

AUGUST 2015

# Policy Brief

## **Advancing the Economy Through Attainment**

What Arizona Can Learn From States With  
Higher Education Attainment Goals

College   
Success  
Arizona  

---

Access · Opportunity · Success

# Advancing the Economy Through Attainment

What Arizona Can Learn From States With  
Higher Education Attainment Goals

## Executive Summary

Recent research and lessons from other states confirm that the most powerful instrument of economic development for Arizona is a college degree or certificate. According to projections from the Georgetown University Center on Education and the Workforce, 68 percent of all jobs in Arizona will require a postsecondary certificate or degree by 2020. Arizona has a tremendous opportunity to improve its economic performance if the current 37 percent attainment rate is increased.

Lumina Foundation—the largest private foundation in the United States focused exclusively on postsecondary attainment policy and research—defines “attainment” as the percentage of adults in a state with high-quality postsecondary degrees and credentials, including both college degrees (associate’s degrees and above) and certificates that lead to further education or employment. This can be differentiated from the system goal established by the Arizona Board of Regents (ABOR), which governs the three public universities in the state. ABOR’s goal calls for increasing the share of Arizona adults who hold a bachelor’s degree to 30 percent by 2020.

Postsecondary attainment yields economic and social benefits for graduates and for the entire state. College graduates earn more over the course of their lifetimes, benefit from lower unemployment rates, and are ready to become 21st century employees.

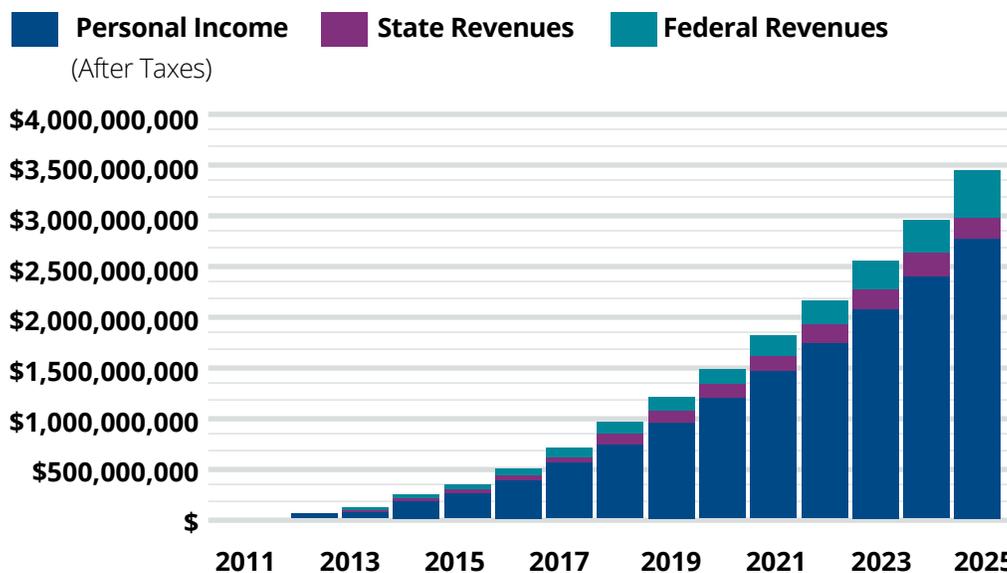
### Key Definitions

**Attainment:** The percentage of adults in a state with high-quality postsecondary degrees and credentials, including college degrees (associate’s and bachelor’s) and certificates.

**Completion:** A factor that contributes to a state’s overall attainment rate, completion measures the rate at which students enrolled in a higher education institution or system complete their degree or credential programs.



### Additional Revenues Generated In Current \$



An educated workforce strengthens Arizona's economy, and higher-earning citizens generate greater tax revenue for the state. Additionally, research indicates that a more educated workforce leads to increased productivity among all workers, due to the sharing of knowledge and skills across workers and shifting of production activities requiring greater educational attainment. In recognition of these benefits resulting from increased postsecondary attainment, Lumina Foundation has established a national goal of ensuring that 60 percent of adults hold a postsecondary credential by 2025.

Data gleaned from the NCHEMS/CLASP model, as highlighted by the Lumina Foundation Strategy Labs economic value model (pictured above), indicates that if Arizona did indeed increase its attainment rate to 60 percent by 2025, the combined increase in state and federal revenues would be more than \$645 million dollars. College Success Arizona estimates that merely adding 1,000 college graduates to the Arizona workforce would increase state tax revenue by more than \$2.2 million every year.

Setting a strong attainment goal is a key first step that many states have taken to increase attainment and ensure their economic competitiveness.

## Employment Benefits

The urgent need to close the attainment gap in Arizona cannot be over-stated. Individuals who hold a bachelor's degree are about half as likely to be unemployed than individuals who have only a high school diploma, and the average family income for bachelor's degree holders is nearly twice that earned by high school diploma holders. Individuals who hold associate's degrees are also more likely to be employed than diploma holders, and associate's degree holders will earn almost 20 percent more per year. The data are clear: Greater educational attainment equals a stronger workforce and a stronger economy in Arizona.



---

## Advantages for States With Strong Attainment Goals

To share in this economic bounty, Arizona should consider joining several states across the nation that have set and embraced a strong postsecondary attainment goal, whether through legislation or state-supported initiatives.

Lumina's recent *A Stronger Nation* report states that governors, legislatures, colleges and universities, and other policy makers in 31 states have established statewide attainment goals. Further, the report highlights 16 states that have set the nation's strongest attainment goals—defining strong goals as those that are quantifiable, include a target date, have a basis in projections of state labor needs, and, perhaps most importantly, address gaps in attainment between majority and traditionally underserved populations.

Arizona has made initial steps toward establishing a statewide goal for bachelor's degree completion—the Arizona Board of Regents has articulated a goal of increasing to 30 percent the share of adults who hold a bachelor's degree by 2020—but this system goal is not counted among the 16 strong statewide attainment goals identified in Lumina's *A Stronger Nation* report. This brief looks at data from Colorado, Indiana, Kentucky, Tennessee and Texas, which have each set strong state attainment goals and made progress in recent years with regard to increasing their respective attainment rates.

Kentucky, for example, has seen multiple benefits since implementing its attainment goal. These benefits include an increase of nearly 4.5 percent of its overall attainment rate and increasing AP and SAT participation to rates well above the national average. By comparison, over that same period, Arizona's attainment rate has increased 1.6 percent and the state's participation rates in AP and SAT remain well below the national average. In addition, Kentucky has developed a series of policies that have helped adults without higher education credentials return to postsecondary education and training. Arizona has no such policy.

Tennessee is also using an attainment goal to drive progress. The state's nationally known "Drive to 55" campaign, established by Gov. Bill Haslam, Republican, articulates a statewide goal to have 55 percent of adults age 25 to 64 years old hold a college degree or certificate by 2025. A key policy of the campaign includes 100 percent completion of the Free Application for Federal Student Aid form (FAFSA) by high school students across the state. Another key element of the campaign, the Tennessee Promise, uses state lottery revenue to pay for tuition for two years of community college for any of the state's high school graduates.



---

## Ideas To Strengthen Arizona

It is true that the on-time completion rate for Arizona's public universities represents one of the state's strengths. Arizona meets the national average and has a higher on-time completion rate than do Tennessee and Kentucky. This may be attributed to ABOR's Vision 2020 goal for completion as well as educational policies that encourage dual high school enrollment and aggressive community college-to-university transfer initiatives.

Yet, as is evident from the benefits gained by other states, setting a statewide attainment goal signals the increasing recognition that attainment is not the exclusive purview of K-12 and higher education systems but rather an area of focus integral to the economic competitiveness and viability.

To that end, we ask that state policy makers consider the following actions:

- ▶ **Align the attainment conversation with the state's economic priorities and workforce needs, including an emphasis on the opportunity group of low-income, minority, veterans and working-age adults to attain postsecondary credentials they need to become a 21st century employee.**
- ▶ **Set a state-supported postsecondary attainment goal that will galvanize momentum to achieve some of the benefits other states are experiencing.**
- ▶ **Establish policies that increase postsecondary access for all, targeting Arizonans who may not otherwise attain a college degree or workforce credentials.**
- ▶ **Connect with and learn from state and national organizations, including the Lumina Foundation, that are analyzing and supporting strategies in other states to support increasing postsecondary attainment.**



# Why Focus on Increasing Higher Education Attainment in Arizona?

Given the importance of a strong, skilled workforce to future economic competitiveness, policymakers and state leaders across the country are increasingly concerned with postsecondary attainment rates and the impact of those rates on their state economies.

According to the Georgetown University Center on Education and the Workforce, 65 percent of all jobs nationally are projected, by 2020, to require skills attainable only through postsecondary education. However, the gap between such employer needs and workforce educational attainment is significant in many states.

In Arizona, 68 percent of all jobs will require some form of postsecondary education by 2020. This projection bodes well for our state as an indicator that the state is attracting more jobs that require more advanced knowledge and skills. Not only do such jobs typically pay more and offer more stability than those that require only a high school education, thereby improving the lives of Arizona residents, they also represent a significant economic opportunity for the state, as

---

## Estimated Arizona Tax Revenue Increases Linked to Increased Attainment

1,000

### New College Graduates

(Bachelor's degree granted to high school graduates, including those with some college but no degree)

\$2,244,488

### Additional Annual State Tax Revenue

(Assumes that all new graduates enter the workforce and that tax revenue is proportionate to per capita income)

Source: College Success Arizona

---

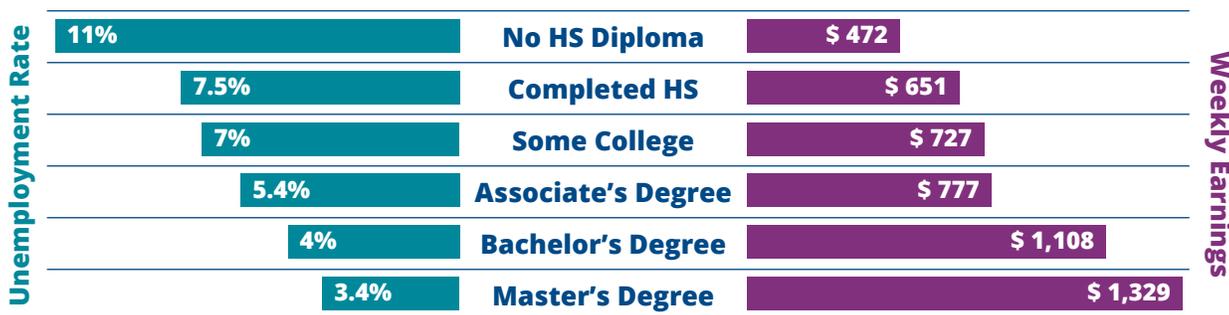
residents that earn higher wages and salaries generate more tax revenues, and a more educated workforce leads to greater productivity. Estimates by College Success Arizona—based on state tax revenue data and data from the Bureau of Labor Statistics—indicate that adding just 1,000 college graduates to the Arizona workforce would increase state tax revenues by more than \$2.2 million each year.

