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Purpose: Provide an overview of New Mexico's adult education system, adult students in public schools, and the external diploma program.

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Expected Outcome: Gain a better understanding of the education system for adults.

Adult Education in New Mexico

Background

Adults in New Mexico who do not possess a high school diploma or equivalency credential have the option to participate in adult education services. Traditionally, the Higher Education Department (HED) and New Mexico Corrections Department (NMCD) have overseen adult education programs. Section 21-1-26.11 NMSA 1978 directs HED to “plan and budget for the statewide adult basic education program” and “adopt and promulgate rules for all such adult educational programs.” Section 33-11-3 NMSA 1978 directs NMCD to “adopt regulations for all adult correctional institutions operated by the department for the implementation of a mandatory education program for all inmates to attain a minimum education standard.”

A 2014 Legislative Finance Committee (LFC) report stated New Mexico's adult education resources are spread thin and the state's programs generally do not perform as well as programs in surrounding states. In this context, several charter schools took advantage of a legal loophole to begin providing adult education services at a significantly higher per-student funding level than services funded through HED, although public school programs are often not the appropriate setting for adult learners. Despite charter schools receiving far more funding per adult student than adult education programs, completion rates for adult students in charter schools were comparable to those for students in traditional adult education programs. In FY18, graduation rates at public schools serving adult students generally ranged between 15 percent and 40 percent. The same year, roughly 40 percent of students in HED programs achieved measurable skill gains or obtained a high school diploma or equivalency credential. This discrepancy raised questions of equity and the inefficient use of limited state resources. Laws 2019, Chapters 206 and 207 (House Bill 5 and Senate Bill 1) closed the loophole that allowed school districts and charter schools to receive formula funding for adult students. According to Education Commission of the States, this decision brings New Mexico in line with 43 other states.

In FY17, the state funded adult education programs at a rate of only \$408 per student. Adult students in public school programs, by contrast, received an average of \$7,577 per student in state funding.

The Legislature based its decision to withhold public school funding from adult students on considerations of cost and efficiency. However, it is in the state's best interest to graduate as many students as possible and reengage students who drop out. This brief provides an overview and historical context of the adult education system in New Mexico, including equivalency credentials, and a new external diploma program authorized in Laws 2019, Chapter 185 (Senate Bill 391).

The Importance of a High School Diploma

Obtaining a high school diploma or equivalency credential significantly improves economic wellbeing. According to Social Security Administration data, men who graduate from high school have expected lifetime earnings 30 percent higher than men who do not, and women who graduate have expected lifetime earnings 47 percent higher. Census Bureau data from New Mexico indicate adults who possess only a high school diploma or equivalency credential have median annual earnings of \$26,446 compared with earnings of \$18,634 for adults who do not, a 42 percent increase. Similarly, only 19 percent of New Mexico high school graduates live in poverty compared with 34 percent of adults without diplomas.

The U.S. Census Bureau reports over 200 thousand New Mexico adults lack a high school diploma or equivalency credential. New Mexico had the lowest high school graduation rate in the United States in FY17, the most current year for which information is available.

Moreover, a high school diploma or equivalency credential is a prerequisite for postsecondary education. Georgetown University’s Center on Education and the Workforce reports 65 percent of job openings through 2020 will require at least some college education, if not an associate’s or bachelor’s degree. Ensuring all New Mexicans have access to a high school diploma or equivalency credential will enable them to meet higher education goals and the needs of a changing economy.

New Mexico’s Adult Education System

There are three categories of adult education programs in New Mexico that are all overseen by HED: adult basic education, English as a second language, and basic skills.

HED provides grants to eligible institutions to provide these programs and NMCD offers these programs to its inmates.

To pass the GED test, students must receive a score of 145 on each module. Students who score between 165 and 174 (“college ready”) may qualify to bypass placement testing and remedial coursework at some national colleges. Students who score between 175 and 200 (“college ready with credit”) may qualify for up to 10 credit hours at participating institutions.

