

**State of New Mexico**  
**LEGISLATIVE EDUCATION STUDY COMMITTEE**

**REPRESENTATIVES**

Rick Miera, Chair  
Roberto "Bobby" J. Gonzales  
Jimmie C. Hall  
Mimi Stewart  
Thomas E. Swisstack  
W. C. "Dub" Williams

State Capitol North, 325 Don Gaspar, Suite 200  
Santa Fe, New Mexico 87501  
PH: (505) 986-4591 FAX: (505) 986-4338  
<http://legis.state.nm.us/lcs/lesc/lescdefault.asp>

**SENATORS**

Cynthia Nava, Vice Chair  
Vernon D. Asbill  
Mary Jane M. Garcia  
Gay G. Kernan

**ADVISORY**

Ray Begaye  
Nathan P. Cote  
Nora Espinoza  
Mary Helen Garcia  
Thomas A. Garcia  
Dianne Miller Hamilton  
John A. Heaton  
Rhonda S. King  
Sheryl M. Williams Stapleton  
Jim R. Trujillo  
Teresa A. Zanetti



**ADVISORY**

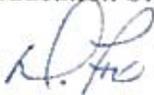
Mark Boitano  
Carlos R. Cisneros  
Dianna J. Duran  
Lynda M. Lovejoy  
Mary Kay Papen  
John Pinto  
William E. Sharer

D. Pauline Rindone, Ph.D., Director  
Frances R. Maestas, Deputy Director

May 12, 2008

**MEMORANDUM**

**TO:** Legislative Education Study Committee

**FR:** Dorinda Fox 

**RE: STAFF REPORT: ADULT BASIC EDUCATION**

---

**Introduction**

"Because more than 30 percent of adults in New Mexico do not have a high school diploma or speak English well, addressing the basic education needs of this population is a top priority." (The 2007 New Mexico Higher Education Department Annual Report)

Basic skills such as mathematics and reading, writing, and speaking the English language are more important today than at anytime in the past. These basic skills are necessary to participating in a society that increasingly relies on information, computers, and technology. These same skills are needed to earn a high school diploma or equivalent, an essential step to obtaining further training or postsecondary education.

The Bureau of Labor Statistics reports that 90 percent of the fastest growing jobs in New Mexico now require education and training past high school. Studies for the US departments of Labor, Commerce, and Education as well as others point to the conditions that, because some type of training or education beyond the high school level is required for a growing proportion of available jobs, a poorly educated workforce affects the nation's ability to compete in the global economy, and individuals and families without basic education skills are limited in their opportunities for a quality standard of living.

In October 2004, the Legislative Education Study Committee (LESC) heard a presentation on the status and funding of Adult Basic Education (ABE) programs in New Mexico. The New Mexico

Legislature took action in 2003 that amended law to transfer the responsibility and authority of the state level ABE program from the former State Board of Education (now the Public Education Department or PED) to the Commission on Higher Education (now the Higher Education Department or HED). The transfer of the state ABE program to HED occurred in April 2005.

The LESC includes in its 2008 Interim Workplan a study of the current ABE program and its services to the eligible population in New Mexico. This report focuses on:

- literacy and education needs in relation to enrollment in ABE;
- ABE funding;
- student success and program performance;
- a survey of the ABE program sites;
- HED statewide administration and how ABE programs are evaluated; and
- the Return on Investment of funds for ABE program services.

### **ABE Program**

In August 1998, the US Congress enacted the federal *Workforce Investment Act of 1998* (WIA) which rewrote federal statutes governing programs of job training, adult education and literacy, and vocational rehabilitation, replacing them with streamlined and more flexible components of workforce development systems. Title II of the WIA is the *Adult Education and Family Literacy Act* (AEFLA) which defines adult education as services or instruction below the postsecondary level for individuals:

- (A) who have attained 16 years of age;
- (B) who are not enrolled or required to be enrolled in secondary school under state law; and
- (C) who:
  - lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society;
  - do not have a secondary school diploma or its recognized equivalent, and have not achieved an equivalent level of education; or
  - are unable to speak, read, or write the English language.

The Office of Vocational and Adult Education (OVAE) in the US Department of Education (USDE) administers the federal ABE program. The purpose of the federal ABE program is to provide opportunities to acquire basic skills, study English as a Second Language (ESL) and receive education and support to earn a general educational development (GED) for persons 16 years of age or older who have not completed high school or the equivalent.

The ABE program components offered in New Mexico includes:

- Adult Basic Education (grades 1-8 and adult literacy);
- Adult Secondary Education (grades 9-12 and GED preparation);
- ESL;
- Family Literacy;
- Workplace Literacy;

- Work-based Learning; and
- English Literacy/Civics Education.

### Extent of Need for ABE in New Mexico

*Profiles of the Adult Education Target Population*, a 2005 report prepared for the OVAE by the Research Triangle Institute, focused on those in need of adult education in the United States: a targeted population defined as individuals who have not completed a high school education or the equivalent. According to the report, New Mexico is second only to Texas among Southwestern states in its percentage of the adult population (16 years old or more) in need of basic education. The table below provides specific figures for each of the six states in the region.

	Arizona	Colorado	Oklahoma	New Mexico	Utah	Texas
<b>Target Population</b>						
Number	733,590	437,353	488,220	<b>271,665</b>	186,163	3,570,033
Percent	21.69	15.22	21.08	<b>23.38</b>	14.30	26.45

Furthermore, of the 271,665 in the New Mexico target without a high school diploma or the equivalent, 175,836 individuals (74.7 percent) were reported to be speakers of English as a second language.

Another perspective on the extent of the need for ABE in New Mexico comes from the 2008 New Mexico HED annual report. According to this report, approximately 400,000 adult residents in New Mexico need education services because they lack either a high school education or the ability to speak English well — or both.

The 28 state ABE programs offered by the Adult Basic Education Division at HED served annually an average of approximately 22,000 adult students in the last three years, a fraction of New Mexicans who could benefit from the program. Table 1, Gap Analysis of the ABE Population and Enrollment by County, indicates the percentage of the eligible population enrolled in ABE/GED programs in relation to the eligible population by county and in the state. Statewide, the data showed that ABE programs served only 5.9 percent of the eligible ABE/GED population and only 4.3 percent of the eligible ESL population.

Gaps occur not only in the eligible populations but also in geographic areas. Table 2 identifies the program sites and areas served by ABE within New Mexico; according to HED, there are approximately 30 communities in New Mexico beyond these areas served which are inaccessible to ABE programs.