However, in order to take advantage of this tremendous opportunity, Arizona must address the gap between the higher education attainment rate—the percentage of adults in the state that hold a certificate, an associate's degree or a bachelor's degree—and projected workforce needs. Currently, U.S. Census Bureau data indicate that only 37 percent of Arizona residents have attained the postsecondary education required to meet these needs.



Aside from the economic opportunity it represents for Arizona, closing this skills gap has important consequences for Arizona residents. Individuals who hold a bachelor's degree are about half as likely to be unemployed than individuals who have only a high school diploma, and residents who hold associate's degrees are also more likely to be employed than diploma holders. Nationally, the average family income for individuals whose highest education credential is a high school diploma is slightly more than half of the average family income for bachelor's degree holders. Over a lifetime, it is estimated that bachelor's degree holders will out-earn individuals who have only a diploma by nearly one million dollars.

#### National Unemployment Rate and Weekly Earnings by Educational Attainment Status



Source: Bureau of Labor Statistics

In particular, closing the attainment gap between Latinos and their white counterparts in Arizona is a matter of key importance for our state's workforce, and for the economy as a whole, as Arizona's Latino population continues to overtake the white majority. Indeed, projections indicate that, by 2029, Arizona could reach "majority-minority" status, at which point more than half of the population will represent ethnic or racial minority groups. By 2046, Latinos and whites will make up equal percentages of the population. Moreover, as baby boomers rapidly exit the workforce, and with Latino students now comprising over 50 percent of public school students in grades K-8, is it projected that Latinos will soon constitute the majority of Arizona's working-age population.

Troublingly, though, of the state's Latino residents—who currently make up 17 percent of the adult population age 25 and older—only 11 percent hold a bachelor's degree. By comparison, 33 percent of white adults in Arizona hold a bachelor's degree. A persistent attainment gap between Latino and white residents will diminish Arizona's economic competitiveness and negatively impact all Arizonans. A 2010 report from the Morrison Institute found that one major consequence of a failure to increase Latino educational attainment rates in Arizona would be a more than \$7,000 decrease in the combined average income for Latinos and whites by 2030. Given the demographic realities in our state, Arizona has an opportunity to lead the nation in mobilizing its citizens toward greater attainment.



# How Does Arizona Compare to Other States?

To date, governors, legislatures, college and university systems, and other policymakers in 31 states have established statewide goals for postsecondary attainment, according to Lumina Foundation's 2015 annual report *A Stronger Nation*. That diverse stakeholder groups from a variety of sectors are focusing on policies and strategies for increasing postsecondary attainment demonstrates the growing recognition that attainment is not the exclusive purview of K-12 and higher education systems, but is an area of focus integral to the economic competitiveness and viability of any state. In addition to strengthening Arizona's economy, setting a statewide attainment goal encourages state residents to focus on high school graduation and helps build a college-going culture.

Arizona is among the 19 states that have not yet established a statewide attainment goal. However, the Arizona Board of Regents (ABOR), which governs Arizona's three public university systems, system goal—to increase the share of Arizona adults who hold a bachelor's degree to 30 percent by 2020—is a positive initial step toward establishing a statewide attainment goal consistent with Arizona's economic and workforce needs.

ABOR's system goal understandably focuses only on bachelor's degrees, rather than all high-quality postsecondary credentials including certificates and associate's degrees as well as bachelor's degrees, which makes it distinct from an overall statewide attainment goal. Nonetheless, the goal signals Arizona's increased attention to the importance of an educated workforce to the future of the state. Ideally, all higher education systems in the state would align completion goals and strategies in service of a comprehensive statewide postsecondary attainment goal for all adults in Arizona.

Of the 31 states that have set attainment goals, 16 have what Lumina considers "strong" goals, according to the criteria that goals should be quantifiable, include a target date, have a basis in projections of state labor needs, and, perhaps most importantly, address gaps in attainment between majority and traditionally underserved populations.

Five of these states, which share one or more similar characteristics with Arizona, provide aspirational examples for policy makers and leaders in Arizona to consider as our state begins to address strengthening its own postsecondary attainment rate and establishing an attainment goal. Colorado, Indiana, Kentucky, Tennessee and Texas each have set strong state attainment goals and made progress in recent years with regard to increasing their respective attainment rates.

**Lumina Foundation** is the foremost independent organization focused on postsecondary attainment. Lumina is the leading producer of non-partisan research and analysis pertaining to postsecondary attainment and its impacts.

Lumina publishes *A Stronger Nation*, a comprehensive and respected annual report on the status of postsecondary attainment in the United States that serves as the leading benchmark for attainment data.

## **Lumina Foundation criteria for strong statewide attainment goals**

1. Goals should be quantifiable
2. Goals should include a target date
3. Goals should have a basis in projected state labor needs
4. Goals should address gaps in attainment between majority and minority populations



Economic, demographic, geographic and political factors in these states reflect opportunities and challenges similar to those in Arizona. For example, both Colorado and Texas are regional economic and workforce competitors with Arizona, and, like Arizona, have significant Latino populations. Moreover, the selected peer states reflect a variety of political dispositions. In Kentucky, for example, the 2012 presidential election saw voters select the Republican candidate at a rate 23 percentage points higher than those who selected the Democratic candidate, yet the

### Selected States with Strong Attainment Goals

	COLLEGE ATTAINMENT		% CHANGE	POLITICAL DISPOSITION	
	2005	2013		2012	GOVERNOR
Arizona	<b>35.3%</b>	<b>→ 36.9%</b>		<b>+4.4%</b>	<b>R+10</b> Gov. Doug Ducey (R)
Colorado	<b>45.7%</b>	<b>→ 47.6%</b>		<b>+4.2%</b>	<b>D+4</b> Gov. John Hickenlooper (D)
Indiana	<b>31.2%</b>	<b>→ 34.7%</b>		<b>+11.5%</b>	<b>R+10</b> Gov. Mike Pence (R)
Kentucky	<b>28.5%</b>	<b>→ 32.9%</b>		<b>+15.6%</b>	<b>R+23</b> Gov. Steve Beshear (D)
Tennessee	<b>29.8%</b>	<b>→ 33.8%</b>		<b>+13.6%</b>	<b>R+20</b> Gov. Bill Haslam (R)
Texas	<b>33.0%</b>	<b>→ 35.4%</b>		<b>+7.3%</b>	<b>R+16</b> Gov. Greg Abbott (R)

Source: College attainment and Latino population figures from the U.S. Census Bureau, American Community Survey 2005–2013. Political disposition reflects the results of the 2012 presidential election.

current governor is a Democrat. In Texas, though, voters favored the 2012 Republican candidate over the Democratic candidate by 16 percentage points, and the current governor is a Republican, as was the previous governor. The figure above provides a non-inclusive contextual snapshot of the political similarities and differences between Arizona and the five peer states, as well as a comparison of the college attainment rates and growth in each state.

Arizona and all of the selected peer states have improved their college attainment rates—the percentage of adults in each state that hold at least an associate’s degree or certificate—in recent years. However, the states that have adopted strong attainment goals have, for the most part, seen notably stronger attainment rate growth than Arizona.

This, and other research, suggests that setting an attainment goal is a fundamental step toward improving attainment in Arizona, and thereby strengthening our economic future. By setting such a goal, Arizona would join a growing collection of states for which postsecondary education attainment represents a significant priority. It is clear that leaders and policymakers in these states—who reflect a variety of political dispositions—believe that investing in increasing postsecondary attainment rates will lead to positive economic and social returns.



# Charting the Landscape

A state's postsecondary attainment rate is a product of many factors, including the net effect of population shifts, changing demographic patterns, and increased training and adult learning strategies. A primary engine driving increased attainment statewide is increased certificate and degree production by the postsecondary education systems in the state, supported by strong K-12 pipelines that ensure college readiness for high school graduation and a college-going culture.

The following figures present comparisons of seven indicators that illuminate key attainment-related aspects of the secondary and postsecondary education landscapes in peer states and in Arizona. Research shows that these indicators reflect key characteristics of the education landscape that impact postsecondary attainment.

In particular, high school indicators help elucidate the degree to which the K-12 education system in a state is effectively preparing students to pursue postsecondary education. These indicators include:

- **AP Participation Rate**
- **SAT/ACT Participation Rate**
- **Free Application for Federal Student Aid form (FAFSA) Completion Rate**
- **High School Graduation Rate**

Postsecondary indicators help to demonstrate the capacity of a state's postsecondary education system to enroll, retain and support to credential attainment the students produced in the K-12 pipeline. These indicators include:

- **Postsecondary Enrollment of 18- to 24-Year-Olds**
- **First-Year Retention Rate**
- **100 Percent Time Completion Rate**
- **150 Percent Time Completion Rate**

Setting a statewide attainment goal represents a clear signal to key stakeholders concerning the importance of implementing policies and programs designed to increase important indicators of postsecondary readiness, access and success. By increasing these key indicator rates, states have the potential to create the conditions—at the elementary and secondary levels as well as the postsecondary level—under which postsecondary access and attainment will also likely increase. These indicators are discussed further, on a state-by-state basis, later in this brief.