Adult basic education (ABE) programs prepare individuals to pass a high school equivalency exam. Individuals who are 16 years-old or older, who are not enrolled in high school nor required to be enrolled, and who do not possess a high school diploma are eligible to take a high school equivalency exam. Individuals younger than 18 years-old must first obtain permission from HED’s High School Equivalency (HSE) division before taking a high school equivalency exam.

Two high school equivalency providers are currently authorized by the Public Education Department (PED): GED and HiSET. The GED is a four-module test and costs \$30 per module, or \$120 for the entire test. The four modules are: mathematical reasoning, reasoning through language arts, social studies, and science. HiSET is a five-module test and costs \$10.75 per module for computer-delivered tests and \$15 per module for paper tests, for a total cost of \$53.75 to \$75. Its five modules are: language arts (reading), language arts (writing), mathematics, science, and social studies.

New Mexico GED Statistics, 2014-2018

	2014	2015	2016	2017	2018
Number of Test-Takers	2,906	3,450	3,350	2,953	2,612
Number of Completers	2,036	2,557	2,566	2,253	2,030
Number of Passers	1,219	2,081	2,071	1,771	1,592
Pass Rate	60%	81%	81%	79%	78%
Percent College Ready	23%	21%	18%	18%	18%
Percent College Ready with Credit	6%	5%	6%	4%	6%

Source: GED



Higher Education Department Programs

HED awards grants for adult education to eligible institutions, which include postsecondary education institutions, local education agencies, government agencies, libraries, public housing authorities, nonprofit organizations, and private employers. The majority of adult education providers in New Mexico are higher education institutions, namely two-year community colleges. There are currently 24 adult education programs operating in the state, serving between 12 thousand and 13 thousand students.

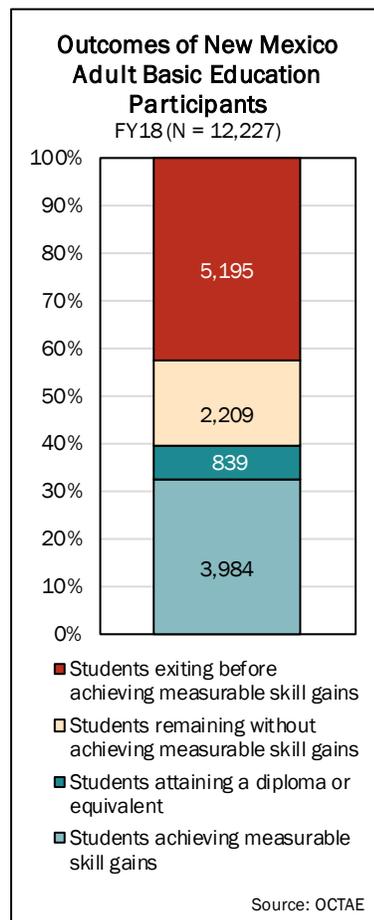
In general, adult education programs are competency-based rather than credit-based. HED recommends programs provide intense instruction via a blended learning model (both in-classroom and online). Programs measure performance using standardized tests such as Tests of Adult Basic Education (TABE). HED encourages adult education providers to make use of “authentic materials” such as primary sources and online resources in lieu of textbooks and workbooks. Students incur no materials or tuition costs, although some programs charge an administrative fee. However, an adult education provider must obtain HED permission to charge such a fee and may not turn a student away for inability to pay.

In FY19, HED allocated \$5.3 million in state funding to adult education programs, which is consistent with prior years. Adult education programs in New Mexico also receive federal funding. In FY19, HED received \$4.4 million from the U.S. Department of Education. The state’s general fund per-student expenditure for adult education in FY19 was \$477. In the 2019 legislative session, the state budget for adult education grew by \$3 million, with language allowing HED to use up to \$3 million of the appropriation to serve incarcerated adults. Of that \$3 million, HED allocated \$250 thousand to Gordon Bernell Charter School, \$750 thousand to an open RFA to provide adult education services to individuals currently or formerly incarcerated, \$1 million to existing programs based on performance, and \$1 million to existing programs to develop career and technical education and integrated education programs, with preference given to students in the criminal justice system.

