

A community conversation

Arizona's Economic Imperative:

Leading the Nation in Latino Student Success

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April 30, 2015 / Grand Ballroom, Arizona Biltmore



“Wisdom and knowledge, as well as virtue, diffused generally among the body of the people being necessary for their preservation of their rights and liberties; and as these depend on spreading of opportunities and advantages of education in various parts of the country, and among the different orders of the people...”

Massachusetts Constitution 1780



“...it shall be the duty of the legislators and magistrates in all future periods of this commonwealth to cherish the interests of the literature and the sciences, and all seminaries of them...”

Massachusetts Constitution 1780

“...especially at the university at Cambridge...”

Massachusetts Constitution 1780

CH. 5, SEC. 2

The American Dream



The Path

Hispanics and the American Dream

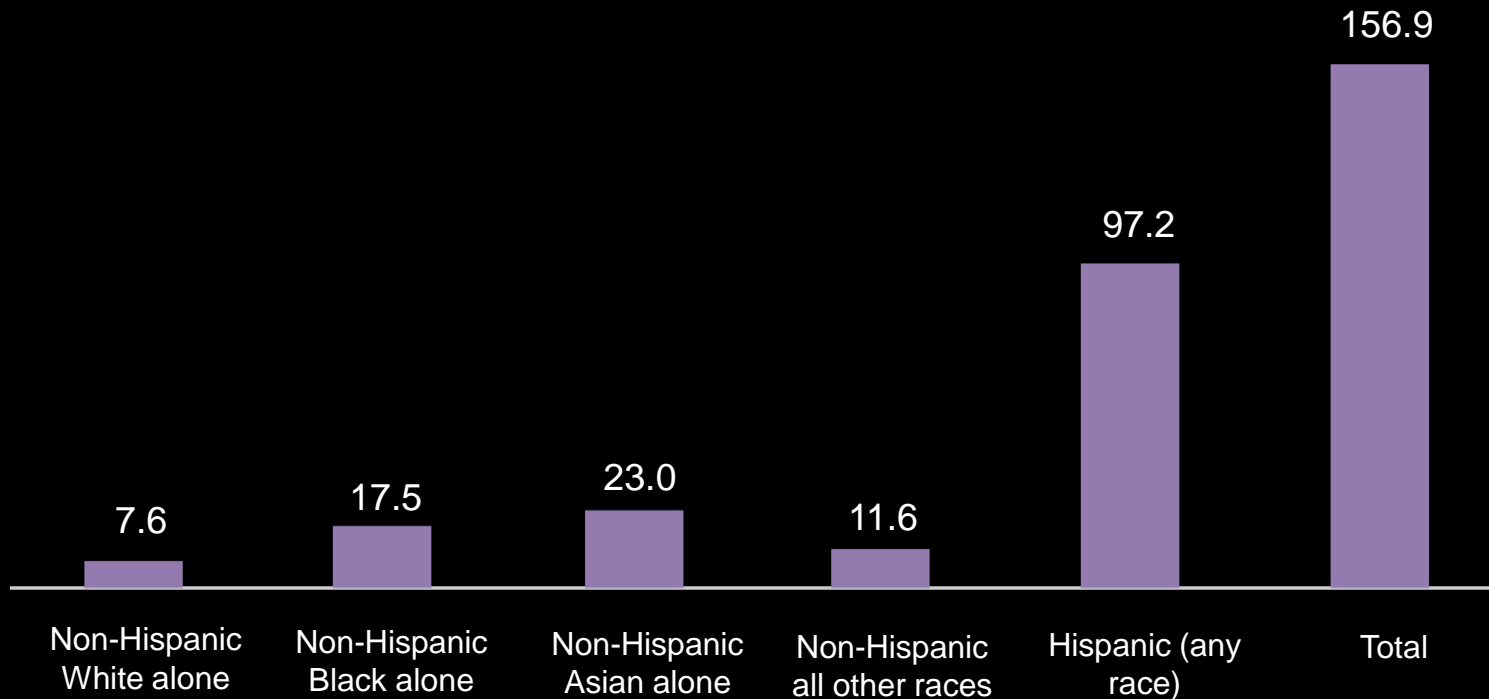
Hispanic Americans are more likely than others to identify education as path to achieving the American Dream. Still, only 15 percent of Hispanics have graduated from college and their incomes remain far below average.

Q: When you think about the American Dream, it is something which has...?