In addition to serving only a fraction of the need in terms of eligible populations and geographic areas, the ABE program is also challenged to meet the level of needs of the individuals who enroll. The ABE student characteristics listed below, according to HED, describe the level of individual needs, presenting implications for the length and intensity of ABE services required to meet those needs:

- The greatest need of New Mexico adults in ABE, given their low levels of basic skills and English language proficiency, is for education at the basic levels.

- A high proportion of students enter the program with learning disabilities, and approximately half of the ABE students in the state have been assessed as learning disabled.
- In FY 06 to FY 07, approximately 38 percent of adult students enrolled in ESL programs.
- Only 10 percent of those entering ABE programs come to ABE classes prepared to study at the secondary education level (GED). More particularly, in FY 06 to FY 07 only 1,972 students entered at the level of Adult Secondary Education (ASE), whereas 10,467 entered at the ABE level (grade levels 1-8) and 1,319 entered at the Beginning ESL Literacy level.

As another dimension to the need for ABE, state and national data both show increasing numbers of younger adults enrolled in ABE programs. HED reported that, in school year 2006-2007, students in the 16 to 24 age range made up 40 percent of the total ABE enrollment in New Mexico, the largest age cohort served. Even larger was the cohort served at the national level — approximately 66 percent — according to the OVAE at USDE. This trend at the national level is further documented in *Adult Learning in Focus*, a 2008 publication of the Council on Adult & Experiential Learning (CAEL).

Also notable is the subset of school-age adults (16-18 years of age) in this younger cohort. In the last school year (2006-2007), HED reported a 3.0 percent gain in the number of students in this subset. Likewise, *Adult Learning in Focus*, reports that, on a national basis, the proportion of GEDs awarded to younger people has risen markedly since 1990 mainly because increasing numbers of high school-age students (ages 16-18) are completing the GED instead of taking mandated high school exit exams. This growth in numbers of high school dropouts in New Mexico and the United States has implications for adult learning and the resources needed to provide services, particularly if increasing numbers of these younger adults continue to leave high school prior to graduation.

Despite critical shortages, there is some good news regarding New Mexico's response to the need for ABE. Data from the CAEL, *Adult Learning in Focus*, provide a comparison of enrollment in New Mexico with other states and with the country as a whole. Based on enrollment per 1,000 adults ages 18 to 64, there is a somewhat greater level of enrollment in ABE programs in New Mexico (124.1) than in the United States as a whole (101.7). Regionally, only Utah has a higher level (189.9).

A view of literacy levels of the adult students who enroll in ABE in New Mexico gives perspective to the challenge to learners and to the programs which serve them. According to the National Center for Education Statistics, literacy is defined as “using print and written information to function in society, to achieve one’s goals, and to develop one’s knowledge and potential.” In New Mexico, over 50 percent of the students who enroll in ABE are illiterate in one or more of the three types of literacy: prose (e.g. newspaper); document (e.g. prescription instructions); and quantitative (e.g. tax forms). According to HED, this figure is generated from the lowest National Reporting System levels within ABE and ESL.

## **Funding for ABE**

### ***Federal Funds***

Title II, *Adult Education and Literacy* of the *Workforce Investment Act of 1998*, is the major source of federal support to states for ABE programs. The act provides five-year basic grants to states allocated by a formula that is based on the number of adults, over age 16, who have not completed high school in each state.

Eligible providers identified in the act include:

- local educational agencies;
- community-based organizations;
- voluntary literacy organizations;
- postsecondary educational institutions;
- public or private nonprofit agencies;
- libraries;
- public housing authorities;
- nonprofit institutions that have the ability to provide literacy services to adults and families; and
- for-profit agencies, institutions, or organizations which are part of a consortium that may include a public or private nonprofit entities.

For FY 08, HED reports the receipt of over \$3.4 million in federal support from the act. Of this amount, HED uses no more than 5.0 percent (approximately \$172,085) for administration, 12.5 percent (approximately \$430,211) for leadership activities, and no less than 82.5 percent (approximately \$2,839,396) for distribution to eligible providers on a competitive Request for Proposals (RFP) basis.

### ***State Funds***

- Each year, the Legislature provides an appropriation to the ABE as part of the state's 25 percent match for receipt of federal funds which are provided to the state. Historically, the Legislature has appropriated an amount well above the required federal match. For FY 08, the 2007 Legislature appropriated \$6,415,100 to provide ABE services to eligible clients.
- HED distributes state funds to eligible program sites based on a funding formula in the HED rule that calculates weighted student headcount by level of instruction (beginning, intermediate, advanced) according to total student contact hours.

The HED rule also requires that if a program site has an unspent balance of more than 2.0 percent of its state allocation at the end of a fiscal year, that site is not eligible to receive any additional state or federal funds allocated in the coming year. According to a recent HED report, however, the state funds appropriated to ABE program sites appear to be well utilized in that nearly 99 percent of funds allocated to program sites were fully expended on program services at the end of FY 06 to FY 07.

Another related source of state funding to ABE is the Instructional Materials Fund, which is administered by PED. According to site directors as well as the ABE division director at HED, allocations for instructional materials from the fund are inadequate for adult education programs, and the funds are not received by ABE programs on a timely schedule to meet program needs.

According to HED, federal and state dollars currently fund 28 ABE sites located in 22 postsecondary institutions, including three tribal colleges; four community-based organizations, including a tribal secondary school; one public school district, and the New Mexico Corrections Department (see Table 2). Since funding of ABE program sites is based on the number of contact hours for each student enrolled and receiving 12 or more contact hours of instructional time, the table also indicates the number and percentage of ABE students meeting that criteria. According to HED, because funding is allocated mainly for students who participate in at least 12 hours of instructional time, program sites must absorb the cost of teaching students who participate below that level.

In total, funding for the New Mexico ABE program has grown modestly in recent years as shown in the table below. The increases, however, are primarily the result of increased legislative appropriations while federal funding has slightly decreased in the last three fiscal years.

	<b>Federal Funds</b>	<b>Required State Match of 25%</b>	<b>Legislative Appropriations</b>
FY 06	\$3,474,788	\$868,697	\$5,650,000
FY 07	\$3,441,694	\$860,424	\$5,834,100
FY 08	\$3,441,692	\$860,423	\$6,415,100

The distribution of state and federal funds in FY 07 to FY 08 and FY 06 to FY 07 to each of the program sites is shown in Table 3.

### **Program Performance and Student Success**

Because ABE programs in New Mexico are federally funded, the Adult Basic Education Division at HED must report annually to the USDE regarding how many students in New Mexico's ABE programs have met one or more of the following four federal core outcomes: entered employment, retained employment, obtained a GED, and/or entered postsecondary education or training. These outcomes are measured on the basis of goals established by each student upon entry into an ABE program; and each student may have multiple goals.