HED outcome measures for adult education programs include the number of students who gain at least one educational functioning level, the number of students who pass a high school equivalency test, the number of students employed in the second and fourth quarters after leaving the program, and the number of students transitioning to postsecondary education. According to U.S. Office of Vocational and Adult Education (OCTAE) data, of 12,227 students enrolled in ABE programs in FY18, 39 percent achieved measurable skill gains. This includes participants who gained at least one educational functioning level and those who attained a high school diploma or equivalency credential. HED states adult education outcomes for FY18 represented a 535 percent return on state-level investment. The department reports 1,153 students who were unemployed at program entry subsequently entered the workforce,

Central New Mexico Community College’s School of Adult and General Education (SAGE) is one of the state’s adult education providers. SAGE enrolled 4,154 students in FY19. Students at SAGE who enroll for high school equivalency instruction pass the GED or HiSET tests at a rate of 15 to 18 percent. There are 35 instructors teaching adult education courses for the fall 2019 term. SAGE operates under two HED grants and one U.S. Department of Education Grant and has an annual per-student program cost of \$799.36.

According to a 2014 LFC report, in FY13, New Mexico contributed more state funding to ABE than is federally mandated and funded its ABE programs at a higher level than neighboring states. However, the per-student allocation was lower in New Mexico than in other nearby states.



generating nearly \$17 million in wages after the second quarter of exiting the program. Those students who obtained a high school diploma or equivalency credential are estimated to earn an additional \$180 per week, totaling nearly \$8 million per year. Finally, 847 students are reported to be transitioning to college or vocational training and are expected to earn an additional \$73 per week, or \$3 million per year.

New Mexico Corrections Department Programs

The Inmate Literacy Act directs NMCD to administer an education program to enable eligible inmates to attain a “minimum education standard.” Since 1991, the standard has been a high school diploma or equivalency credential. The Act applies to inmates who have 18 months or more remaining to be served on their sentence, who are not exempt due to disability, and who do not already possess a high school diploma or equivalency credential. Eligible inmates are required to participate in the mandatory education program for a period of 90 days, after which time they may choose to withdraw. Any eligible inmate who refuses or chooses not to participate in the program is ineligible for monetary compensation for work performed or for meritorious deduction of their sentence.

According to NMCD staff, in the last quarter, 67 percent of students who completed the GED or HiSET tests earned a passing score and obtained their equivalency credential.

In FY19, NMCD enrolled 1,418 inmates in adult education services. The department receives federal grant money from HED to operate its adult education programs. NMCD assigns a supervisor of education to each of the 11 facilities the department operates. At 10 of the facilities, students prepare to take the GED test. At one facility, Northeastern New Mexico Correctional Facility, students take the HiSET test. Class times vary across facilities, but many facilities provide three hours of classroom time in the morning. Others provide rotating classes in the morning, afternoon, and evening. NMCD employs a dedicated staff of instructors, most of whom possess a New Mexico teacher’s license, although a license is not a requisite for employment.