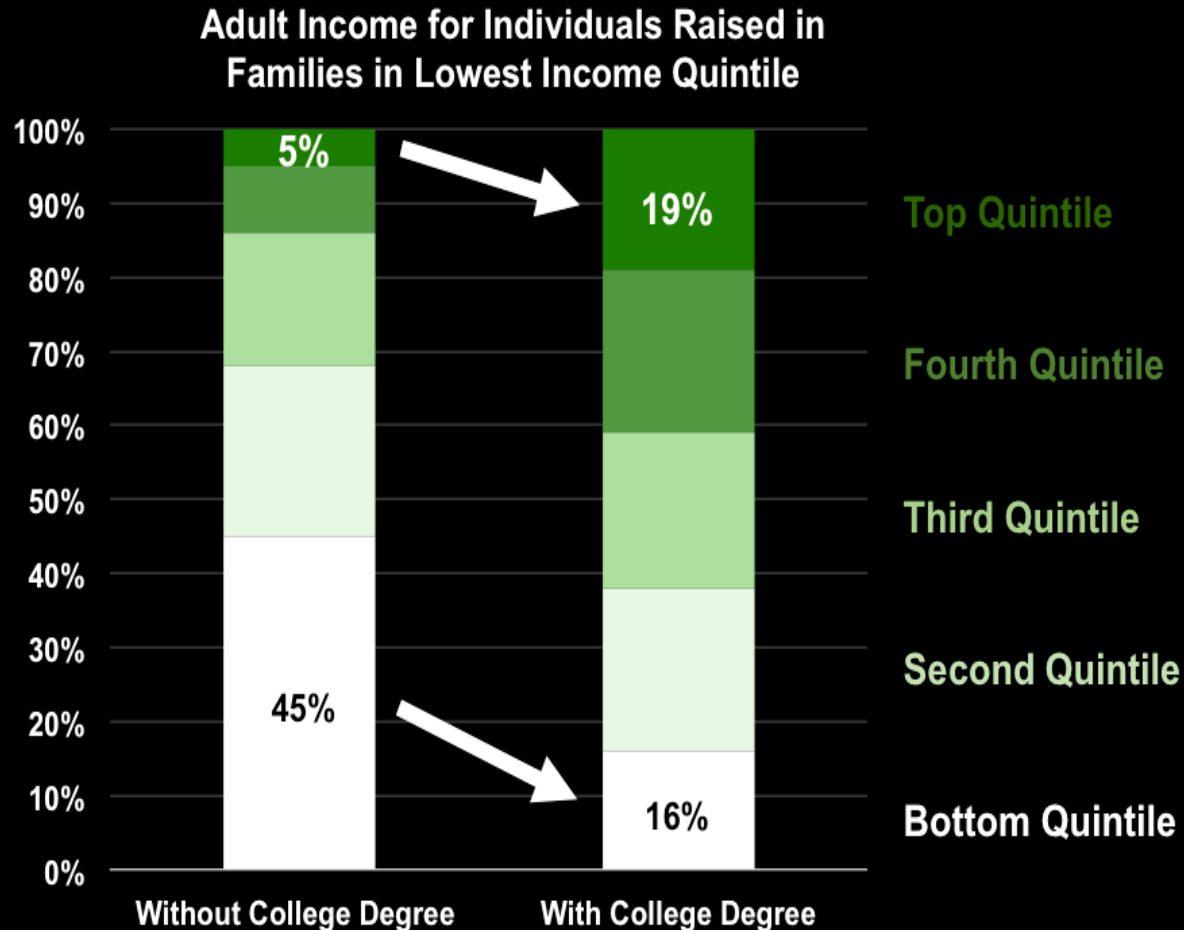
US Latino Population Growth

Numeric Change in the Projected U.S. Population by Race and Hispanic Origin: 2000 to 2050 (in millions)



Educational attainment is key to
social mobility.

Higher Education and Social Mobility



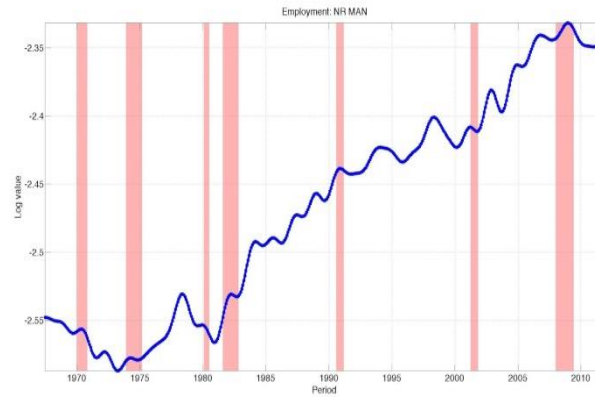
Source: Isaacs, Julia; Sawhill, Isabel and Ron Haskins. *Getting Ahead or Losing Ground: Economic Mobility in America* (pp. 91-104). Washington, DC: Pew Charitable Trusts.