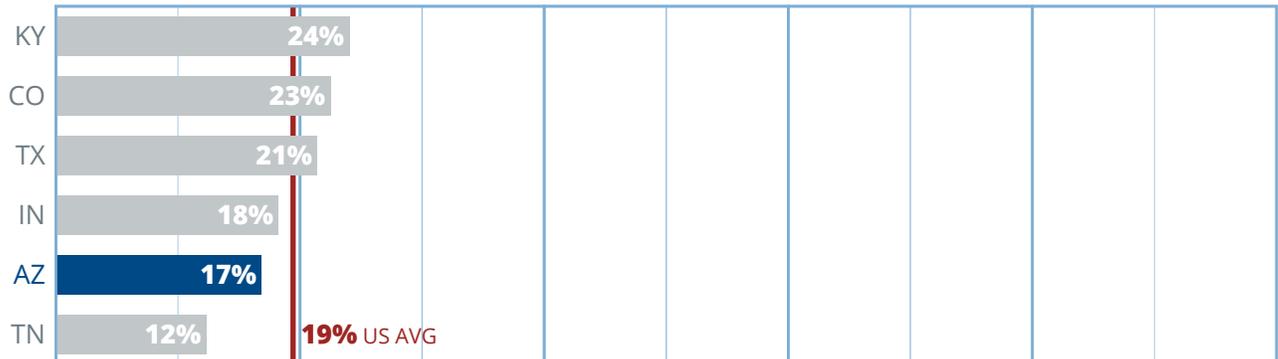
A primary engine driving increased attainment statewide is increased certificate and degree production by the postsecondary education systems in the state, supported by strong K-12 pipelines that ensure college readiness for high school graduates.



## High School Indicators

AP and SAT/ACT Participation Rate charts reflect the relative incidence of high school students in each state participating in secondary education opportunities that point to increased likelihood of participation in postsecondary education. The AP Participation Rate shows the percentage of students who enrolled in at least one AP course during the 2011-2012 school year divided by the total number of high school students in the state.

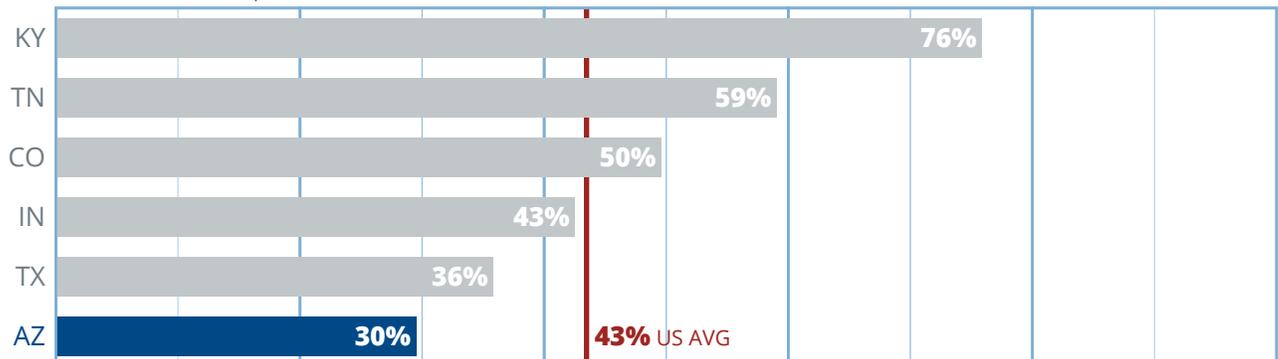
### AP Participation Rate



Source: National Center for Education Statistics Office of Civil Rights, 2011-12 Civil Rights Data Collection.

The SAT/ACT Participation Rate indicates the percentage of students who took the SAT or ACT during the 2011-2012 school year, divided by the total number of 11th- and 12th-grade students. Notably, high school students in Colorado, Kentucky and Tennessee are required to take a college admissions test during their junior year. These state policies are likely reflected in their respective SAT/ACT Participation Rates, which are well above the national average and the rates for Indiana, Texas and Arizona.

### SAT/ACT Participation Rate

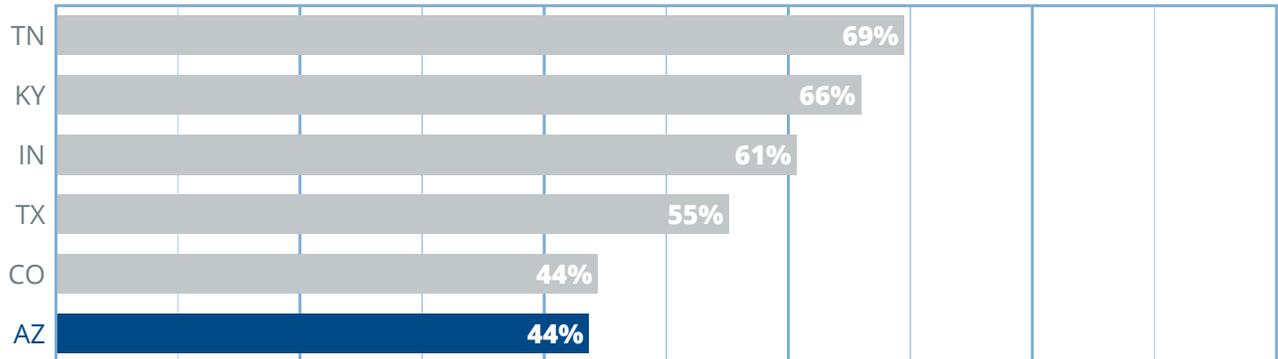


Source: National Center for Education Statistics Office of Civil Rights, 2011-12 Civil Rights Data Collection.



Like AP and SAT/ACT Participation Rates, the FAFSA Completion Rate and the High School Graduation Rate reflect these important steps for high school students as they progress toward postsecondary education.

### FAFSA Completion Rate

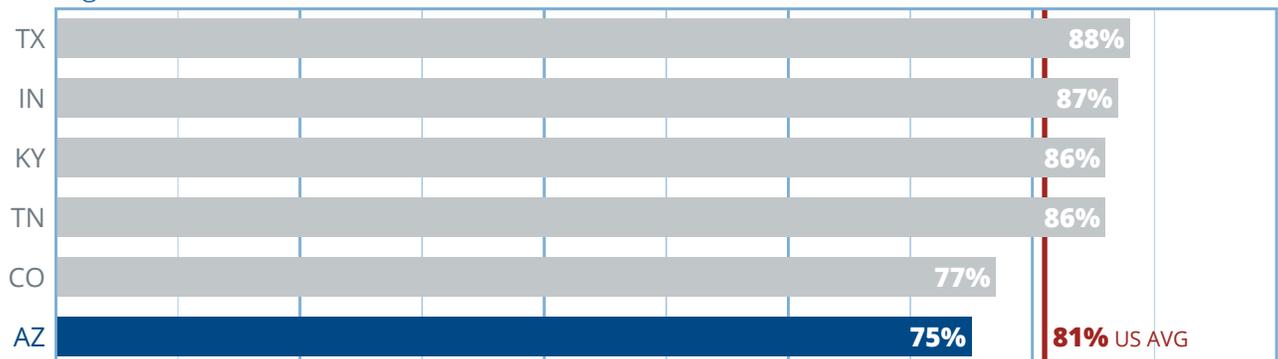


Source: U.S. Department of Education Office of Federal Student Aid, 2014-15 FAFSA Completion by High School. Enrollment figures from National Center for Education Statistics, Common Core of Data.

The FAFSA Completion Rate is an estimate of the percentage of 12th-grade students who completed the FAFSA during the 2014-2015 college application cycle. Note that due to the characteristics of the reported FAFSA data, a reliable national average for statewide FAFSA Completion Rates cannot be calculated.

The High School Graduation Rate represents that Adjusted Cohort Graduation Rate for the 2012-2013 school year, which is the standard formula all states use for reporting. Notably, though, graduation requirements vary between states. So, despite the consistency of the formula, graduation rates for each state are not directly comparable.

### High School Graduation Rate



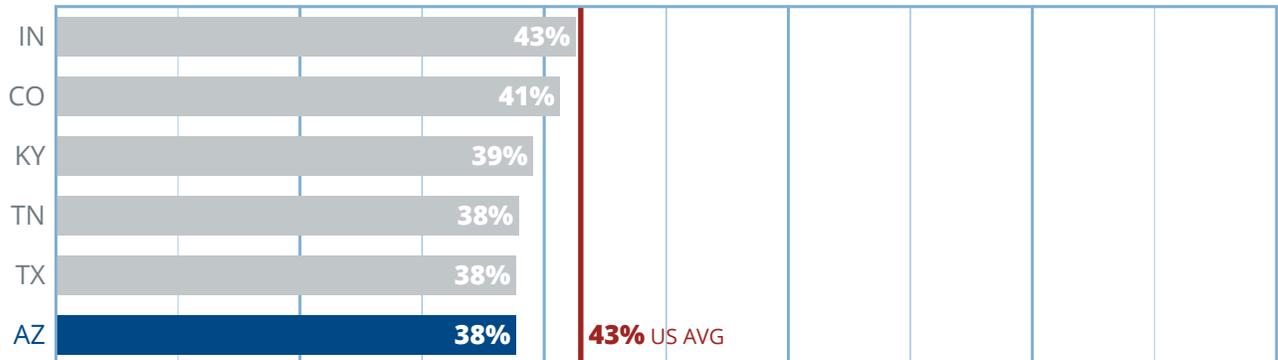
Source: National Center for Education Statistics, Adjusted Cohort Graduation Rate for 2012-13 from the Common Core of Data.



## Postsecondary Indicators

The Postsecondary Enrollment Rate is the percentage of all 18- to 24-year-olds in a state—not just high school graduates in that age range—who are enrolled in public or private institutions of higher education.