Adult Students in Public Schools

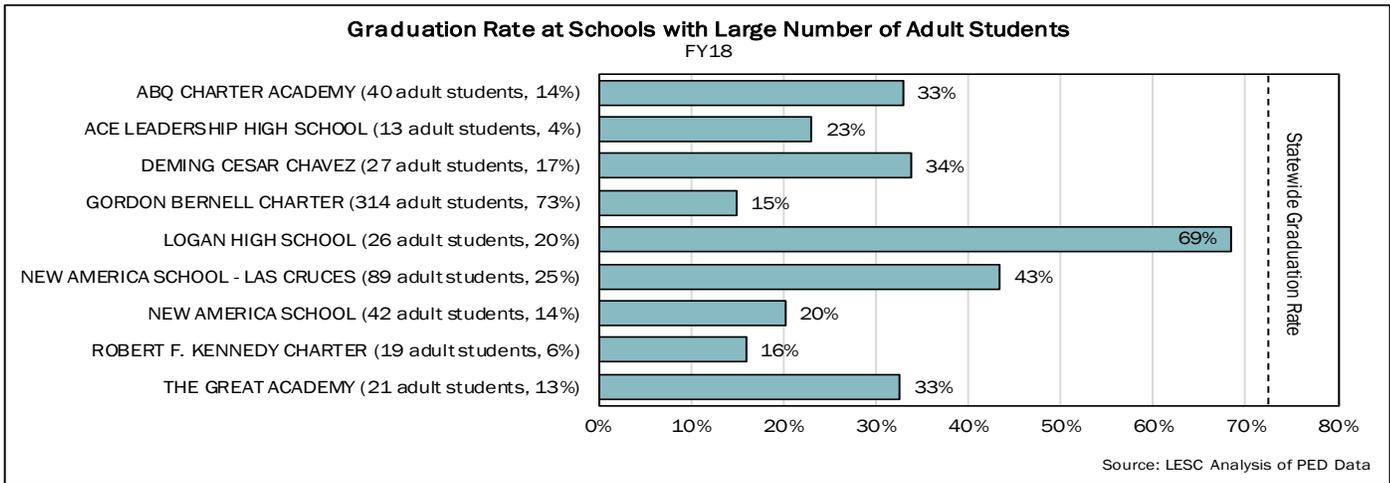
Prior to the 2019 legislative session, there was no statutory upper limit on the age of a public school student. Laws 2019, Chapters 206 and 207 (Senate Bill 1 and House Bill 5) define a “school-age person” as “a person who is at least five years of age prior to 12:01 a.m. on September 1 of the school year, who has not received a high school diploma or its equivalent and who has not reached the person’s twenty-second birthday on the first day of the school year and meets other criteria provided in the Public School Finance Act.” Adult students enrolled in public school programs as of the third reporting period of the 2018-2019 school year will continue to be eligible for funding until they disenroll.

Gordon Bernell Charter School enrolled 435 students for FY20. The school provides services comparable to those traditional adult education programs provide, yet receives significantly more per-student funding. Gordon Bernell offers students a highly-individualized model that includes a variety of wraparound services. However, Gordon Bernell’s graduation rate in FY18 was only 15 percent.

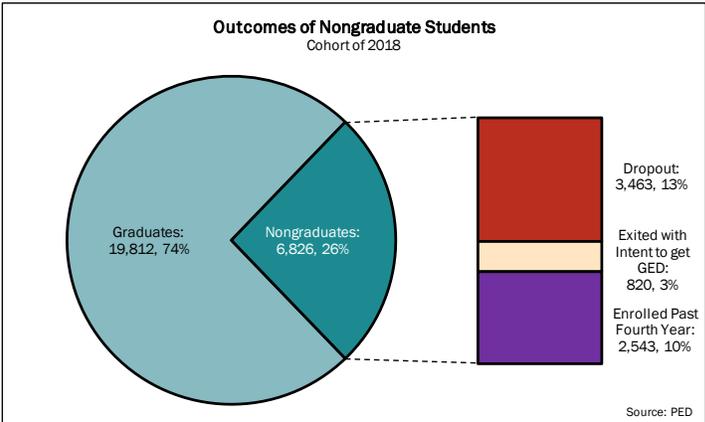
In FY19, school districts and charter schools served 612 adult students. These students were heavily concentrated in several charter schools: Gordon Bernell Charter School (307 students), New America School Las Cruces (76 students), Albuquerque Charter Academy (49 students), The Great Academy Charter School (35 students), Robert F. Kennedy Charter School (30 students), Deming Cesar Chavez Charter School (24 students), and New America School Albuquerque (20 students). Two school districts also