According to HED, during FY 07, there were 20,040 students enrolled in ABE programs throughout the state. Of those students, HED reports that the following achieved one or more of the federal core outcomes:

#### Core Follow-up Outcome Achievement

Core Follow-up Outcome Measures	Number of Participants Included in Survey with Main or Secondary Goal	Number of Participants Responding or with Data Available	Percent Responding or with Data Available	Number of Participants Achieving Outcome	Weighted Average Percent Achieving Outcome
Entered Employment	2,123	913	43.0%	616	67.5%
Retained Employment	2,637	1,318	50.0%	1,163	88.2%
Obtained a GED or Secondary School Diploma	3,650	2,166	59.3%	1,393	64.3%
Entered Postsecondary Education or Training	1,685	1,106	65.6%	679	61.4%

**Note:** The counts in the above table may be duplicated.

**Source:** Derived from Table 5 in the ABE Division, HED, *Annual Performance Report 2006-2007*.

In addition to the federal outcome measures, New Mexico has established additional state-specific measures of its own, including the percent of post-tested students that complete an educational level by type of program (ABE, ASE, and ESL). For FY 07, HED reports that 9,092 students were both pre- and post-tested. Of those, 5,376, or 59.1 percent, completed at least one educational level. In addition, 4,293 of the 5,376 students completing a level advanced to one or more additional educational levels. However, 1,394 left the program prior to completing an educational level, while an additional 2,322 remained in the same level in which they entered the program. The following table provides the outcome results by entering educational functioning level:

#### Educational Gains for Pre- and Post-tested Participants

Entering Educational Functioning Level	Total Number Enrolled	Number completed Level	Percent Completing Level	Number who Completed a Level and Advanced One or More Levels	Number Separated Before Completed	Number Remaining within Level
ABE Beginning Literacy	309	237	76.7%	212	32	40
ABE Beginning Basic Education	1,004	717	71.4%	628	102	185
ABE Intermediate Low	1,459	918	62.9%	794	201	340
ABE Intermediate High	1,850	822	44.4%	701	515	513
ASE Low	514	222	43.2%	184	166	126
ASE High	284	199	70.1%	0	46	39
ESL Beginning Literacy	587	474	80.7%	405	30	83
ESL Low Beginning	352	267	75.9%	220	42	43

Entering Educational Functioning Level	Total Number Enrolled	Number completed Level	Percent Completing Level	Number who Completed a Level and Advanced One or More Levels	Number Separated Before Completed	Number Remaining within Level
ESL High Beginning	568	379	66.7%	328	43	146
ESL Intermediate Low	870	614	70.6%	479	57	199
ESL Intermediate High	669	376	56.2%	321	58	235
ESL Advanced	626	151	24.1%	21	102	373
<b>Total</b>	<b>9,092</b>	<b>5,376</b>	<b>59.1%</b>	<b>4,293</b>	<b>1,394</b>	<b>2,322</b>

**Note:** The counts in the above table may be duplicated.

**Source:** Derived from Table 4b in the ABE Division, HED, *Annual Performance Report 2006-2007*.

### How ABE Sites are Evaluated

According to HED, its ABE Division conducts comprehensive program site visits five or six times per year, with the goal of evaluating each program site once every five years. The evaluation team comprises the division director, the policy and program improvement director and the ABE data technician. To conduct a thorough evaluation the team uses a standard written program site evaluation instrument and spends three days on site reviewing the program, to gather documentation on the areas outlined below. On the final day of the onsite evaluation, the team conducts an exit interview with the administration and provides them with a preliminary summary of their findings and recommendations. HED delivers the final report to the administrator of the local program within two months after the on-site evaluation. If needed, a program site has three months to do a corrective action plan upon which HED follows up by phone and/or mini-site visits.

The comprehensive onsite evaluation includes assessment of the following program areas:

1. local program administration
  - a. strategic planning
  - b. daily operations
  - c. facilities
  - d. assessment of instructors
  - e. fiscal indicators;
2. curriculum and instruction
  - a. quality of curriculum
  - b. quality of instruction
  - c. professional development for instructors;
3. data quality and measurements
  - a. data collection and quality
  - b. student intake and assessment
  - c. student goal setting and gains
  - d. student follow-up and retention
  - e. other state standards/measures;

4. student indicators
  - a. student involvement and leadership
  - b. student evaluation of services
  - c. student services; and
  
5. community connections
  - a. recruitment
  - b. partnerships
  - c. collaborations
  - d. advisory boards.

In order to assess program progress on an ongoing basis, state staff conducts consistent data monitoring of programs, and telephone contact occurs throughout the year.

### **LESC Survey of ABE Site Directors**

In April, LESL staff surveyed 30 ABE program staff whose names were provided by HED for 28 ABE programs, to obtain a picture of how students are recruited, the key factors affecting local programs, current unmet needs as evidenced in active waiting lists for education services, and local directors' views on the statewide administration of ABE.

Twenty-three program administrators responded of the 30 surveyed, for an 82 percent response rate. The results below summarize the answers to each question as well as some of the written comments.

1. **Recruitment and public awareness:** Respondents were asked to select from a list the methods they use to recruit students and make the public aware of the ABE program.
  - Twenty-two respondents (95.7 percent) indicated they used word-of-mouth; 21 (91.3 percent) used flyers; 19 (82.6 percent) used public speaking to groups; 15 (65.2 percent) used newspaper articles; 14 (60.9 percent) used radio public service announcements; 13 (56.5 percent) used posters; and 12 (52.2 percent) used newspaper public service announcements.
  - Methods used less frequently are church bulletins, radio advertising, and television public service announcements.
  - In written comments, respondents also described recruitment strategies such as widespread mailing of class scheduled to elementary and middle schools and community agencies in the county; community partnerships and collaborations; participation in community events; radio talk shows; a website; and outreach through current students.
  
2. **Outreach to the limited English-speaking population:** Respondents were asked how they recruit adult students who have limited English language skills.
  - Respondents generally used the same methods reported in Item 1 above to recruit ESL students, except that they use appropriate second languages, such as Spanish, Navajo, French, Korean, Arabic, and Swahili.

- Respondents mentioned some strategies specific to ESL recruitment, including outreach through Chapter Houses, churches, and mosques with large immigrant populations; presentations to community organizations and employers with large non-English speaking workforces; and outreach to parents through school bilingual programs.
- One respondent stated that it was not funded for ESL programs and referred ESL students to another agency, unless it happened to have a volunteer with ESL training.