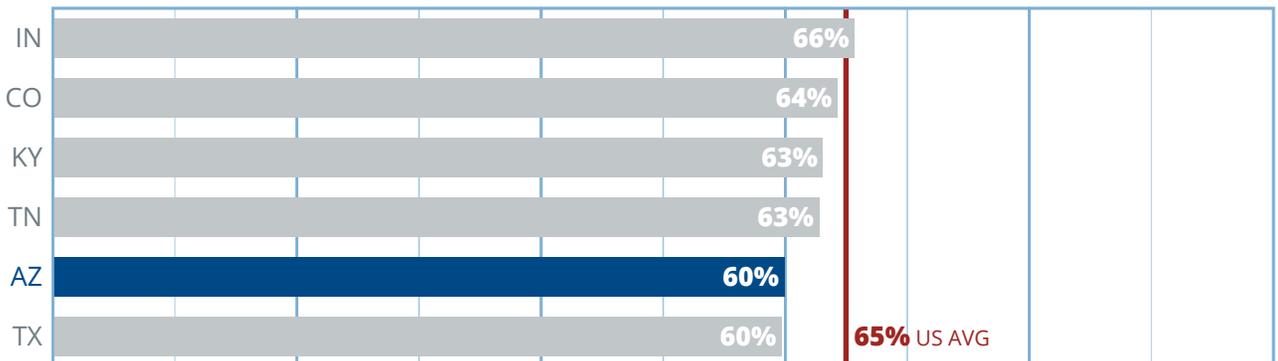
### Postsecondary Enrollment of 18-24 Year-olds



Source: U.S. Census Bureau, 2013 American Community Survey, Five-Year Estimates.

The First-Year Retention Rate represents the percentage of students who enrolled full-time in a two- or four-year public college or university in the state in the 2012-2013 school year and who remained enrolled the following school year.

### First-Year Retention Rate



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System, 2013 survey.



### 100% Time Completion Rate

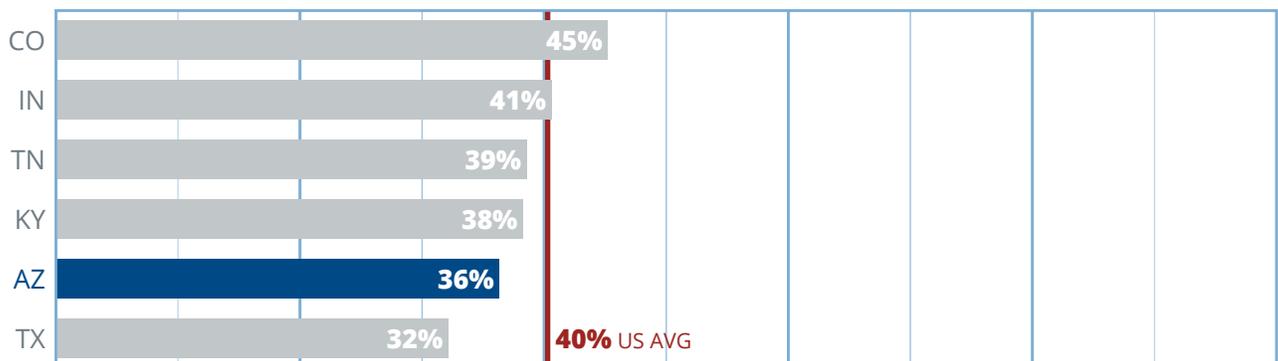


Source: National Center for Education Statistics, Integrated Postsecondary Education Data System, 2010 (2-year) and 2013 (4-year) surveys (cohort year 2007).

Both the 100 Percent and 150 Percent Time Completion Rates represent the percentage of students who enrolled in 2007 in a two- or four-year public college or university in the state and who completed within 100 or 150 percent of expected time, either within four or six years for four-year institutions.

Arizona's three main public universities excel in supporting students to on-time graduation, and Arizona's 100 Percent Time Completion Rate represents one of the state's relative strengths with regard to postsecondary attainment. Arizona meets the national average and has a higher 100 Percent Time Completion Rate than do Tennessee, Kentucky and Texas.

### 150% Time Completion Rate



Source: National Center for Education Statistics, Integrated Postsecondary Education Data System, 2010 (2-year) and 2013 (4-year) surveys (cohort year 2007).

Relative to their 100 Percent Time Completion Rates, Tennessee and Kentucky have stronger 150 Percent Time Completion Rates. For both states, the difference between these rates suggests that their postsecondary education systems are better able to support a greater percentage of students through college completion within six years of enrollment, as opposed to within four years. Arizona may be able to learn from these two states with respect to supporting students who persist in college beyond the expected term of four years.



# Higher Education Attainment Goals in Peer States

In each of the five peer states, governors, legislators and education policymakers have set ambitious attainment goals within the past five years. Because these goals are responsive to specific state workforce and economic needs—as well as the unique political landscape in each state—the attainment goals set by the peer states differ in key ways, most notably in terms of the overall attainment percentage goal and the timeline articulated for that goal. Regardless of the differences between state goals, however, the overall attainment rate in each state is assessed using the same measures—the percentage of adults in a state who hold postsecondary certificates, associate’s or bachelor’s degrees.

In three of the peer states, the attainment rate increased once a strong attainment goal was set, spotlighting the potential for goal setting to inaugurate and shape policies that positively impact attainment. In the other two peer states, state attainment rate goals were established too recently to determine their immediate and long-term impacts. Nonetheless, setting a strong attainment goal is a key first step these states have taken toward increasing attainment and ensuring their present and future economic competitiveness.

Workforce needs are a significant driver of statewide attainment goal setting. Workforce projections produced annually by the Georgetown University Center on Education and the Workforce are among the most commonly used in research and policy discourse pertaining to postsecondary attainment. Consequently, these are the projections cited in the following discussions of the attainment goals established by the five peer states.

The Georgetown University Center on Education and the Workforce is a leading independent research and policy institute. The Center’s research focuses on the link between education and workforce demands in the United States. Each year, the Center publishes workforce needs projections that are widely used by education researchers and policy makers.



---

## Colorado

The Colorado Department of Higher Education established a goal to increase the number of adults ages 25 to 34 in the state holding postsecondary degrees or certificates to 66 percent by 2025, while at the same time reducing attainment gaps between white students and students from underserved communities. Projections indicate that 74 percent of all jobs in Colorado will require some postsecondary education by 2020.

Colorado's strong postsecondary indicators—three of which meet or exceed the national average—point to a postsecondary education system that does well to support and guide its students to persistence and attainment. Additionally, the percentage of adults in Colorado ages 25 to 34 with at least an associate's degree has increased since 2010, and progress has been steady. The attainment rate in 2010 was 43.9 percent; by 2013, that rate increased to 45.9 percent.

This increase may be attributed to coordinated activities on the part of the Department of Education in support of Colorado's attainment goal, as well as related goals for its postsecondary education system. These activities include ensuring that the state's postsecondary institutions remain accessible and affordable, and aligning the postsecondary education system with the elementary and secondary systems to guarantee that students are prepared to successfully perform postsecondary-level work when they enter college or university.

---

## Indiana

In 2012, the Indiana Commission for Higher Education established a goal of increasing higher education attainment among adults to 60 percent by 2025, and, as part of that goal, reducing the college completion gap between traditionally underserved groups and the population as a whole. This goal aligns with the Indiana-based Lumina Foundation's 60 percent national goal, as well as with labor projections that show 62 percent of the workforce will need some postsecondary education by 2020.

In support of this ambitious attainment goal, the Indiana Commission of Higher Education has promoted policies and programs that center on equity and are designed to have a powerful effect on postsecondary success rates for traditionally underserved student populations. These policies and programs include efforts to create and map smarter, clearer pathways to postsecondary attainment, and to create structured cohort-based programs in high-demand areas for low-income and working students.

These policies and programs seem to be paying off. Indiana has some of the highest postsecondary indicators of all the peer states, meeting or exceeding the national average for postsecondary enrollment of 18- to 24-year-olds, first-year retention rate, 100 percent time completion rate and 150 percent time completion rate. These indicators suggest that Indiana's focus on improving its postsecondary education system is laying the groundwork for improved attainment in years to come.



---

## Kentucky

In Kentucky, labor projections indicate that, by 2020, 62 percent of all jobs will require at least some postsecondary education, and 33 percent of Kentucky jobs will require at least an associate's degree. To align with this latter projection, the Kentucky Council on Postsecondary Education set a higher education attainment goal of increasing the share of adults ages 25 to 54 who hold at least an associate's degree to 37 percent by 2020.

Since 2011, when Kentucky's attainment goal was established, the percentage of adults ages 25 to 44 with at least an associate's degree has increased from 33.3 percent to 36.5 percent, just short of the state goal. Moreover, the participation rates for AP and SAT have increased to percentages well above the national average.

Kentucky has implemented key policies and programs that support its attainment goal and that have likely contributed to the state's ongoing success in raising its attainment rate. These policies and programs include early adoption of rigorous learning standards, establishment of a number of college access programs that target low-income students, and creation of scholarship programs funded by the state lottery. Kentucky has also made concerted efforts, working closely with Lumina Foundation, to improve the postsecondary attainment rate for adult learners.

---

## Tennessee

In Tennessee, Gov. Bill Haslam, Republican, and the state legislature established a statewide goal, known as the Drive to 55, to ensure that 55 percent of adults age 25 to 64 hold a college degree or certificate by 2025. This goal aligns with labor projections that indicate that 58 percent of the workforce in Tennessee will require some postsecondary education by 2020.

Tennessee has made good progress increasing its higher education attainment rate. The percentage of adults ages 25 to 34 with at least a bachelor's degree increased by 1.6 points from 26.7 percent in 2010 to 28.3 percent in 2012. By 2013, that percentage had increased to 29.7.

Key policies that have accompanied the Drive to 55 campaign have contributed to Tennessee's improved indicators and its growing overall attainment rate. In particular, a program known as the "Tennessee Promise" ensures that high school seniors can attend community colleges without paying tuition or fees, thereby increasing postsecondary access and affordability for all students. Additionally, the "Tennessee Reconnect" program enables adults in Tennessee to complete a postsecondary degree or other credential by allowing them to attend any Tennessee College of Applied Technology free of tuition and fees.



## Texas

In 2013, former Texas Gov. Rick Perry, Republican, and the state legislature set a statewide goal to have at least 60 percent of Texas workers attain a postsecondary credential, certificate or degree by 2036, the state's bicentennial year. As in other states that have set strong attainment goals, Texas's goal aligns with labor projections that show 62 percent of the workforce will need to have some postsecondary education by 2020.

Since 2010, Texas has been making steady progress toward increasing the percentage of adults ages 25 to 64 in the state that have at least an associate's degree. Between 2010 and 2013, that percentage increased by 1.4 points, from 33.7 to 35.4.