enrolled significant numbers of adult students: Logan (24 students) and Alamogordo (12 students). The statewide total of adult students in public schools has decreased every year for the last five years, although several individual school districts and charter schools enrolled more adult students in FY19 than they did in FY18. Between FY18 and FY19, adult student enrollment increased by 22 percent at Albuquerque Charter Academy, 58 percent at Robert F. Kennedy Charter School, and 67 percent at The Great Academy. The 612 adult students enrolled in public schools in FY19 are expected to generate approximately \$5.6 million in formula funding in FY20. This calculation is based on the preliminary FY20 unit value and will likely increase modestly once the final unit value is set. Estimated FY20 per-student program costs at public schools that enroll adult students range between \$7,616 and \$15,281. See **Attachment 1: Number of Students Over Age in Public Schools, FY15 to FY19.**



In FY18, all public schools with large adult student populations, with the exception of Logan High School, had graduation rates below 50 percent, well below the statewide rate of 73.9 percent. In addition, public schools serving adult students often have high dropout rates. In the last three years, just 15 schools accounted for nearly half of the statewide dropout rate. Three charter schools that enroll adult students, Gordon Bernell, New America School Albuquerque, and Robert F. Kennedy Charter School are among those with the highest dropout rates. For the last three years, Gordon Bernell has had the highest dropout rate in the state. See **Attachment 2: Top 15 Schools Producing the Greatest Percentage of Dropouts.**



School districts should work to reduce the number of dropouts, thereby ensuring a greater number of New Mexico adults possess a high school diploma. PED can support dropout prevention efforts by providing professional development and technical assistance. The majority of the state's dropouts are concentrated in just 25 schools, a pattern that has persisted for the last six years of available data. LFC's 2014 report on high school graduation includes a chart of the 25 high schools with the greatest

number of dropouts in FY13. These schools produced 52 percent (3,745 students) of the statewide dropouts (7,185 students). In FY18, 16 of the same schools ranked among the 25 schools producing the highest number of dropouts. Those 25 schools accounted for 71 percent (2,474 students) of the statewide dropouts in FY18 (3,463 students). See **Attachment 3: Top 25 Schools Producing the Greatest Number of Dropouts, FY13 and FY18.**

External Diploma Program

In response to concerns about maintain a pathway for adults to earn a high school diploma, the Legislature enacted Laws 2019, Chapter 185 (Senate Bill 391). SB391 directs PED to authorize an external diploma program for adults. The Bill stipulates that the program document the educational attainment of participants through college and career readiness standards, assess high-school level skills in applied life and work contexts, and prepare participants to enter college or the workforce, upgrade their skills, advance to a better job, or move from one field of work to another. Successful completion of this program would result in receipt of a PED-issued diploma rather than a high school equivalency credential. Ideally, the external diploma program will provide a cost-effective alternative to a high school equivalency credential for adults who do not possess a high school diploma.

PED staff stated the department is close to authorization of such a program, but provided no additional details.