**3. Young adult recruitment:** Respondents were asked if they actively recruit young adults (ages 16 to 24).

- Twelve sites (52.2 percent) said that they actively recruit young adults and 11 (47.8 percent) that they do not target specific age groups.
- Regarding students of compulsory school age (younger than 18), comments included the following:
  - “Through our partnership with the local school districts, this program receives a “drop-out” list from each district. A letter is sent to each student, inviting them first of all to return to their respective schools, but if they are definite about not returning, not to fall through the metaphorical cracks. Then we discuss the services we offer which includes obtaining a GED.”
  - “We have an MOU with three school districts in our service area to release the names of their high school drop-outs to ABE every year.”
  - “Students of this age, especially those ages 16 to 18, are finding us because of problems either in the schools, at home, in the courts, etc.”
  - “We don’t actively recruit students who are 16 or 17 if they are still attending a K-12 school.”
  - “No, I try to encourage 16 year olds to stay in school.”

**4. Older adult recruitment:** Respondents were asked if they actively recruit older adults (ages 55 and above).

- Sixteen sites (69.6 percent) answered “yes” and seven (30.4 percent) answered “no.”
- One respondent indicated that last year, this group accounted for almost one-third of participants, and another stated that one recent GED graduate is 63. Another stated that it had recruited students for a Computer Basics for Senior Citizens class. Two programs recruit at senior centers and through senior organizations.

**5. Waiting lists for ABE:** Respondents were asked to indicate how many eligible people are on a current waiting list as a way to document the unmet need for service.

- More than two-thirds of the respondents indicated that they have a current waiting list:
  - three programs (13 percent) have waiting lists of 10 or fewer people;
  - five (21.7 percent) have waiting lists of 11 to 25 people;
  - three (13 percent) have waiting lists of 26 to 50 people; and
  - five (21.7 percent) have waiting lists of 51 to 100 people.

6. **Factors affecting program effectiveness:** Respondents were asked to what extent the following factors have an impact on the program’s ability to meet the ABE needs in their area:

**Table 1: Factors with an impact on the ability of local programs to meet ABE needs in their areas**

	No impact	Little impact	Some impact	Significant impact
Lack of public awareness/support of ABE	2 (8.7%)	3 (13.0%)	14 (60.9%)	4 (17.4%)
Too few available classes	2 (8.7%)	5 (21.7%)	12 (52.2%)	4 (17.4%)
Inconvenient class times	2 (8.7%)	10 (43.5%)	11 (47.8%)	0
Limited transportation	0	4 (17.4%)	8 (34.8%)	11 (47.8%)
Limited classroom space	2 (8.7%)	4 (17.4%)	8 (34.8%)	9 (39.1%)
Limited funding	0	0	6 (26.1%)	17 (73.9%)
Not enough qualified teachers	3 (13.0)	5 (21.7%)	9 (39.1%)	6 (26.1%)
Other	0	0	0	4 (100.0)

- Among the “other” factors mentioned were lack of child-care, retaining teachers, and retaining students.
7. **Timely receipt of funds:** Respondents were asked whether their ABE programs receive funding from HED in a timely manner.
- Twenty-one respondents (91.3 percent) either strongly agreed or agreed.
  - Two respondents (8.7 percent) strongly disagreed, and made the following comments:
    - “Our fiscal year begins in July and we don’t get the reimbursement check until December.”
    - “Receiving funds in a timely manner has been an issue in this past year. Payments that are 3-4 months behind have become a standard practice rather than an exception.”
8. **State communication and clear direction:** Respondents were asked if their ABE program receives clear communications, policies and procedures from HED.
- Twenty-two respondents (95.6 percent) either strongly agreed or agreed.
  - One respondent (4.3 percent) disagreed.
9. **Support from HED:** Respondents were asked to rate HED on the extent to which the department provided certain types of support to local programs.

**Table 2: How well HED supports to local programs**

	Poor	Good	Very Good	Excellent
Clear and timely answers to questions	1 (4.3%)	2 (8.7%)	7 (30.4%)	13 (56.5%)
Effective leadership	1 (4.3%)	1 (4.3%)	11 (47.8%)	10 (43.5%)
Needed training	3 (13.0%)	5 (21.7%)	10 (43.5%)	5 (21.7%)
Helpful technical assistance	1 (4.3%)	7 (30.4%)	11 (47.8%)	4 (17.4%)

- One respondent stated that, so far, the person had not had much success getting help from HED. Other comments, however, praised HED responsiveness.
- Areas noted for possible improvement include provision of training, including training on site, and the timeliness of technical assistance to new program staff.

**10. Optional feedback from local programs:** Respondents were asked for additional comments about the ABE program that they wished to share with the LESC.

Fourteen respondents (60.8 percent) expressed the following needs in their comments:

- more adequate funding, including the following:
  - instructional materials funds;
  - funding that follows a student who leaves high school and enrolls in ABE after being counted in the district MEM;
  - increased per student funding;
- full-time faculty and more one-on-one tutoring, mentioned in relation to funding;
- improved statewide coordination between ABE and community colleges, including:
  - co-enrollment in ABE and postsecondary coursework;
  - subsidized community college tuition for those ABE students who do not qualify for financial aid because they do not yet have a GED, such as that provided by Central New Mexico Community College; and
  - a statewide ABE-to-college transition model;
- better communication between the PED Instructional Materials Bureau and ABE programs; and
- recognition of the key role ABE/GED plays in all state workforce development initiatives.

### **Program Administration**

Four persons comprise the staff in the Adult Basic Education Division at HED: the division director/director of the state ABE program; a policy and program improvement manager; an operations research analyst; and a budget/finance manager. The division provides overall program administration of state and federal ABE program funds, including state planning, ABE program policy and procedure development in accordance with federal and state laws and regulations, site selection, monitoring and evaluation, training, technical assistance, information dissemination and reporting. Statewide policies, program site instructions as well as public information on ABE are available on the HED ABE website.

The current division director, who has led the state ABE program since it was transferred from the Commission on Higher Education in 2004, highlighted these recent administrative accomplishments:

- establishment of statewide policies and procedures on intake (a common intake instrument and process), goal-setting/follow-up, student assessment, and program probation;
- creating a learning disabilities/differences statewide policy to go into effect in July 2008;
- initiation of two distance education initiatives (a distance learning program including the use of workforce development tools (WorkKeys), access to pre-GED and GED education, and a pilot ESL program);
- refinement of the in-depth evaluation process and program monitoring tools; and
- implementing an electronic national reporting system made possible by the purchase of a web-based data management system, LACES, deployed last year.

Regarding distance education, the ABE Division has contracted with Eastern New Mexico University-Roswell to coordinate statewide distance education for local programs. Also, the ABE division formed the Distance Education and Learning Technologies Task Force inviting participation from program directors and teachers. The task force researched activities taking place in other states and Project Ideal, a national initiative that coordinates distance education for ABE. This year New Mexico joined Project Ideal.