Employment Polarization

1975 - 2010



Non-routine Cognitive



Non-routine Manual



Routine

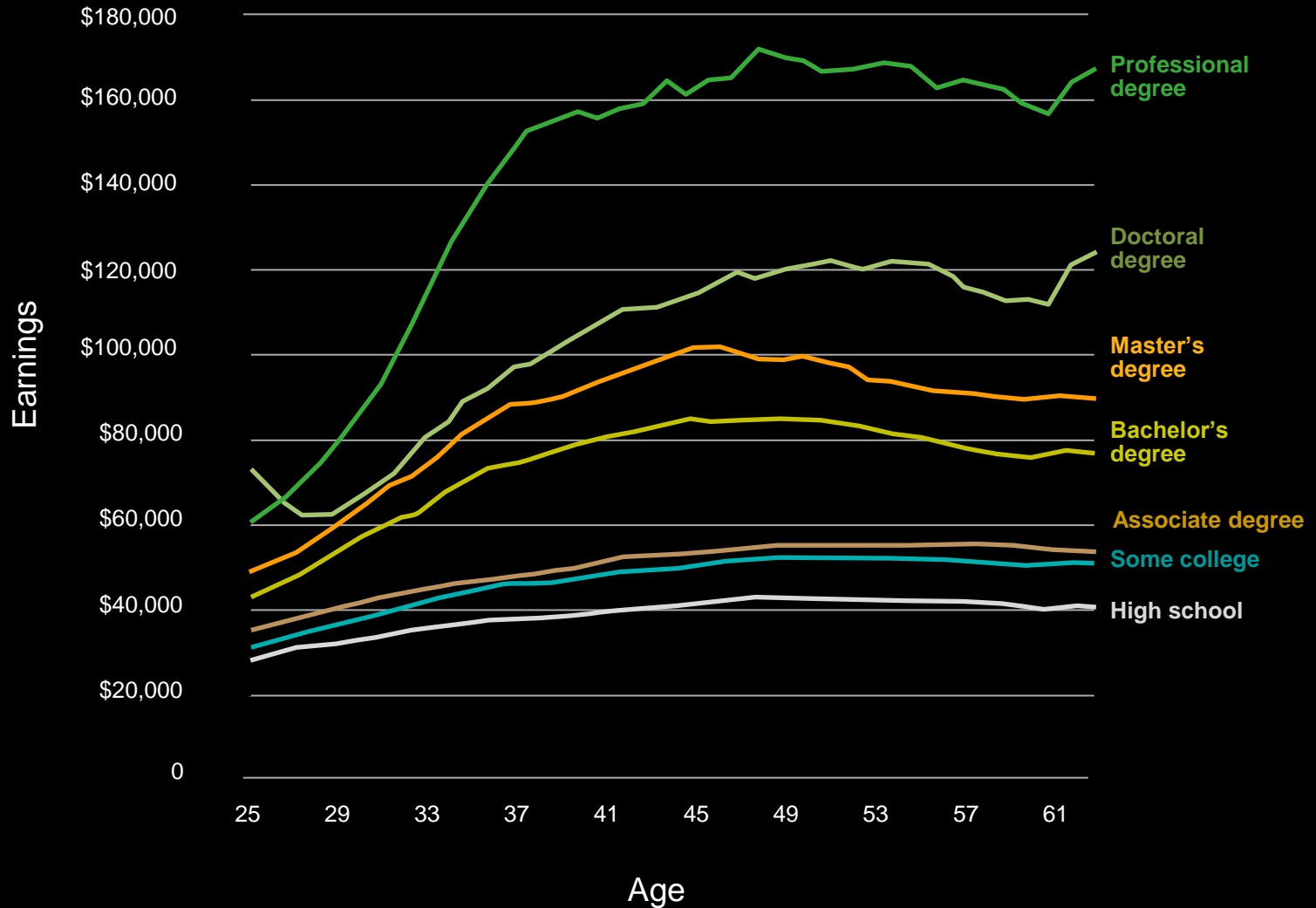
Value to the Individual

The internal rate of return for a degree **substantially exceeds the cost** of attending college.

Economists put the rate of return of a degree in 2012 at 15%, **far above the return on stocks and bonds.**

This is **true even for so-called**
“underemployed” college graduates.

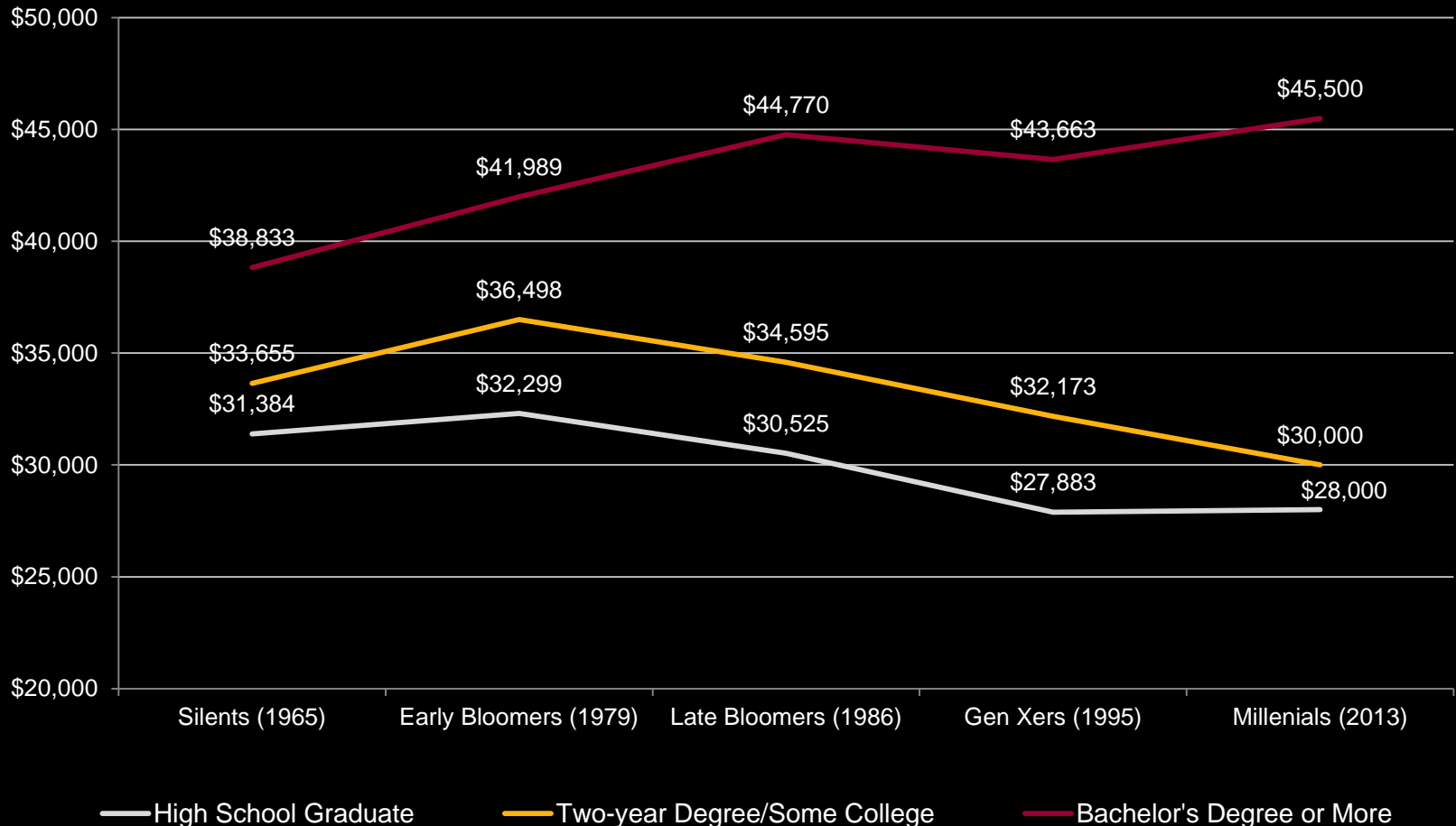
Mean Earnings by Age, 2009



People who **“learn to learn”** continue to earn over their lifetime and **earn more**. Those who do not **see their wages remain flat as they age**.

