
NMSU Grants (N=5)	60%	40%
Northern New Mexico College (N=8)	63%	38%
Sage Lifelong Learning (N=13)	38%	62%
San Juan College (N=37)	68%	62%
Santa Fe Community College (N=31)	81%	19%
Southwestern Indian Polytechnic Institute (N=24)	33%	75%
UNM Gallup (N=8)	38%	63%
UNM Los Alamos (N=22)	73%	27%
UNM Taos (N=8)	88%	13%
UNM Valencia (N=23)	79%	21%

Source: LACES Database

## APPENDIX F: Four-Year Cohort Graduation Rates for Schools with the Largest Number of Dropouts

### Four-Year Cohort Graduation Rates for Schools with the Largest Numbers of Dropouts

High School	FY08	FY09	FY10	FY11	FY12	FY13
Gordon Bernell Charter School		17%	34%	9%	6%	14%
New America Charter School- Albuquerque				35%	36%	23%
New America Charter School - Las Cruces						35%
The Great Academy Charter School- Albuquerque					<2%	3%
Robert F. Kennedy Charter School - Albuquerque	11%	17%	22%	24%	23%	16%
Gallup Central Alternative School	22%	18%	18%	30%	32%	39%
Highland High	37%	50%	47%	49%	54%	64%
Clovis High	79%	74%	83%	74%	81%	78%
Manzano High	55%	71%	68%	68%	64%	68%
SIA Tech (Albuquerque Charter Academy)		30%	23%	37%	47%	39%
Espanola Valley High	75%	65%	64%	51%	65%	60%
Ace Leadership High School- Albuquerque				33%	30%	22%
La Academia De Esperanza		17%	17%	27%	12%	12%
Del Norte High	45%	56%	62%	56%	60%	62%
Carlsbad High	64%	76%	78%	79%	81%	78%
Belen High	50%	64%	68%	67%	63%	60%
Deming Cesar Chavez Charter	54%	29%	24%	25%	29%	20%
Hobbs High	61%	76%	82%	70%	79%	82%
Bernalillo High	54%	59%	65%	60%	67%	59%
Roswell High	67%	68%	74%	72%	66%	66%
Rio Grande High	36%	55%	50%	52%	56%	65%
Las Cruces High	48%	67%	75%	74%	72%	68%
University High (Roswell)	51%	39%	50%	40%	23%	26%
West Mesa High	41%	55%	59%	58%	70%	65%
Las Montañas Charter		5%	35%	45%	47%	30%

Source: PED

## APPENDIX G: Persons Age 25 and Older with a High School Credential by County, 2012

**Percent of Persons Age 25 and Older With a  
High School Credential by County, 2012**

County	Percent
Bernalillo	87%
Catron	86%
Chaves	78%
Cibola	81%
Colfax	86%
Curry	81%
DeBaca	79%
Dona Ana	77%
Eddy	77%
Grant	84%
Guadalupe	82%
Harding	88%
Hidalgo	78%
Lea	71%
Lincoln	86%
Los Alamos	97%
Luna	70%
McKinley	71%
Mora	88%
Otero	84%
Quay	81%
Rio Arriba	78%
Roosevelt	80%
Sandoval	91%
San Juan	82%
San Miguel	83%
Santa Fe	87%
Sierra	85%
Socorro	80%
Taos	88%
Torrance	83%
Union	78%
Valencia	82%

Source: U.S. Census