### **State ABE Return on Investment**

The ABE Division at HED provided to LESC a Return on Investment (ROI) projection that is an estimate of how the state of New Mexico will benefit from investments made in the basic education of adult students. It is based on actual ABE data from the FY 06 to FY 07 ABE program. Included in the calculations is a 20-year projection with a view of ABE graduates obtaining and retaining jobs, their wage estimates, and the number of ABE graduates removed from public assistance (TANF only). The estimate relates estimated state taxes and actual TANF benefits. Table 4 shows projected state tax revenue of \$3,772,283; Table 5 shows savings from ABE graduates transitioning from public assistance (\$4,665,466); Chart A illustrates the savings in public assistance payments from 2007 to 2028; and, Chart B illustrates projected employment gains of former students and state tax revenues generated over the 20 year period.

These ROI figures are conservative, not taking into account returns to the local economy in higher wages spent on consumer items or the potential of students moving into higher levels of employment. There are also returns to the individuals and their families which will derive from increasing basic skills and completing high school.

### **Policy Options**

As the sources quoted earlier in this report indicate, the population of young adults needing ABE is expanding, more than two-thirds of programs in New Mexico have waiting lists for service, and program managers cite limited resources, especially funding resources, as major impediments to meeting the need. Based on the research gathered for this report, the committee may wish to consider additional data gathering to determine how the ABE needs of New Mexico's youth and adults can best be met, as follows:

- *Is there a need for increased funding for ABE?* One hundred percent of ABE program managers who responded to the LESC survey indicated that limited funds has some or a significant impact on the ability to address the need for ABE services in their regions. Further fact finding is needed to quantify and describe the need for new funding for ABE.

- *Does the working relationship between ABE and the Instructional Materials Bureau at PED need improvement and is the formula for fund distribution adequate?* In the LESC survey, five ABE programs indicated that communications need to improve or that instructional materials funds for ABE are not adequate. If further study reveals that this problem is indeed systemic, HED and PED can be asked to develop a plan of action to resolve it.
- *Are there good models in the state for optimal relationships between ABE programs and postsecondary institutions that can be replicated elsewhere?* Several survey respondents indicated that transitions from ABE into postsecondary programs, and financial aid for students without GEDs, are handled well in some regions' sites but not others. By examining ABE-postsecondary relationships with a P-20 lens, HED may find model partnerships that it can replicate so more students can gain the high level skills and knowledge they need for successful careers.

In addition, responses to the LESC survey cast a light on a policy issue related to 16- to 18-year olds who have dropped out of high school or are considering dropping out. Although the federal eligible age for ABE/GED services is 16, the compulsory school age in New Mexico is 18; and the PED rule requires a school superintendent's permission for a student under 18 to take the GED test. If superintendents give high school dropouts permission to take the GED test, they can add to the perception that dropping out of high school is acceptable. If they refuse, they may be foreclosing the GED option for most dropouts until they reach age 18. PED should provide superintendents with clear guidance on how to respond to these situations.

**GAP ANALYSIS OF ADULT BASIC EDUCATION POPULATION AND ENROLLMENT BY COUNTY**

County	U.S. Census Data 2000 Estimates						ABE Program Participation Data 2000			
	A Total Pop	B Pop Age > 25	C # ABE/GED Eligible	D % of Pop ABE/GED Eligible (C/B)	E # ESL Eligible	F % of Pop ESL Eligible (E/B)	G # ABE/GED Enrolled	H % ABE/GED Eligible Enrolled (G/C)	I # ESL Enrolled	J % ESL Eligible Enrolled (I/E)
Bernalillo	556,678	358,680	55,858	15.6%	40,097	11.2%	1,635	2.9%	2,187	5.5%
Catron	3,543	2,657	575	21.6%	129	4.9%	0	0.0%	0	0.0%
Chaves	61,382	37,811	10,378	27.4%	6,177	16.3%	2,010	19.4%	386	6.2%
Cibola	25,595	15,273	3,812	25.0%	787	5.2%	130	3.4%	0	0.0%
Colfax	14,189	9,518	1,828	19.2%	663	7.0%	0	0.0%	0	0.0%
Curry	45,044	26,403	5,700	21.6%	2,436	9.2%	996	17.5%	192	7.9%
DeBaca	2,240	1,584	438	27.7%	200	12.6%	0	0.0%	0	0.0%
Doña Ana	174,682	99,893	29,922	30.0%	27,453	27.5%	1,917	6.4%	1508	5.5%
Eddy	51,658	32,572	8,153	25.0%	3,776	11.6%	518	6.4%	117	3.1%
Grant	31,002	20,350	4,189	20.6%	2,370	11.6%	821	19.6%	81	3.4%
Guadalupe	4,680	3,099	981	31.7%	554	17.9%	0	0.0%	0	0.0%
Harding	810	609	169	27.8%	75	12.3%	0	0.0%	0	0.0%
Hidalgo	5,932	3,596	1,122	31.2%	691	19.2%	0	0.0%	0	0.0%
Lea	55,511	33,291	10,958	32.9%	4,913	14.8%	700	6.4%	170	3.5%
Lincoln	19,411	13,849	2,140	15.5%	1,093	7.9%	62	2.9%	29	2.7%
Los Alamos	18,343	12,822	470	3.7%	484	3.8%	82	17.4%	99	20.5%
Luna	25,016	15,777	6,335	40.2%	3,892	24.7%	0	0.0%	0	0.0%
Mora	5,180	3,348	1,011	30.2%	1,020	30.5%	0	0.0%	0	0.0%
McKinley	74,798	38,988	13,578	34.8%	11,223	28.8%	1,304	9.6%	177	1.6%
Otero	62,298	38,061	7,222	19.0%	5,042	13.2%	393	5.4%	106	2.1%
Quay	10,155	6,970	1,825	26.2%	564	8.1%	123	6.7%	16	2.8%
Rio Arriba	41,190	25,930	7,001	27.0%	5,115	19.7%	246	3.5%	89	1.7%
Roosevelt	18,018	10,245	2,536	24.8%	1,221	11.9%	0	0.0%	0	0.0%
San Juan	113,801	65,262	15,146	23.2%	9,189	14.1%	644	4.3%	82	0.9%
San Miguel	30,126	18,531	4,726	25.5%	3,287	17.7%	493	10.4%	12	0.4%
Sandoval	89,908	56,479	7,901	14.0%	5,515	9.8%	0	0.0%	0	0.0%
Santa Fe	129,292	87,870	13,630	15.5%	10,950	12.5%	699	5.1%	1539	14.1%
Sierra	13,270	9,906	2,371	23.9%	652	6.6%	0	0.0%	0	0.0%
Socorro	20,150	11,667	3,357	28.8%	2,833	24.3%	700	20.9%	47	1.7%
Taos	29,979	20,526	4,284	20.9%	3,093	15.1%	120	2.8%	9	0.3%
Torrance	16,911	10,556	2,418	22.9%	913	8.6%	0	0.0%	0	0.0%
Union	4,174	2,786	561	20.1%	234	8.4%	0	0.0%	0	0.0%
Valencia	66,152	40,917	9,776	23.9%	5,302	13.0%	631	6.5%	157	3.0%
<b>TOTALS</b>	<b>1,821,118</b>	<b>1,135,826</b>	<b>240,371</b>	<b>21.2%</b>	<b>161,943</b>	<b>14.3%</b>	<b>14,224</b>	<b>5.9%</b>	<b>7,003</b>	<b>4.3%</b>

\* Eligible students may be served by ABE programs in neighboring counties.