However, leaders in Texas have recently taken additional steps to strengthen the state's attainment goal and its economy. The Texas Higher Education Coordinating Board has adopted a new, accelerated goal: to have 60 percent of Texas residents between the ages of 25 and 34 hold a postsecondary degree or certificate by 2030, with a particular focus on increasing attainment for Latinos and other underserved minorities. Although the new goal is not yet accompanied by new policies to support it, it signals the state's intent to ensure that it has a highly educated workforce and that its thriving economy continues to prosper in years to come.

## Addressing Persistent Attainment Gaps

Across all five selected peer states, and in Arizona, attainment gaps persist between traditionally underserved minority populations and their white counterparts. In Texas and Colorado, the two peer states with the largest Latino populations, the attainment gaps between Latinos and whites are 22 and 29 percentage points respectively. In Arizona, the attainment gap between Latinos and whites is also 22 percentage points. It is well-documented that if Arizona is to increase its overall attainment rate, Latino attainment growth must be a focal point of our efforts.

Setting strong attainment goals represents a powerful first step toward reducing these gaps between minority and white postsecondary attainment, but these goals must be accompanied by policies that specifically provide supports—such as targeted scholarship, grant, and aid programs that increase postsecondary access and affordability—designed to increase attainment rates for traditionally underserved populations, and especially for key opportunity groups such as low-income students, first-generation college-goers, the fast-growing Latino population, and adult learners, including veterans.

Given the demographic realities in our state, Arizona has an opportunity to lead the nation in mobilizing its citizens toward greater attainment.

# State Profiles

---

The following pages provide profiles of state data pertaining to the status of progress toward achieving postsecondary attainment goals in each of the peer states, or, in the case of Arizona, the change in the state attainment rate over time, unrelated to any goal.

For each of the peer states, the first chart includes a reference line that demonstrates that particular state's attainment percentage goal and the year that goal was set. The chart for Arizona has no such line, as no statewide attainment goal has been established.

The profiles also include a second chart that breaks down state attainment rates by demographic groups. These charts demonstrate the opportunities each state has to close attainment gaps between the majority group and key minority and strategic interest groups (e.g., adult learners). Note that certain demographic groups that represent less than 0.5 percent of a state's population—for example, in Indiana, American Indians—are rounded down to zero percent in the Attainment by Race/Ethnicity charts.

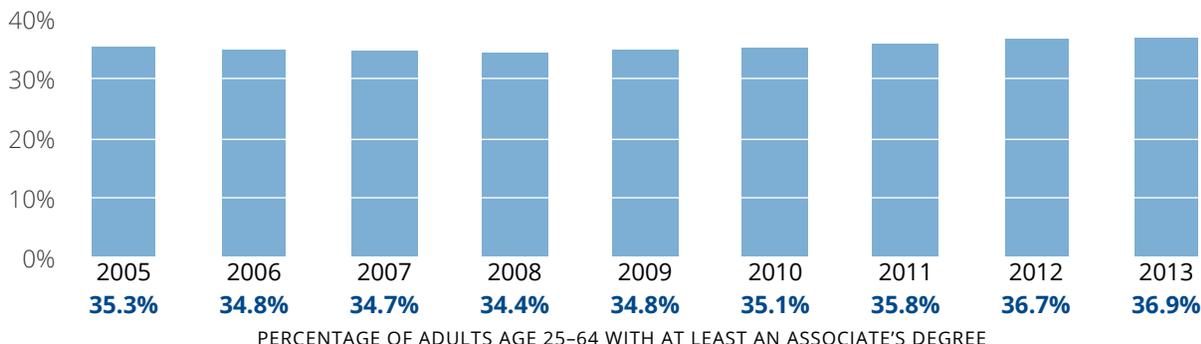
Finally, each profile also includes key indicator data that show the relative capacity of the postsecondary education systems in each state to enroll qualified high school graduates and adult learners, retain and support these students to credential attainment, and, ultimately, to increase their overall state attainment rates. The indicator charts provide data on both two-year and four-year institutions.

The data used in these profiles come from the U.S. Census Bureau American Community Survey, and the National Center for Education Statistics. Note that the college pathways charts use data from the 2008, 2010, and 2013 surveys specific to cohort year 2007, and that postsecondary certificates are not included in the data, even where the state includes certificates in its goal.

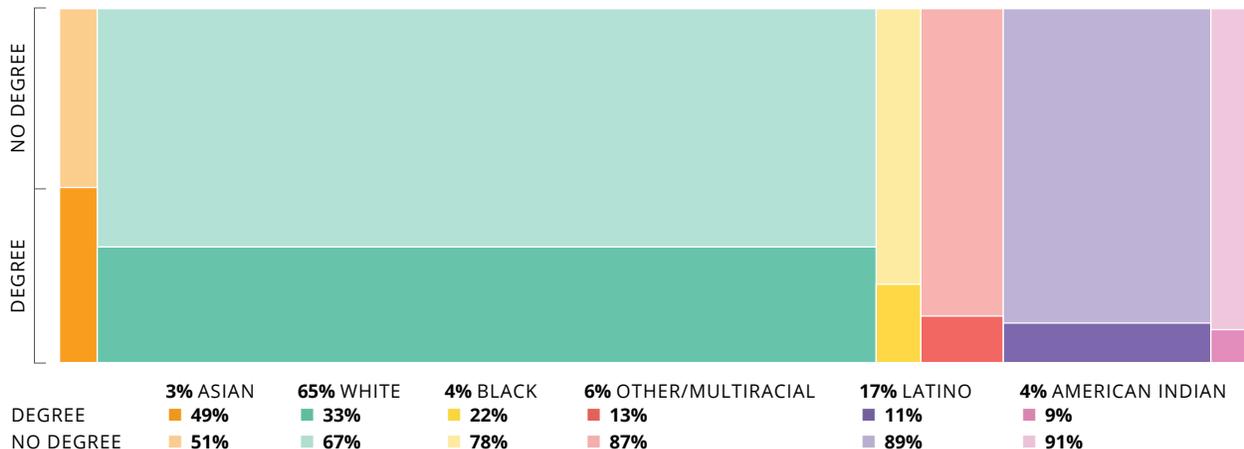
# Arizona

The differences in performance between Arizona’s two-year public postsecondary institutions and its public four-year institutions are likewise manifest in many of the peer states. The differences suggest that, given the relatively large percentage of Arizona college students enrolled in two-year institutions, the state’s attainment rate could be notably increased by policies and programs designed to support students in two-year institutions in addition to the strong policies already in place that encourage transfers to four-year institutions.

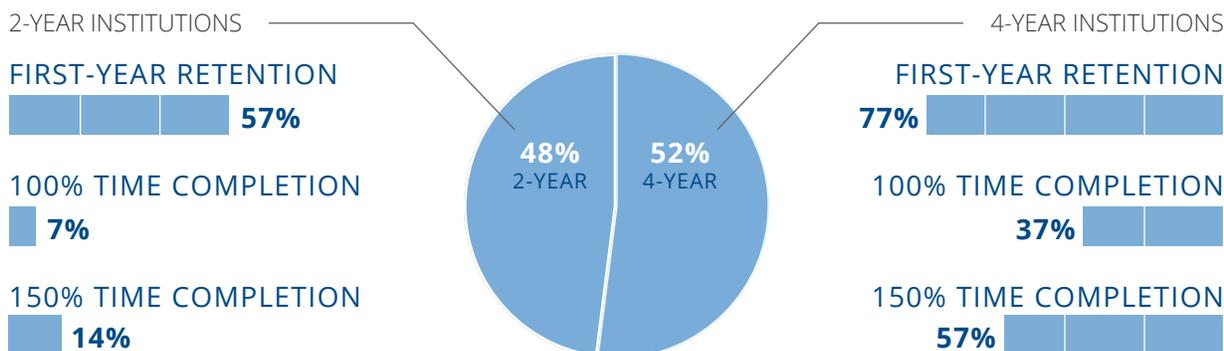
## State Goal Arizona does not have a state goal.



## Attainment by Race/Ethnicity Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



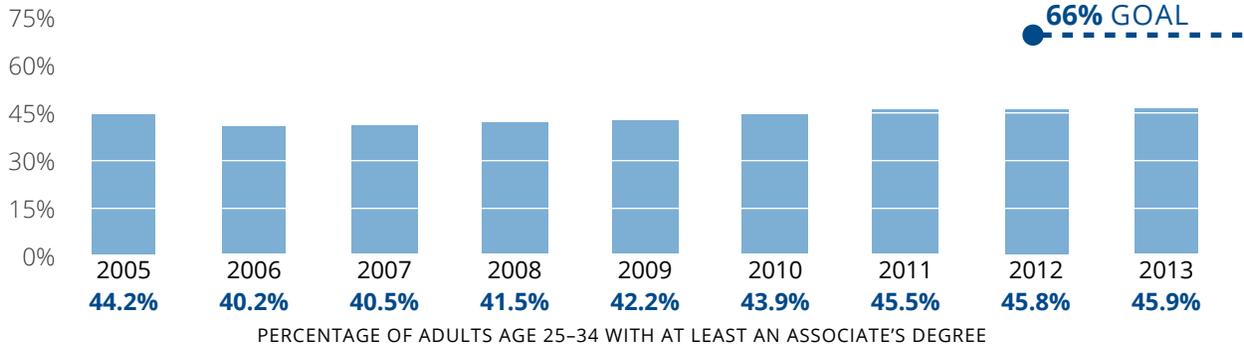
## College Pathways Of full-time students in public colleges in the state, what paths do they take to completion?