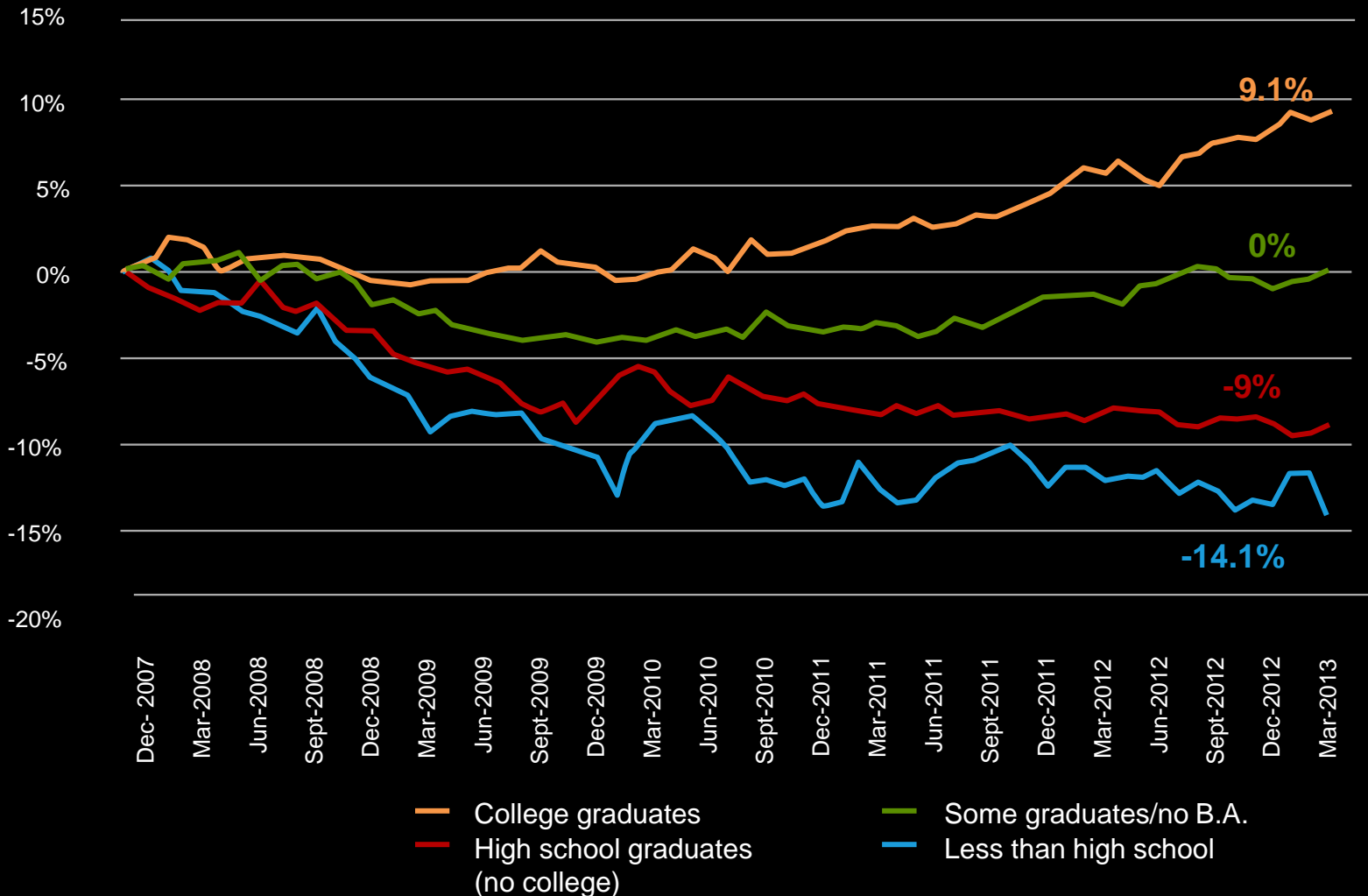
Rising Earnings Disparity Between Young Adults With and Without a College Degree

Median annual earnings among full-time workers ages 25 to 32, in 2012 dollars.

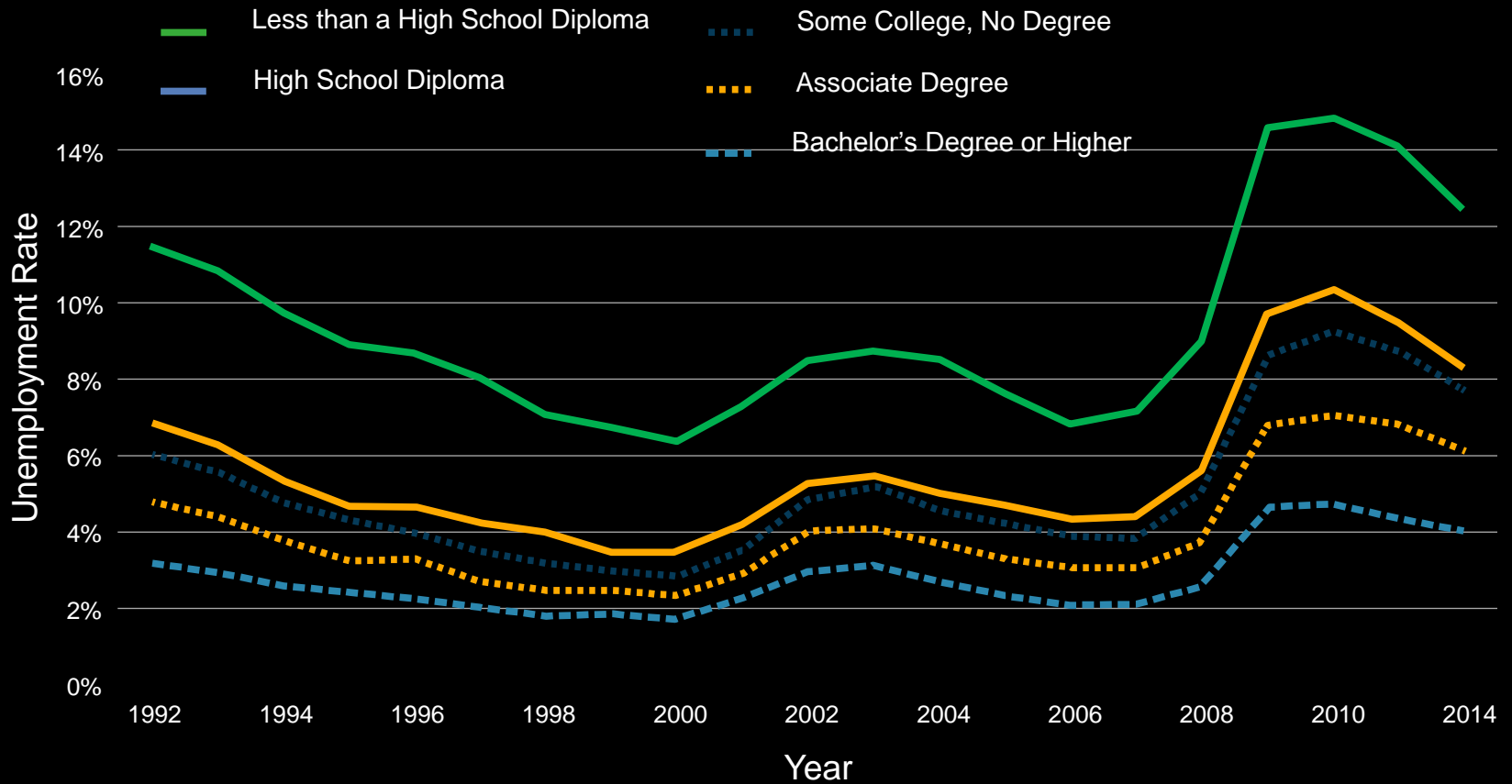


Value to Society

Percent Change in Employment Since Start of Recession, Sorted by Educational Attainment