Number of Students Over Age in Public Schools

FY15-FY19

School District or Charter School	FY15	FY16	FY17	FY18	FY19
School Districts					
ALAMOGORDO	15	17	16	10	12
ALBUQUERQUE	5	6	7	8	3
BLOOMFIELD		1			
CENTRAL CONS.	4	2	7	4	1
CLOVIS	1	1	1		
CUBA	1				
DEMING	1				
ESTANCIA		1			
FARMINGTON		2	2	1	1
GADSDEN		2	3	2	
GALLUP	45	8	4		
HOBBS					1
HOUSE	3	1			
LAS CRUCES		2	3	2	3
LOGAN	23	29	25	26	24
LOVINGTON	1	1			
MESA VISTA		1		1	
PORTALES	7	5	8	3	5
QUEMADO					5
RIO RANCHO	1				
RUIDOSO		1			
SANTA FE		4	7	4	1
SANTA ROSA					1
SILVER CITY	3		1	3	
SOCORRO	1				
ZUNI			2	1	
Charter Schools					
ABQ CHARTER ACADEMY	43	41	53	40	49
ACADEMY OF TRADES AND TECH	5	10	6	1	
ACE LEADERSHIP HIGH SCHOOL	6	15	21	13	
ANTHONY CHARTER SCHOOL				1	
CESAR CHAVEZ COMMUNITY SCHOOL			1		
DEMING CESAR CHAVEZ	25	24	25	27	24
GORDON BERNELL CHARTER	320	314	309	314	307
HEALTH LEADERSHIP HIGH SCHOOL	3	2	4	4	3
HEALTH SCIENCES ACADEMY	40				
LOS PUENTES CHARTER	5	4	3	5	2
NEW AMERICA SCHOOL	78	95	77	42	20
NEW AMERICA SCHOOL - LAS CRUCES	141	136	127	89	76
NEW MEXICO CONNECTIONS ACADEMY			1	5	
NEW MEXICO VIRTUAL ACADEMY			2	2	1
NORTH VALLEY ACADEMY		1			
ROBERT F. KENNEDY CHARTER	66	46	28	19	30
SCHOOL OF DREAMS ACADEMY	7	16	9	8	5
SOUTHWEST SECONDARY LEARNING CENTER				1	
TECHNOLOGY LEADERSHIP HIGH SCHOOL				2	3
THE GREAT ACADEMY	40	32	16	21	35
TIERRA ADENTRO			4		
School Districts Total	111	84	86	65	57
Charter Schools Total	779	736	686	594	555
Statewide Total	890	820	772	659	612

Source: PED

Top 15 Schools Producing the Greatest Percentage of Dropouts

	School District	School Name	Three-Year Dropout Rank	2016			2017			2018			
				Number of Dropouts	Dropout Rate	Percent of Statewide	Number of Dropouts	Dropout Rate	Percent of Statewide	Number of Dropouts	Dropout Rate	Percent of Statewide	
1	Albuquerque Public Schools	Gordon Bernell Charter	1	236	65%	4.0%	237	86%	6.1%	141	67%	4.1%	1
2	State-Chartered Charter School	New Mexico Connections Academy	2	73	33%	1.2%	117	27%	3.0%	218	40%	6.3%	2
3	Albuquerque Public Schools	Highland High	3	101	17%	1.7%	197	36%	5.0%	126	23%	3.6%	3
4	Albuquerque Public Schools	Atrisco Heritage Academy	4	95	12%	1.6%	148	17%	3.8%	124	15%	3.6%	4
5	Albuquerque Public Schools	La Academia De Esperanza	5	87	40%	1.5%	131	55%	3.4%	121	50%	3.5%	5
6	Albuquerque Public Schools	West Mesa High School	6	70	13%	1.2%	147	25%	3.8%	108	17%	3.1%	6
7	Albuquerque Public Schools	Rio Grande High School	7	92	17%	1.6%	130	23%	3.3%	101	18%	2.9%	7
8	Carlsbad Municipal Schools	Carlsbad High School	8	84	18%	1.4%	118	24%	3.0%	109	24%	3.1%	8
9	State-Chartered Charter School	New America School	9	113	46%	1.9%	116	54%	3.0%	91	51%	2.6%	9
10	Santa Fe Public Schools	Santa Fe High School	10	99	19%	1.7%	111	20%	2.8%	96	18%	2.8%	10
11	Santa Fe Public Schools	Capital High School	11	75	19%	1.3%	112	22%	2.9%	105	22%	3.0%	11
12	Albuquerque Public Schools	Del Norte High School	12	77	17%	1.3%	124	26%	3.2%	92	20%	2.7%	12
13	Albuquerque Public Schools	Manzano High School	13	89	15%	1.5%	96	18%	2.5%	100	16%	2.9%	13
14	Clovis Municipal Schools	Clovis High School	14	88	14%	1.5%	99	16%	2.5%	93	15%	2.7%	14
15	Albuquerque Public Schools	Albuquerque High School	15	78	12%	1.3%	86	13%	2.2%	89	14%	2.6%	15
16	Top 15 Combined Dropout Number/Rate			1457	28%	24.6%	1969	35%	50.4%	1714	29%	49.5%	16
17	Statewide Dropout Number/Rate			5914	16%		3903	15%		3463	13%		17