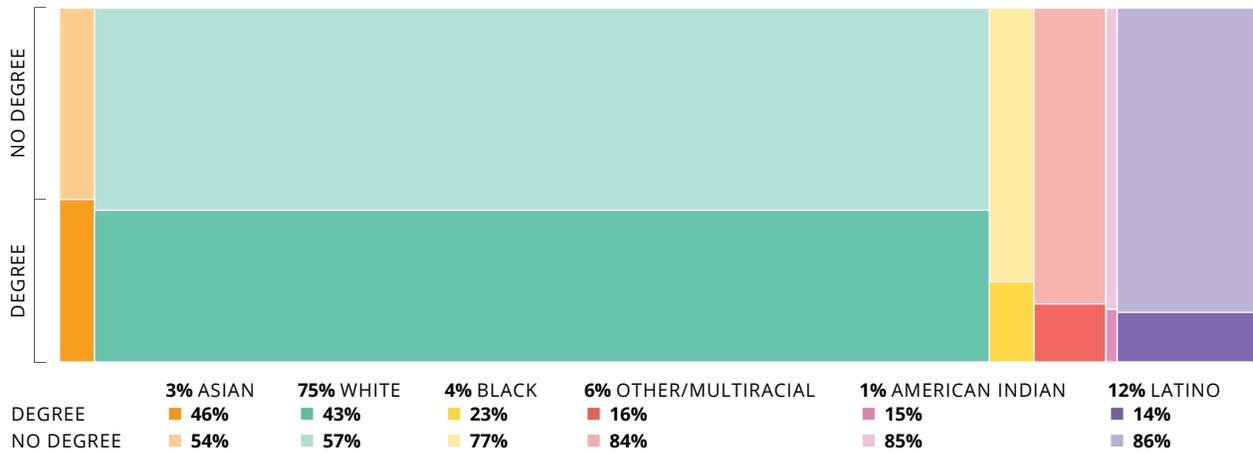
# Colorado

Since 2006, Colorado's attainment rate has steadily increased by more than five percentage points, and, in 2013, it was the highest of any of the peer states. Notably, indicators for Colorado's two-year institutions, in which 27 percent of college students in Colorado are enrolled, are substantially stronger than indicators for Arizona's two-year institutions. This likely contributes to Colorado's higher overall postsecondary attainment rate.

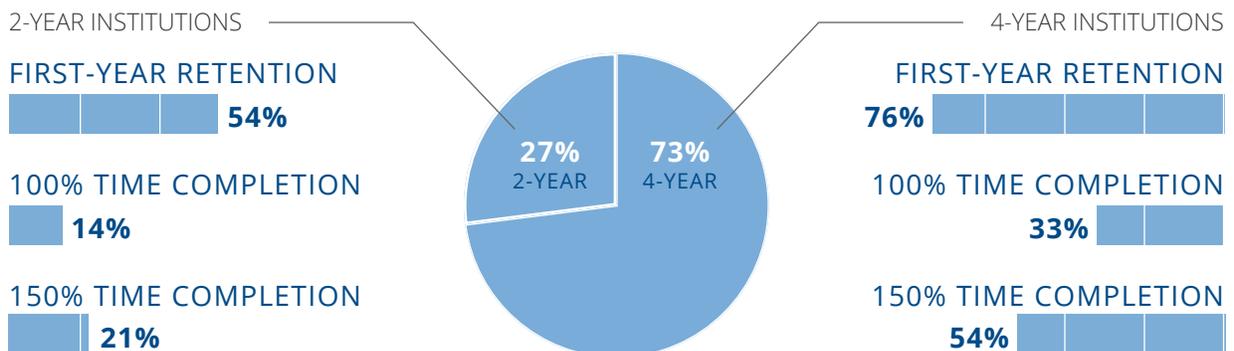
**State Goal** Increase the percentage of Coloradans age 25-34 who hold degrees or postsecondary certificates to 66% by 2025.



**Attainment by Race/Ethnicity** Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



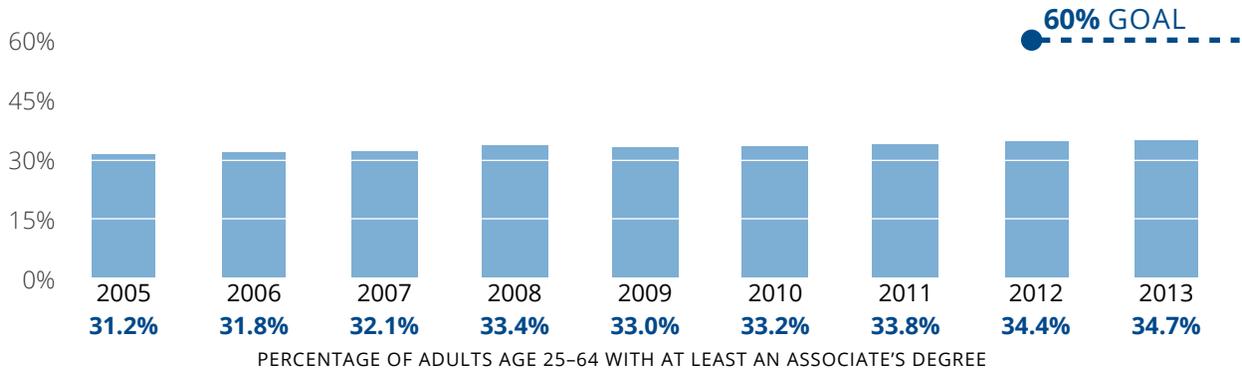
**College Pathways** Of full-time students in public colleges in the state, what paths do they take to completion?



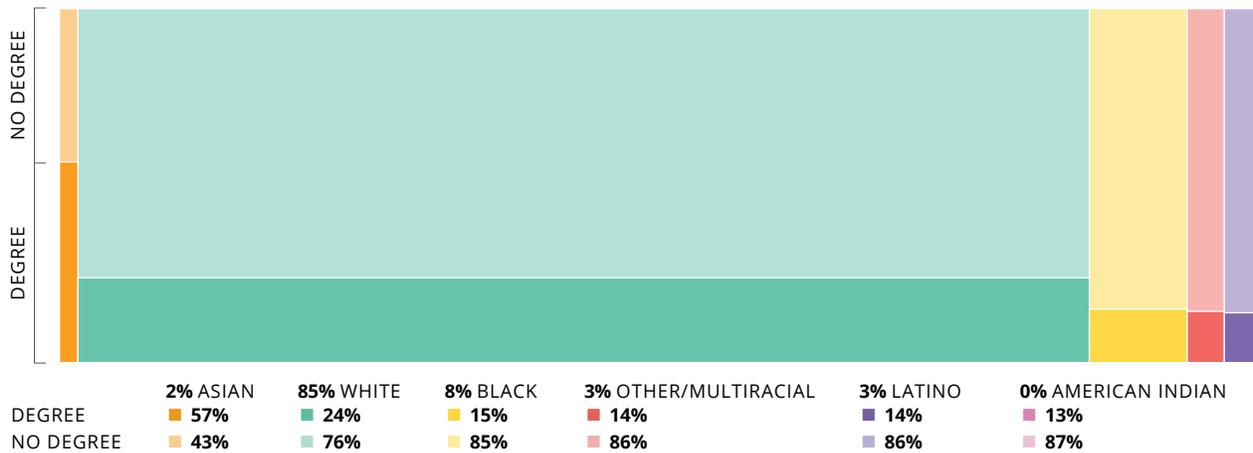
# Indiana

Indiana has some of the strongest college pathways indicators of all the peer states, either meeting or exceeding the national average for first-year retention rate, 100 percent time completion and 150 percent time completion. Importantly, Indiana enrolls relatively few students in two-year institutions—which do not perform as well as its four-year institutions—meaning that more students are enrolled in public colleges and universities that, according to the data, do a better job of supporting students to credential attainment.

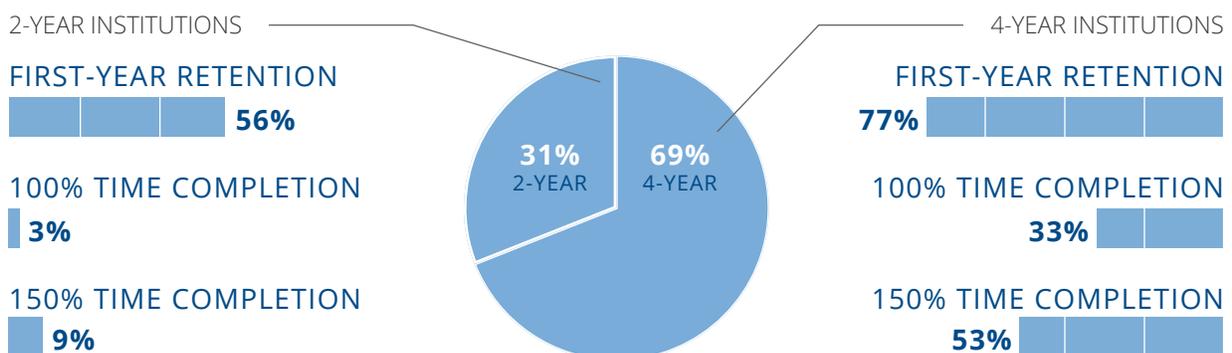
## State Goal Increase higher education attainment of Indiana adults to 60% by 2025.



## Attainment by Race/Ethnicity Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



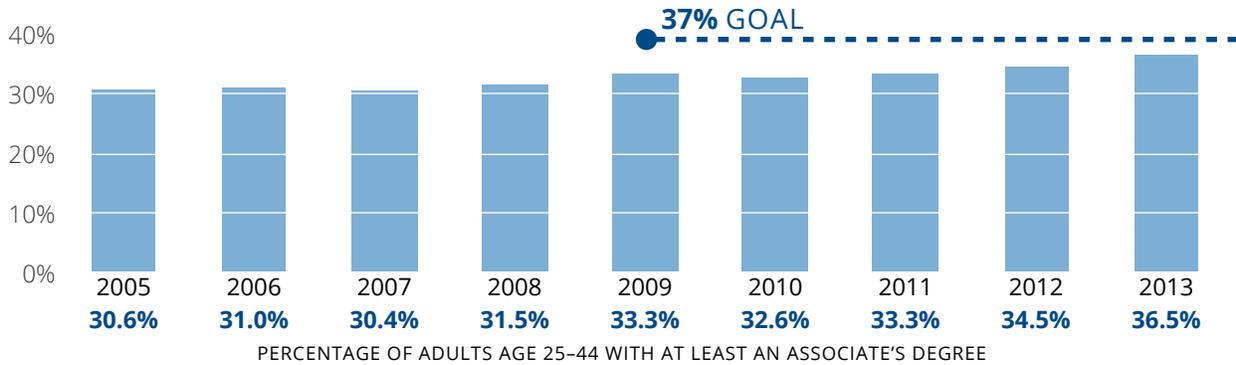
## College Pathways Of full-time students in public colleges in the state, what paths do they take to completion?