Unemployment Rates Among Individuals Ages 25 and Older



The discrepancy between graduates from college and high school has grown far worse in recent years.



Recovery from the Great Recession
has not occurred for workers
without a college degree.

Employment has fallen for high school graduates while it has **grown for degree holders.**

ASU Analysis:

Economic impact of ASU graduates in Arizona

Approx. **207,000** ASU
graduates worked in AZ in
2012.

ASU Analysis:

Economic impact of ASU graduates in Arizona

Their aggregate earnings were
an estimated **\$11.4 billion.**

ASU Analysis:

Economic impact of ASU graduates in Arizona

They directly contribute an estimated **\$819 million** in state taxes.

ASU Analysis:

Economic impact of ASU graduates in Arizona

A two percentage point increase in the share of university graduates in the workplace would equal an estimated **\$1.2 billion** gain in income and an additional **\$87 million** in state tax payments.

ASU Analysis:

Economic impact of ASU graduates in Arizona

If ASU contributed to a **6** percentage point increase – from 23.7% to 29.7% – of 25-to-34 year olds with a bachelor's degree who are absorbed into the AZ labor market, the projected result would (in the steady state):

ASU Analysis:

Economic impact of ASU graduates in Arizona

Raise AZ GSP by **3.5%**

ASU Analysis:

Economic impact of ASU graduates in Arizona

Generate a **\$623 million** increase
in State taxes and fees combined

ASU Analysis:

Economic impact of ASU graduates in Arizona

Increase combined State & Local
taxes by **\$777 million**

ASU Analysis:

Economic impact of ASU graduates in Arizona

Increase combined State & Local taxes and fees by **\$1.12 billion** respectively

College graduates are more likely to...

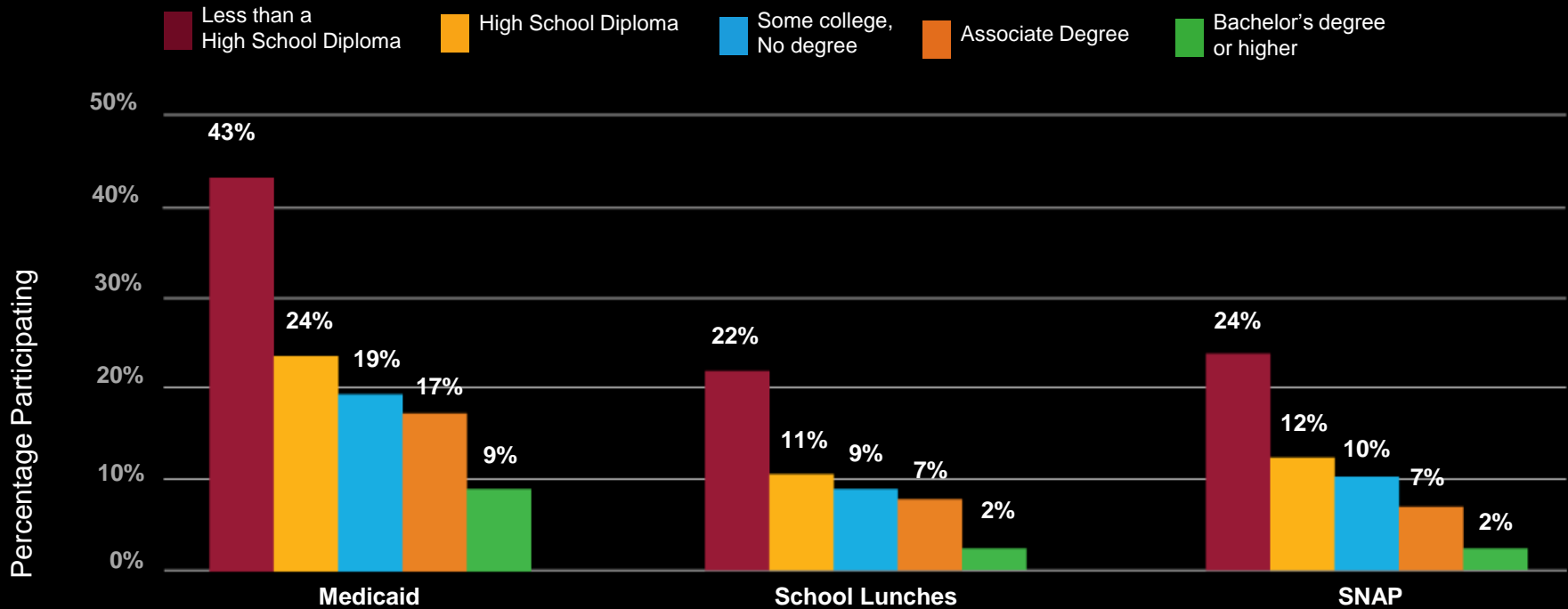
Have access to and participate in employer-provided **pension plans**