Sources: Census 2000 & New Mexico Adult Literacy Study, Insight Educational Services, 2004.

LESC - 5/10/2008

TABLE I

TABLE 2

## 2007-2008 ABE PROGRAM SITES AND STUDENTS

	<b>ABE Program Site</b>	<b>Total Students</b>	<b>Fundable Students (students with 12+ contact hrs)</b>	<b>% of Fundable Students to Total</b>	<b>Areas Served</b>	
1	Alamo Navajo Schools	69	50	72%	Alamo Navajo	1
2	Catholic Charities	1,190	789	66%	Albuquerque	2
3	Central NM	4,125	2,160	52%	Albuquerque	3
4	CIT/Navajo Tech	159	62	39%	Crownpoint	4
5	Clovis Community College	691	342	49%	Clovis, Portales, Cannon AFB, Ft Sumner, Bovina, Curry County Corrections	5
6	Dine	169	131	78%	Shiprock, Sanostee, Cudeil, Newcomb, Naschitti	6
7	ENMU-Roswell	1,797	913	51%	Roswell, Portales, Ft. Sumner, Dexter, Hagerman	7
8	ENMU-Ruidoso	341	226	66%	Ruidoso, Mescalero, Camtoso, Lincoln Co Detention Center, Capitan, Hondo, Fort Stanton	8
9	Luna Community College	285	154	54%	Las Vegas, Raton, San Miguel Detention Center, Springer, Santa Rosa	9
10	Mescalands Community College	235	62	26%	Tucuman	10
11	NM Corrections	1,465	1,444	99%	Los Lunas, Santa Rosa, Hobbs, Grants, Santa Fe, Hagerman, Las Cruces, Estancia, Albuquerque, Springer	11
12	NM Junior College	736	399	54%	Hobbs, Lovington, Lea County Correctional Facility, Eunice	12
13	NMSU-Alamogordo	535	290	54%	Alamogordo, HAFB, Mescalero, Other students served residing in outlying areas (majority in La Luz and Tularosa)	13
14	NMSU-Carlsbad	622	402	65%	Carlsbad, Eddy County Detention Center, Loving, Artesia	14
15	NMSU-Dona Ana Branch	4,220	2,672	63%	Las Cruces, Gadsden, Sunland Park, Chaparral, Salem/Hatch, Radium Springs, Mesquite, Anthony	15
16	NMSU-Grants	337	218	65%		16
17	Northern NM College	353	251	71%	Espanola, Chama, Pojoaque Valley, San Juan Pueblo, Tierra Amarilla Detention Center	17
18	Sage Lifelong Learning	248	190	77%	Gallup, Cliffside, Hilltop, Yah-Ta-Hey, Manuelito	18
19	San Juan College	904	620	69%	Farmington, Bloomfield, Aztec, Ojo Amarillo, Kirtland	19
20	Santa Fe Community College	1,845	1,435	78%	Santa Fe, Pojoaque, Turquoise Trail, El Dorado, Agua Fria	20
21	SEF	124	110	89%	Albuquerque	21
22	Socorro Cons. Schools	89	49	55%	Socorro	22
23	Southwestern Indian Polytechnic Institute	202	166	82%	Albuquerque	23
24	UNM-Gallup	639	423	66%	Gallup Main, Northside, South	24
25	UNM-Los Alamos	330	248	75%	Los Alamos, Bernalillo, Cuba, Delancey Street Rehab Center	25
26	UNM-Taos	250	166	66%	Taos, Questa, Penasco	26
27	UNM-Valencia	1,072	599	56%	Los Lunas, Albuquerque, Belen, El Cerro Mission, Isleta, Moriarty, Bosque, Mountainair	27
28	Western NM University	532	340	64%	Silver City, Deming/Columbus, Animas, Truth or Consequences, Santa Clara/Bayard	28
	<b>TOTALS</b>	<b>23,564</b>	<b>14,911</b>	<b>64%</b>		

TABLE 3

## FY 08 ABE FEDERAL AND STATE FUNDING

COMPARISON TO 06-07 FUNDING LEVEL

ABE Program Sites	FEDERAL	STATE	FY 08	Funding	from FY 08
1 Alamo Navajo Schools	\$78,563	\$0	\$78,563	\$46,000	\$32,563
2 Catholic Charities	\$223,821	\$150,000	\$373,821	\$214,813	\$159,007
3 Central NM	\$293,353	\$990,575	\$1,283,928	\$1,231,771	\$52,157
4 CIT/Navajo Tech	\$33,612	\$71,613	\$105,225	\$118,520	(\$13,295)
5 College	\$70,188	\$173,820	\$244,008	\$271,120	(\$27,112)
6 Dine College	\$43,606	\$79,718	\$123,323	\$128,299	(\$4,976)
7 ENMU-Roswell	\$182,085	\$492,597	\$674,682	\$601,024	\$73,658
8 ENMU-Ruidoso	\$36,359	\$117,379	\$153,738	\$139,316	\$14,421
9 Luna Comm. College	\$35,009	\$138,769	\$173,778	\$174,172	(\$394)
10 Mesalands	\$48,625	\$81,430	\$130,056	\$113,909	\$16,147
11 NM Corrections	\$185,194	\$0	\$185,194	\$157,758	\$27,436
12 NM Junior College	\$91,621	\$203,800	\$295,421	\$298,867	(\$3,447)
13 NMSU-Alamogordo	\$67,478	\$169,103	\$236,581	\$244,231	(\$7,651)
14 NMSU-Carlsbad	\$91,340	\$185,086	\$276,426	\$289,397	(\$12,971)
15 NMSU-Dona Ana	\$243,110	\$1,032,935	\$1,276,045	\$1,233,704	\$42,342
16 NMSU-Grants	\$58,428	\$99,657	\$158,085	\$120,794	\$37,291
17 Northern NM College	\$81,115	\$132,110	\$213,225	\$201,256	\$11,969
18 Sage Lifelong Learning	\$132,955	\$0	\$132,955	\$109,970	\$22,986
19 San Juan College	\$121,556	\$295,589	\$417,145	\$424,088	(\$6,944)
20 College	\$195,927	\$631,632	\$827,559	\$754,729	\$72,830
21 SER	\$80,208	\$0	\$80,208	\$43,207	\$37,001
22 Socorro	\$41,200	\$56,405	\$97,605	\$72,962	\$24,643
23 Polytechnic Institute	\$32,073	\$109,494	\$141,567	\$132,396	\$9,171
24 UNM-Gallup	\$85,609	\$284,508	\$370,117	\$321,967	\$48,150
25 UNM-Los Alamos	\$63,848	\$121,309	\$185,156	\$159,564	\$25,593
26 UNM-Taos	\$43,119	\$83,789	\$126,909	\$137,540	(\$10,632)
27 UNM-Valencia	\$98,419	\$286,094	\$384,513	\$392,578	(\$8,065)
28 Western NM University	\$80,976	\$195,686	\$276,662	\$294,824	(\$18,161)
<b>Totals</b>	<b>\$2,839,396</b>	<b>\$6,183,100</b>	<b>\$9,022,496</b>	<b>\$8,428,778</b>	<b>\$593,718</b>