Source: LESC Analysis of PED Data

Top 25 Schools Producing the Greatest Number of Dropouts

FY13 and FY18*

High School	FY13				FY18			
	Number of Dropouts	Percent Dropouts	Percent of Statewide	Rank	Number of Dropouts	Percent Dropouts	Percent of Statewide	Rank
School District High Schools (District)								
Albuquerque High School (Albuquerque)					89	14%	3%	16
Atrisco Heritage Academy High School (Albuquerque)					124	15%	4%	4
Belen High School (Belen)	72	6%	1%	16				
Bernalillo High School (Bernalillo)	69	8%	1%	19				
Capital High School (Santa Fe)					105	22%	3%	8
Carlsbad High School (Carlsbad)	77	5%	1%	15	109	24%	3%	6
Clovis High Freshman Academy (Clovis)					74	13%	2%	21
Clovis High School (Clovis)	106	6%	1%	8	93	15%	3%	12
Del Norte High School (Albuquerque)	79	7%	1%	14	92	20%	3%	13
Deming High School (Deming)					76	18%	2%	19
Espanola Valley High School (Espanola)	87	9%	1%	11	74	22%	2%	23
Gallup Central Alternative High School (Gallup-McKinley)	108	29%	2%	6				
Highland High School (Albuquerque)	106	6%	1%	7	126	23%	4%	3
Hobbs High School (Hobbs)	71	4%	1%	18				
Las Cruces High School (Las Cruces)	68	4%	1%	22	75	14%	2%	20
Manzano High School (Albuquerque)	102	6%	1%	9	100	16%	3%	10
Rio Grande High School (Albuquerque)	68	5%	1%		101	18%	3%	9
Rio Rancho High School (Rio Rancho)				21	69	10%	2%	24
Roswell High School (Roswell)	69	5%	1%	20	64	16%	2%	25
Santa Fe High School (Santa Fe)					96	18%	3%	11
University High School (Roswell)	68	34%	1%	23				
Valley High School (Albuquerque)					80	18%	2%	18
West Mesa High School (Albuquerque)	67	4%	1%	24	108	17%	3%	7
Charter High Schools (Authorizer)								
ACE Leadership High School (PEC - Albuquerque)	86	26%	1%	12	84	53%	2%	17
Albuquerque Charter Academy (Albuquerque)	93	21%	1%	10				
Deming Cesar Chavez Charter School (Deming)	71	36%	1%	17				
Gordon Bernell Charter School (Albuquerque)	1473	100%	21%	1	141	67%	4%	2
La Academia De Esperanza (Albuquerque)	81	19%	1%	13	121	50%	3%	5
Las Montanas Charter School (PEC - Las Cruces)	67	22%	1%	25				
New America School (PEC - Albuquerque)	226	39%	3%	2	91	51%	3%	14
New America School - Las Cruces (PEC - Las Cruces)	190	48%	3%	3	74	47%	2%	22
New Mexico Connections Academy (PEC - Santa Fe)					218	40%	6%	1
Robert F. Kennedy Charter School (Albuquerque)	116	42%	2%	5	90	51%	3%	15
The Great Academy (PEC - Albuquerque)	125	48%	2%	4				
Total	3745		52%		2474		71%	
Statewide Number of Dropouts and Dropout Rate	7185	20.8%			3463	13%		

Source: LESC Analysis of LFC and PED Data

*Note: Chart compares the top 25 schools producing the greatest number of dropouts in FY13 and FY18. Columns without data correspond to schools that did not rank among the top 25 either in FY13 or FY18. Highlighted rows represent schools that remain among the top 25 in FY18.