Have access to employer-provided **healthcare**

Demonstrate a greater grasp of **political issues and vote**

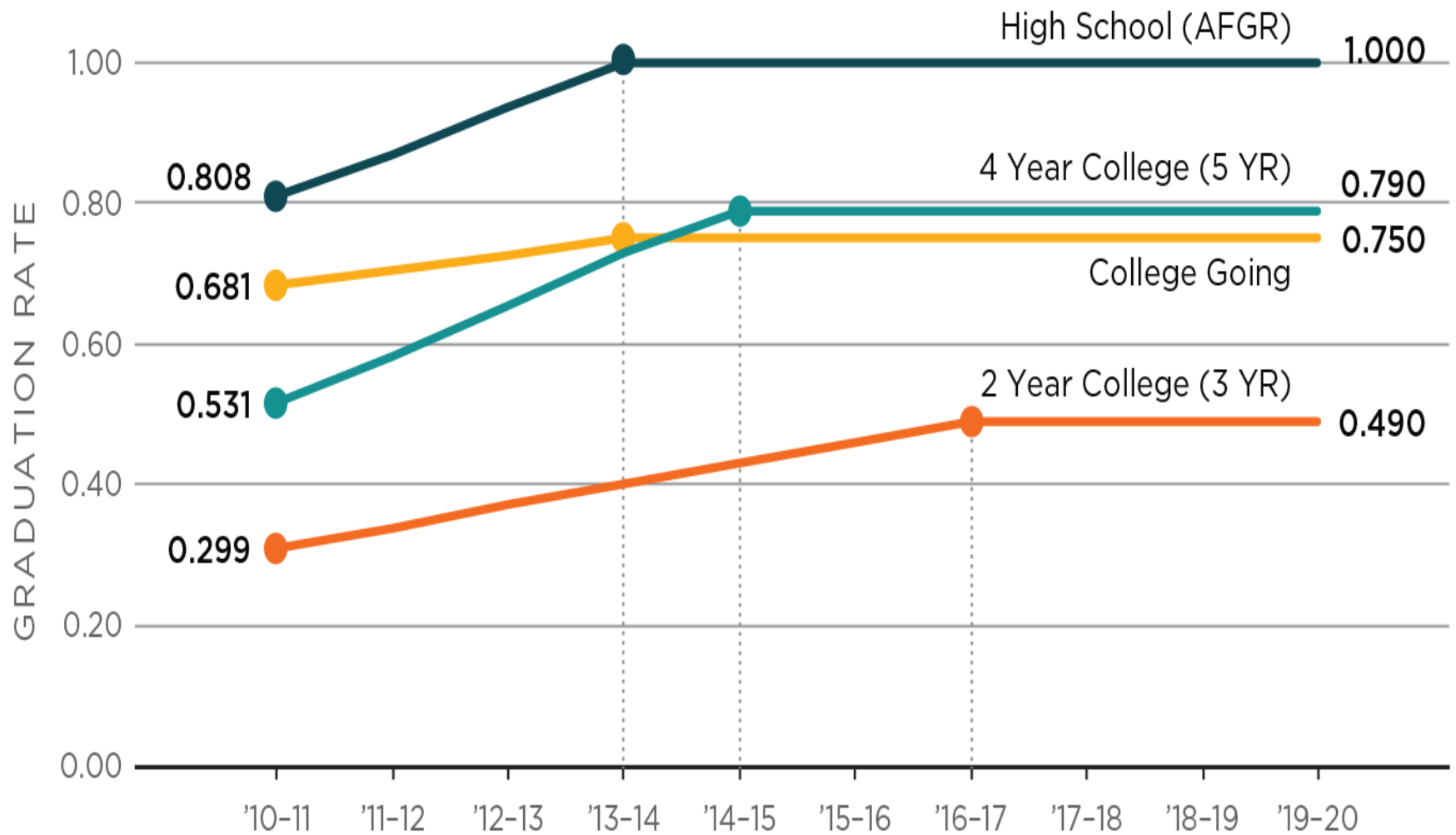
Educational Attainment and Public Assistance

Percentage of individuals 25 and older living in households participating in selected public assistance programs by education level