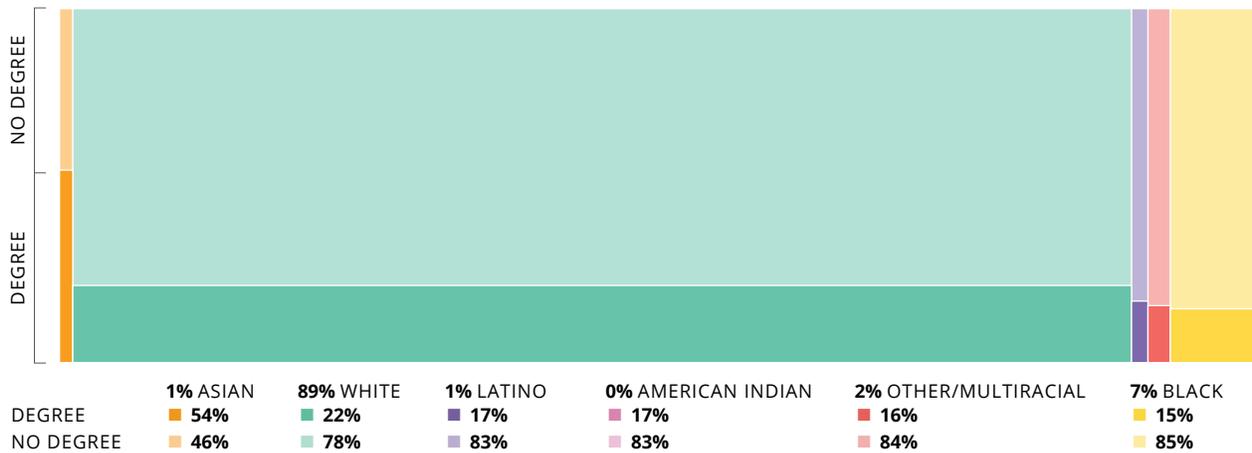
# Kentucky

Among the peer states, Kentucky has made the most substantial progress toward reaching its attainment goal, having increased attainment by more than 15 percent since 2005. Importantly, some of Kentucky's most significant attainment rate increases have come since 2009, when the attainment goal was established.

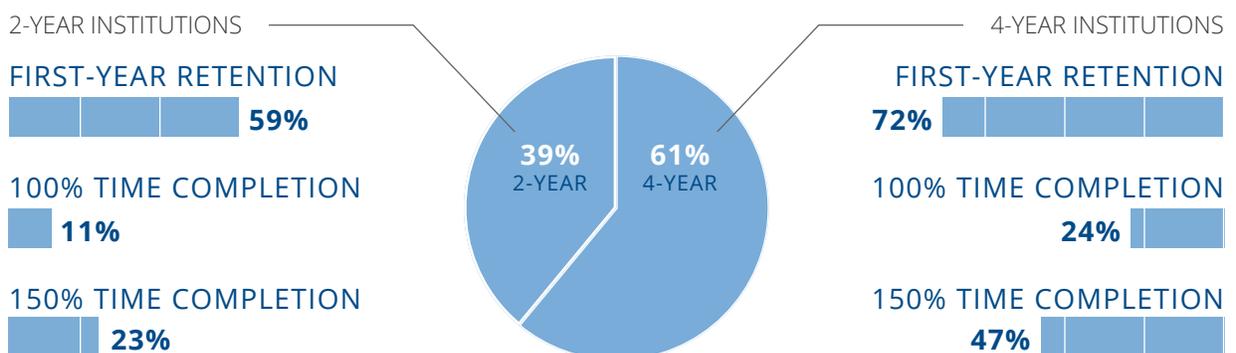
## State Goal Increase higher education attainment of Kentucky adults age 25-44 to 37% by 2020.



## Attainment by Race/Ethnicity Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



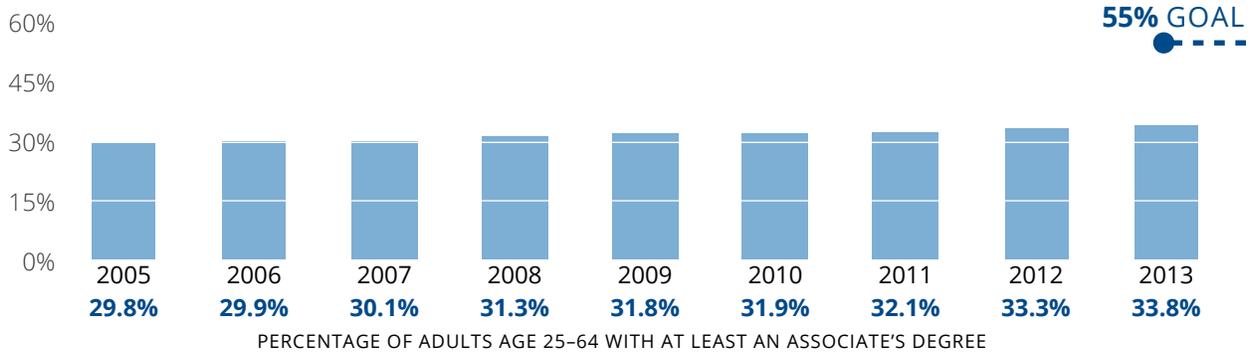
## College Pathways Of full-time students in public colleges in the state, what paths do they take to completion?



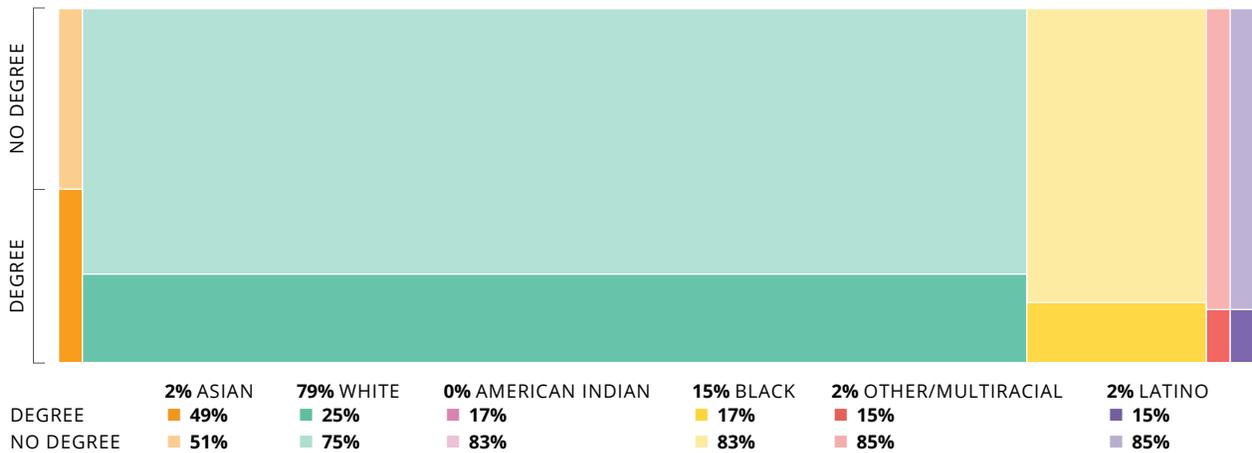
# Tennessee

Since 2005, Tennessee is second only to Kentucky in terms of overall postsecondary attainment growth, which has increased by more than 13 percent over that period. Although Tennessee is a long way from reaching its goal of 55 percent attainment, its strong growth in recent years suggests that significant progress can be made in the years to come as the policies and programs accompanying the Drive to 55 mature.

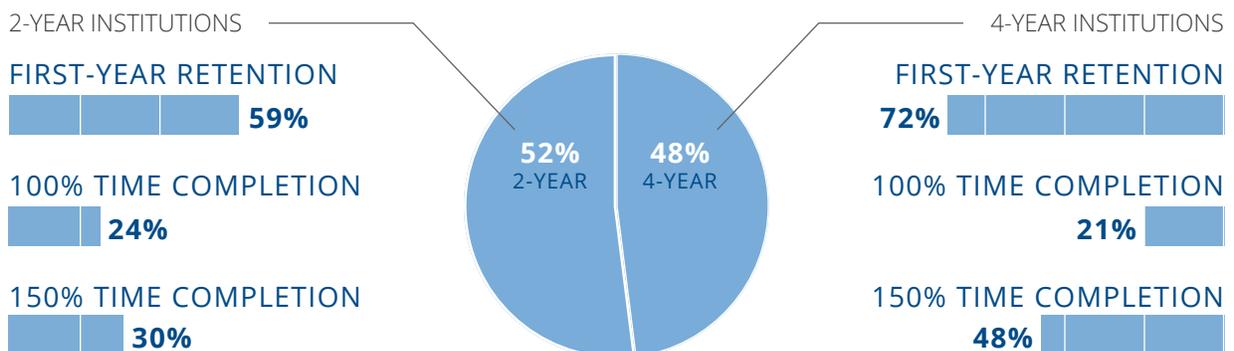
**State Goal** Increase percentage of adults ages 25 to 64 that hold a college degree or certificate to 55% by 2025.



**Attainment by Race/Ethnicity** Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



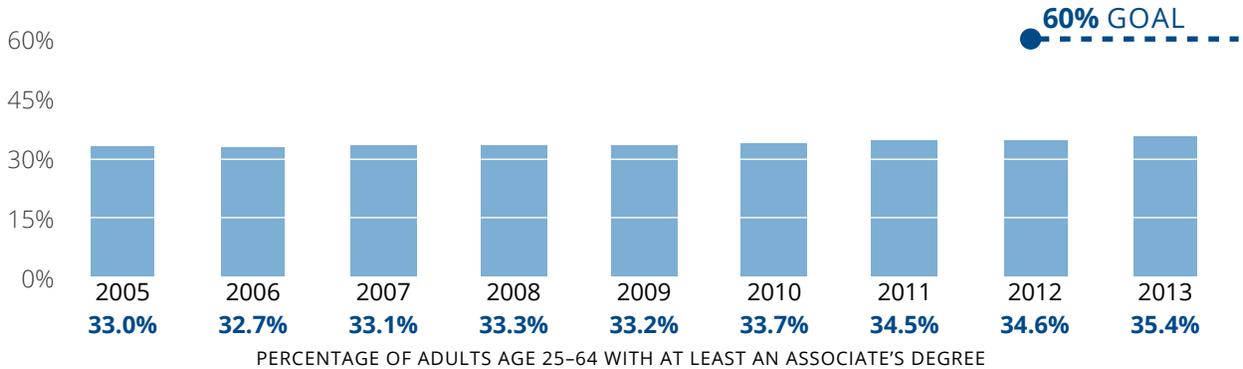
**College Pathways** Of full-time students in public colleges in the state, what paths do they take to completion?