**TABLE 4**

**New Mexico ABE Program Return on Investment: Tax Revenue**

YEAR	NUMBER OBTAINING JOBS	WAGE	TAX REVENUE	NUMBER RETAINING JOBS	WAGE	TAX REVENUE	TOTAL
2007	4452	18,113.00	\$1,370,864	6485	905.65	\$99,843.38	\$1,470,708
2008	4508	18,565.83	\$1,422,700	6566	928.29	\$103,618.71	\$1,526,319
2009	4564	19,029.97	\$1,476,496	6648	951.50	\$107,536.79	\$1,584,033
2010	4621	19,505.72	\$1,532,326	6731	975.29	\$111,603.03	\$1,643,929
2011	4679	19,993.36	\$1,590,267	6815	999.67	\$115,823.02	\$1,706,090
2012	4737	20,493.20	\$1,650,399	6901	1024.66	\$120,202.58	\$1,770,602
2013	4797	21,005.53	\$1,813,558	6987	1050.28	\$132,085.84	\$1,945,644
2014	4856	21,530.67	\$1,882,133	7074	1076.53	\$137,080.34	\$2,019,213
2015	4917	22,068.93	\$1,953,301	7163	1103.45	\$142,263.69	\$2,095,565
2016	4979	22,620.65	\$2,027,160	7252	1131.03	\$147,643.03	\$2,174,803
2017	5041	23,186.17	\$2,103,812	7343	1159.31	\$153,225.78	\$2,257,038
2018	5104	23,765.83	\$2,304,661	7435	1188.29	\$167,854.06	\$2,472,515
2019	5168	24,359.97	\$2,391,806	7527	1218.00	\$174,201.04	\$2,566,007
2020	5232	24,968.97	\$2,482,246	7622	1248.45	\$180,788.02	\$2,663,034
2021	5298	25,593.19	\$2,576,106	7717	1279.66	\$187,624.06	\$2,763,730
2022	5364	26,233.02	\$2,673,515	7813	1311.65	\$194,718.60	\$2,868,233
2023	5431	26,888.85	\$2,920,639	7911	1344.44	\$212,717.26	\$3,133,356
2024	5499	27,561.07	\$3,031,076	8010	1378.05	\$220,760.63	\$3,251,836
2025	5568	28,250.10	\$3,145,688	8110	1412.50	\$229,108.14	\$3,374,796
2026	5637	28,956.35	\$3,264,635	8211	1447.82	\$237,771.29	\$3,502,406
2027	5708	29,680.26	\$3,388,079	8314	1484.01	\$246,762.02	\$3,634,841
2028	5779	30,422.27	\$3,516,190	8418	1521.11	\$256,092.71	\$3,772,283

**ASSUMPTIONS/METHODS FOR EMPLOYMENT PROJECTIONS:**

- \* Population data is based on Survey Data and Outcomes from 2006/07 Annual Report, Tables 5&6.
- \* Population Growth is 1.25% per annum (State average of 10 years prior)
- \* Wage Growth is 2.5% per annum (State average of 6 years prior)
- \* Income Tax is based on current 1st tier rate of 1.7%.
- \* Tax Rate increases by 0.1% every 5 years (e.g., to 1.8% in 2013)
- \* Number of Students entering workforce estimated from 06/07 FY data.
- \* Estimated Wage for new hires is based on 2007 25th percentile average wage in NM (~\$8.71 hourly in 2007)
- \* Estimated Wage Increase for old hires is based on 5% increase above 25th percentile (~\$0.44 hourly in 2007)