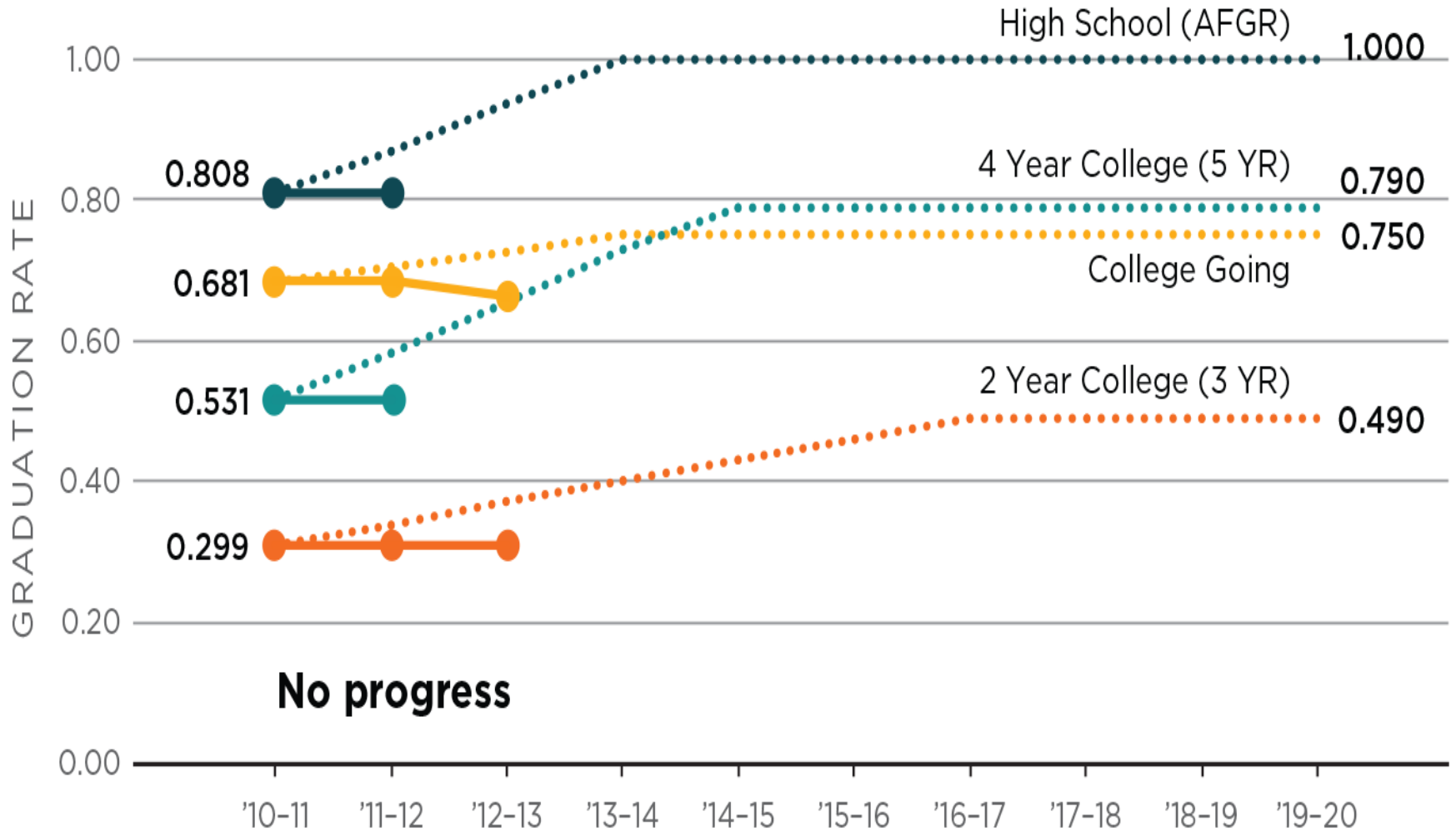


The Challenge

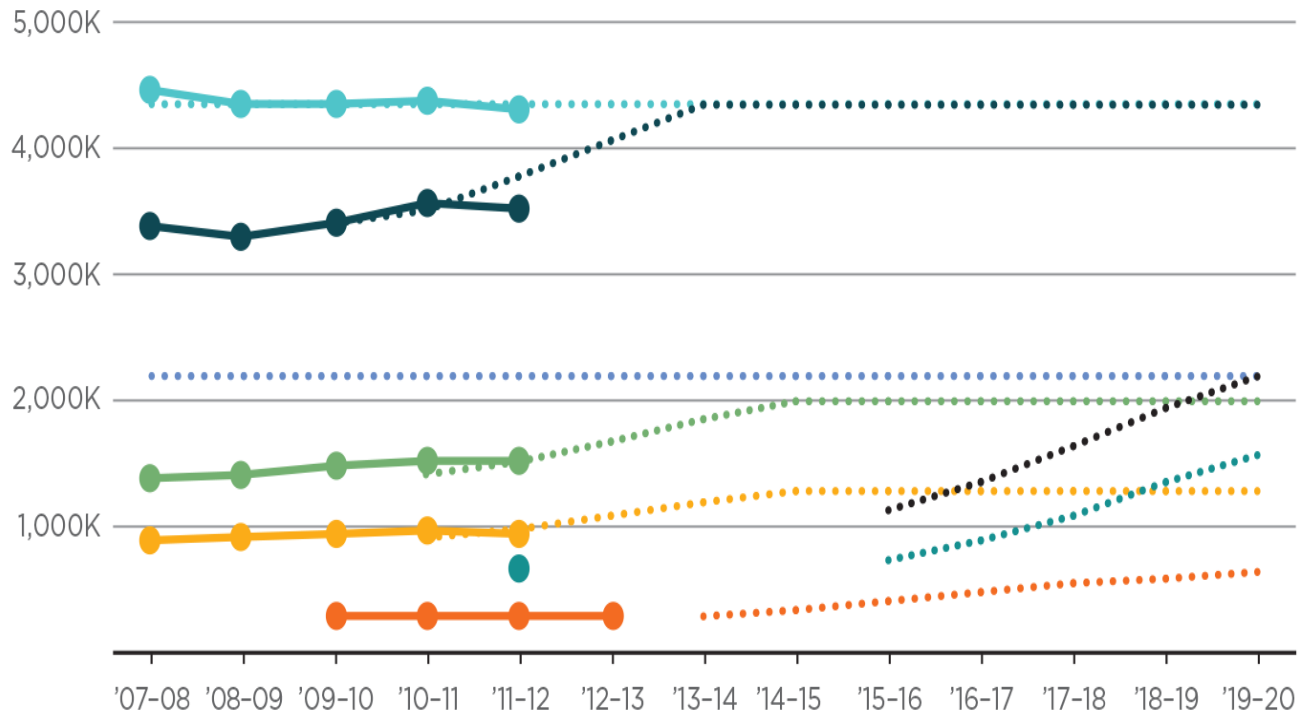
The Challenge



Progress to Date



Current Trajectories without Innovation



- 17 Year Old Population
- 50% College and Technical Attainment
- High School Graduates
- 4 YR College Graduates
- College Graduates
- 4 YR College Freshman
- 2 YR College Freshman
- 2 YR College Graduates



What about Arizona?