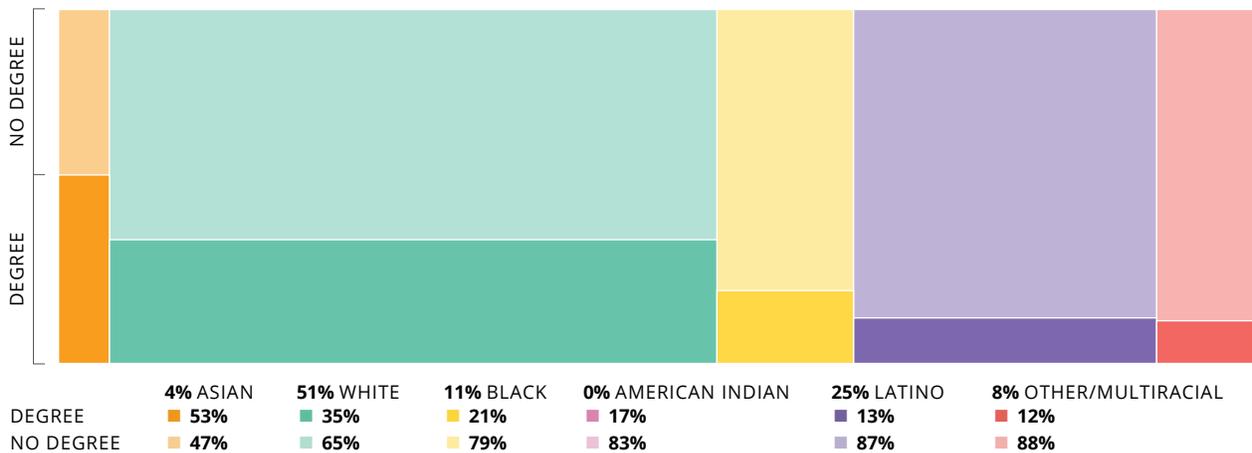
# Texas

Like Arizona, Texas has a significant attainment gap between its white and Latino populations. White adults in Texas hold bachelor's degrees at rates nearly double those for Latinos adults in the state. Additionally, a high percentage of postsecondary students in Texas enroll in two-year institutions, which have lower performance indicators than the state's four-year institutions. By focusing on improving supports for students in two-year institutions, Texas, like Arizona, may be able to accelerate its postsecondary attainment growth.

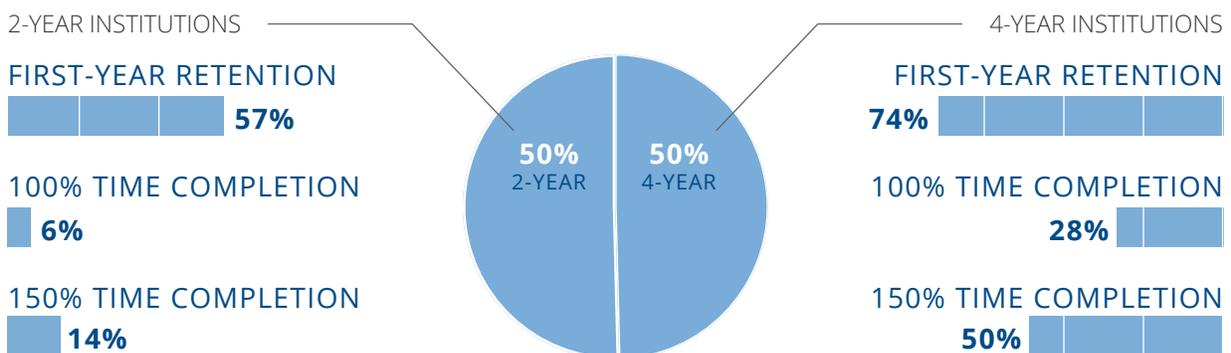
**State Goal** Increase the percentage of Texas adults who hold degrees or postsecondary certificates to 60% by 2030.



**Attainment by Race/Ethnicity** Segmenting the adult population by race/ethnicity and Bachelor's degree attainment.



**College Pathways** Of full-time students in public colleges in the state, what paths do they take to completion?







# Recommended Action Steps for Leaders and Policymakers in Arizona

As education leaders, legislators and other policymakers in Arizona look for opportunities to improve the state's economic situation and improve the state's workforce, there are direct implications to the improvement of the state's higher education attainment rate. Thus, policy conversations focused on economic indicators should also focus on ensuring higher education access and success for all students.

## **Some specific recommendations moving forward:**

### **1. Align state economic priorities and workforce needs with those focused on higher education attainment**

Reframing economic policy discussions in Arizona to address the impact of attainment on the state's economic future is a key step toward increasing the number of adults who hold postsecondary degrees or certificates. This discussion should include an emphasis on the opportunity groups of low-income, minority, veterans and working age adults. Policies that enable students and working-age adults to attain the postsecondary credentials they need to become 21st century employees will ensure Arizona's ongoing economic competitiveness.

### **2. Set a state supported postsecondary attainment goal**

Setting a strong state-supported postsecondary attainment goal will galvanize momentum for Arizona to achieve some of the benefits that other states that have set strong goals are experiencing. A statewide attainment goal signals to key stakeholders the importance of attainment and of creating policies and initiatives that increase attainment for all adults in Arizona.

### **3. Consider policies that increase access to higher education**

Arizona can improve its attainment rate by creating pathways and policies that enable all students and adults to more easily enroll in postsecondary institutions and attain a certificate or degree, especially Arizonans who may not otherwise attain a college degree or workforce credential. Such policies may include reoriented financial aid programs, other initiatives that facilitate college enrollment for traditional and nontraditional students, and programs that support high school dual enrollment and career/technical education leading to a workforce credential before/at high school graduation.

### **4. Address attainment gaps between the majority population and opportunity groups**

In order to achieve statewide improvement, Arizona needs to prioritize improving attainment rates for key groups such as low-income and adult students. In particular, the state should emphasize the development of policies that facilitate higher education attainment for Latinos, who will eventually constitute the majority of the working-age population in Arizona.



---

## Resources

Arizona Board of Regents. *2020 Vision: The Arizona University System Long-term Strategic Plan 2008-2020*. Retrieved from <http://facultygovernance.arizona.edu/sites/facgov/files/2020-vision.pdf>

Bureau of Labor Statistics. (2015). Earnings and unemployment rates by educational attainment. Retrieved from [http://www.bls.gov/emp/ep\\_chart\\_001.htm](http://www.bls.gov/emp/ep_chart_001.htm)

Carnevale, A. P., Smith, N. and Strohl, J. (2013). *Recovery: Projections of Jobs and Education Requirements Through 2020*. Georgetown University Center on Education & the Workforce. Retrieved from <https://georgetown.app.box.com/s/kg8r28e48gsaw8ypplxp>

College Success Arizona. "Why College Success Matters." Retrieved from <http://collegesuccessarizona.org/why-college-success-matters/>

Lumina Foundation. (2015). *A Stronger Nation through Higher Education*. Retrieved from [http://www.luminafoundation.org/stronger\\_nation](http://www.luminafoundation.org/stronger_nation)

Lumina Foundation Strategy Labs. Calculating the Economic Value of Increasing College Credentials by 2025. Retrieved from <http://strategylabs.luminafoundation.org/wp-content/uploads/2013/10/NCHEMS-CLASP-Arizona-Model.swf>

Hart, B. and Eisenbarth Hager, C.J. (2012). *Dropped? Latino Education and Arizona's Economic Future*. Morrison Institute for Public Policy, Arizona State University. Retrieved from [https://morrisoninstitute.asu.edu/sites/default/files/content/products/Dropped\\_2012.pdf](https://morrisoninstitute.asu.edu/sites/default/files/content/products/Dropped_2012.pdf)

---

## Sources for State Profiles

State goal data: U.S. Census Bureau, American Community Survey 2005–2013. <https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/>

Attainment by race/ethnicity: U.S. Census Bureau, 2013 American Community Survey, Five-year estimates. <https://www.census.gov/acs/www/data/data-tables-and-tools/data-profiles/>

College pathways: National Center for Education Statistics, Integrated Postsecondary Education Data System. <https://nces.ed.gov/ipeds/>

---

## About This Brief

The first in a series of non-partisan and evidence based policy briefs from College Success Arizona, this brief provides state education leaders, legislators and government leaders with essential information they need to advance the conversation around setting a strong statewide postsecondary education attainment goal for Arizona. It addresses key issues related to the gap between attainment and projected workforce requirements and provides examples of five states that have acted decisively to improve attainment rates for all residents.

College Success Arizona would like to acknowledge the financial and technical support provided by *Lumina Foundation Strategy Labs* that has made this brief possible.

# About College Success Arizona

College Success Arizona is working to create a significant increase in the postsecondary attainment rate of students in Arizona, particularly for those who otherwise would not be able to attend or graduate. By doing so, we believe that we will improve the quality of life not just for those individuals and their families but also for the state as a whole.

## **BOARD OF DIRECTORS**

Vince Roig, Chairman

Paul Koehler, Vice Chairman

Jennifer Carrick, Board Member

Deborah Carstens, Board Member

Gonzalo A. De La Melena, Jr., Board Member

John Fees, Board Member

Chevy Humphrey, Board Member

Stephen Nehring, Board Member

Rich Nickel, Board Member

Steven Seleznow, Board Member

Charlie Trammell, Board Member





4040 E. Camelback Rd., Ste 220  
Phoenix, AZ 85018  
Phone: 602-636-1850  
Fax: 602-636-1857  
[www.collegesuccessarizona.org](http://www.collegesuccessarizona.org)