**SOURCE:** Adult Basic Education Division, New Mexico Higher Education Department

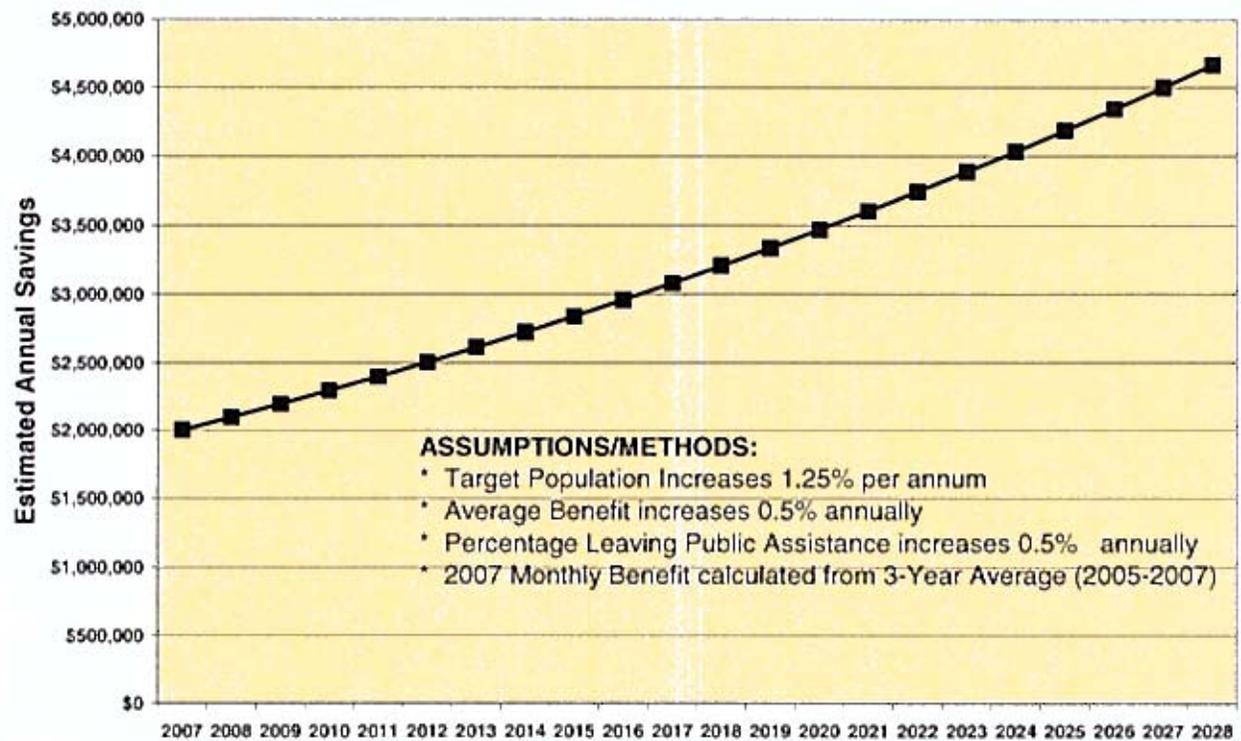
**TABLE 5**

<b>NM ABE Program Return on Investment Calculations: Transition from Public Assistance (TANF)</b>					
<b>YEAR</b>	<b>NUMBER RECEIVING P.A.</b>	<b>PERCENTAGE LEAVING THROUGH ABE</b>	<b>PRODUCT / TOTAL</b>	<b>AVERAGE MONTHLY BENEFIT</b>	<b>ANNUAL SAVINGS</b>
2007	3164	17.0%	538	\$310	\$2,000,914
2008	3204	17.5%	561	\$312	\$2,095,939
2009	3244	18.0%	584	\$313	\$2,193,684
2010	3284	18.5%	608	\$315	\$2,294,217
2011	3325	19.0%	632	\$316	\$2,397,604
2012	3367	19.5%	657	\$318	\$2,503,914
2013	3409	20.0%	682	\$319	\$2,613,220
2014	3451	20.5%	708	\$321	\$2,725,593
2015	3495	21.0%	734	\$323	\$2,841,106
2016	3538	21.5%	761	\$324	\$2,959,836
2017	3583	22.0%	788	\$326	\$3,081,861
2018	3627	22.5%	816	\$327	\$3,207,258
2019	3673	23.0%	845	\$329	\$3,336,110
2020	3719	23.5%	874	\$331	\$3,468,498
2021	3765	24.0%	904	\$332	\$3,604,508
2022	3812	24.5%	934	\$334	\$3,744,225
2023	3860	25.0%	965	\$336	\$3,887,737
2024	3908	25.5%	997	\$337	\$4,035,136
2025	3957	26.0%	1029	\$339	\$4,186,513
2026	4006	26.5%	1062	\$341	\$4,341,962
2027	4056	27.0%	1095	\$343	\$4,501,581
2028	4107	27.5%	1129	\$344	\$4,665,466
<b>ASSUMPTIONS/METHODS:</b>					
* Target Population Increases 1.25% per annum					
* Average Benefit increases 0.5% annually					
* Percentage Leaving Public Assistance increases 0.5% annually					
* 2007 Monthly Benefit calculated from 3-Year Average (2005-2007)					
Sources: 2008 NM HSD Statistical Report, 06/07 ABE Annual Report					

**SOURCE:** Adult Basic Education Division, New Mexico Higher Education Department

# CHART A

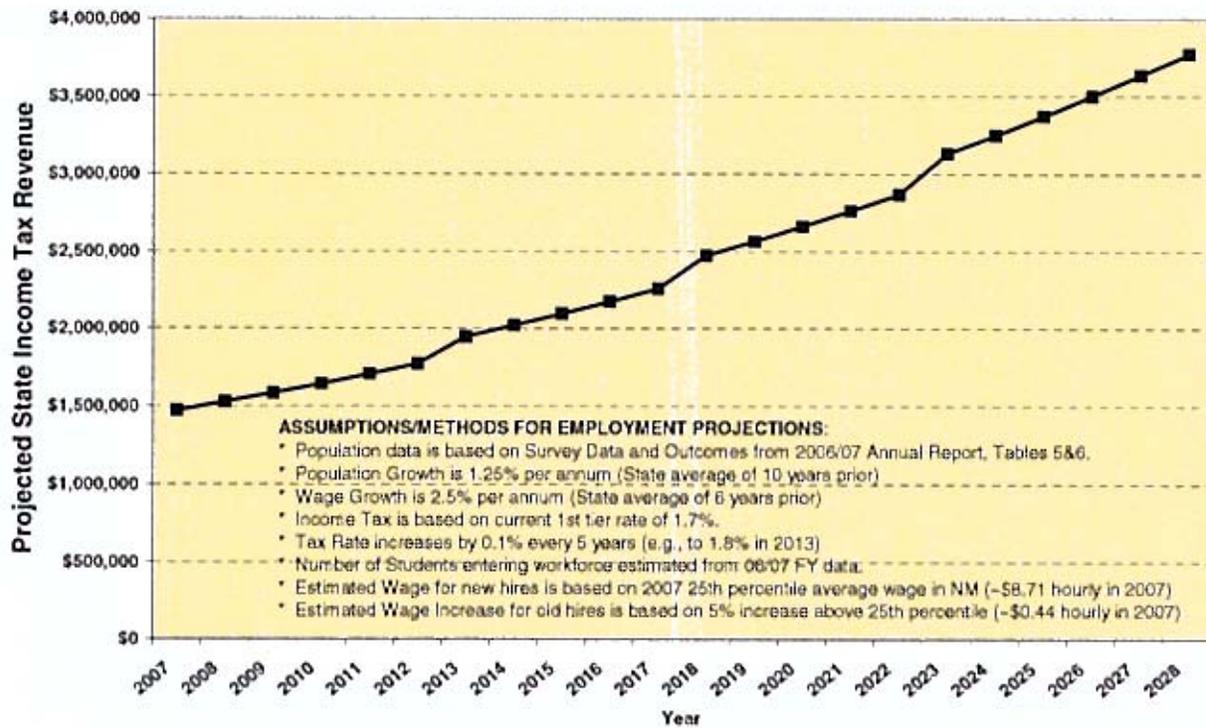
## ABE Program Return on Investment: Public Assistance



**SOURCE:** Adult Basic Education Division, New Mexico Higher Education Department

# CHART B

## ABE Program Employment Gains



SOURCE: Adult Basic Education Division, New Mexico Higher Education Department