College Participation for Low-Income Students - 2013



38%

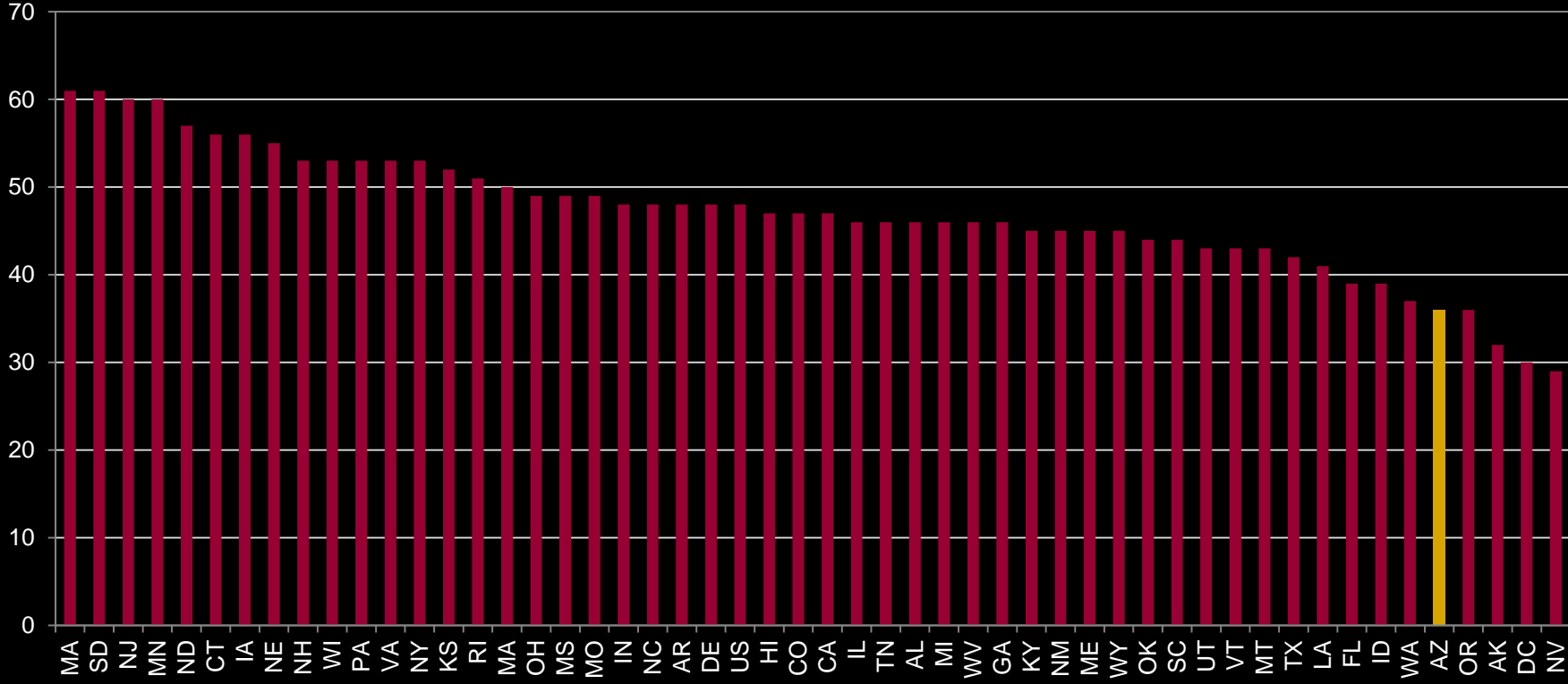
college
participation rate
for low-income
students in US



29%

college
participation rate
for low-income
students in AZ

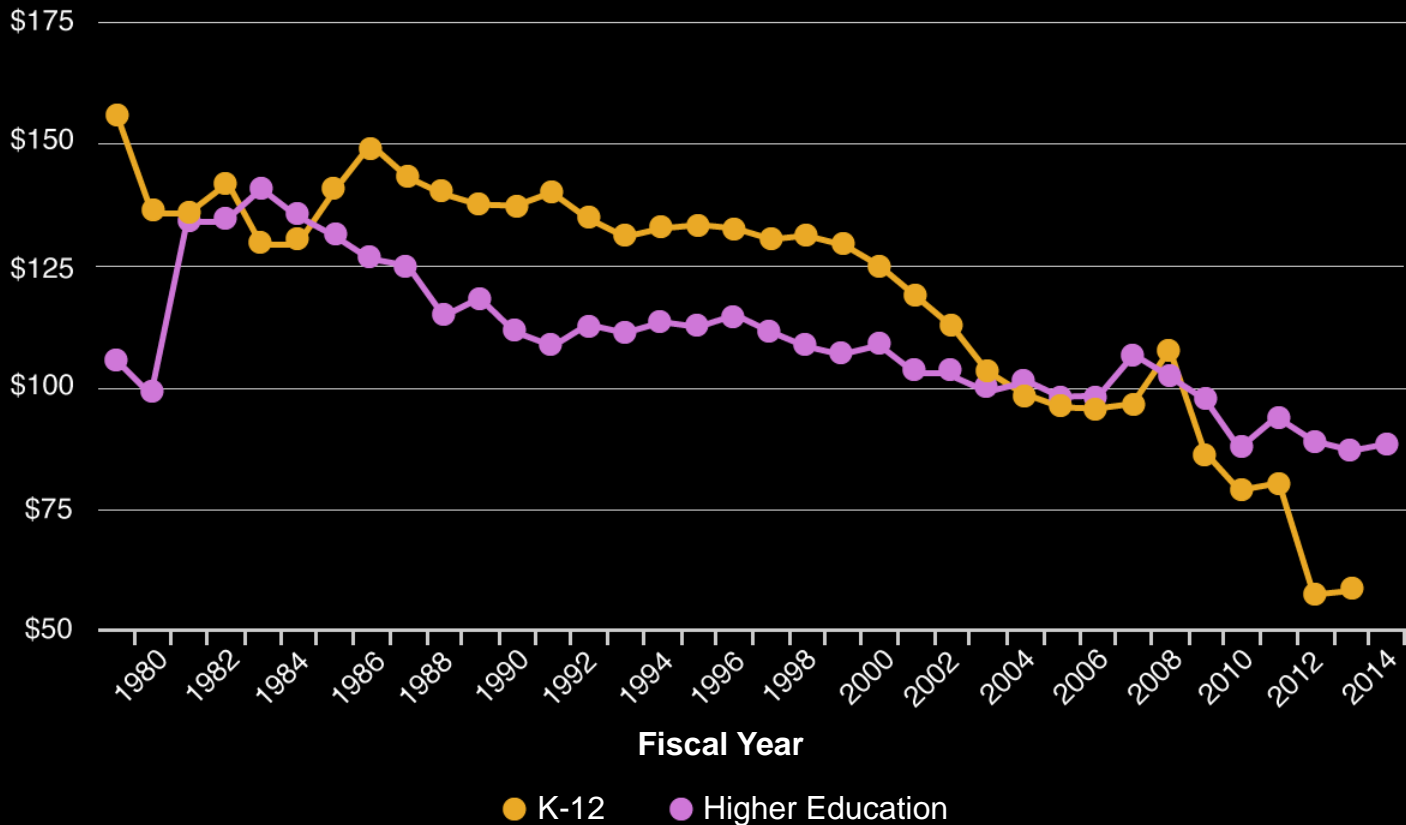
Percentage of All Youths Enrolling in Postsecondary Education



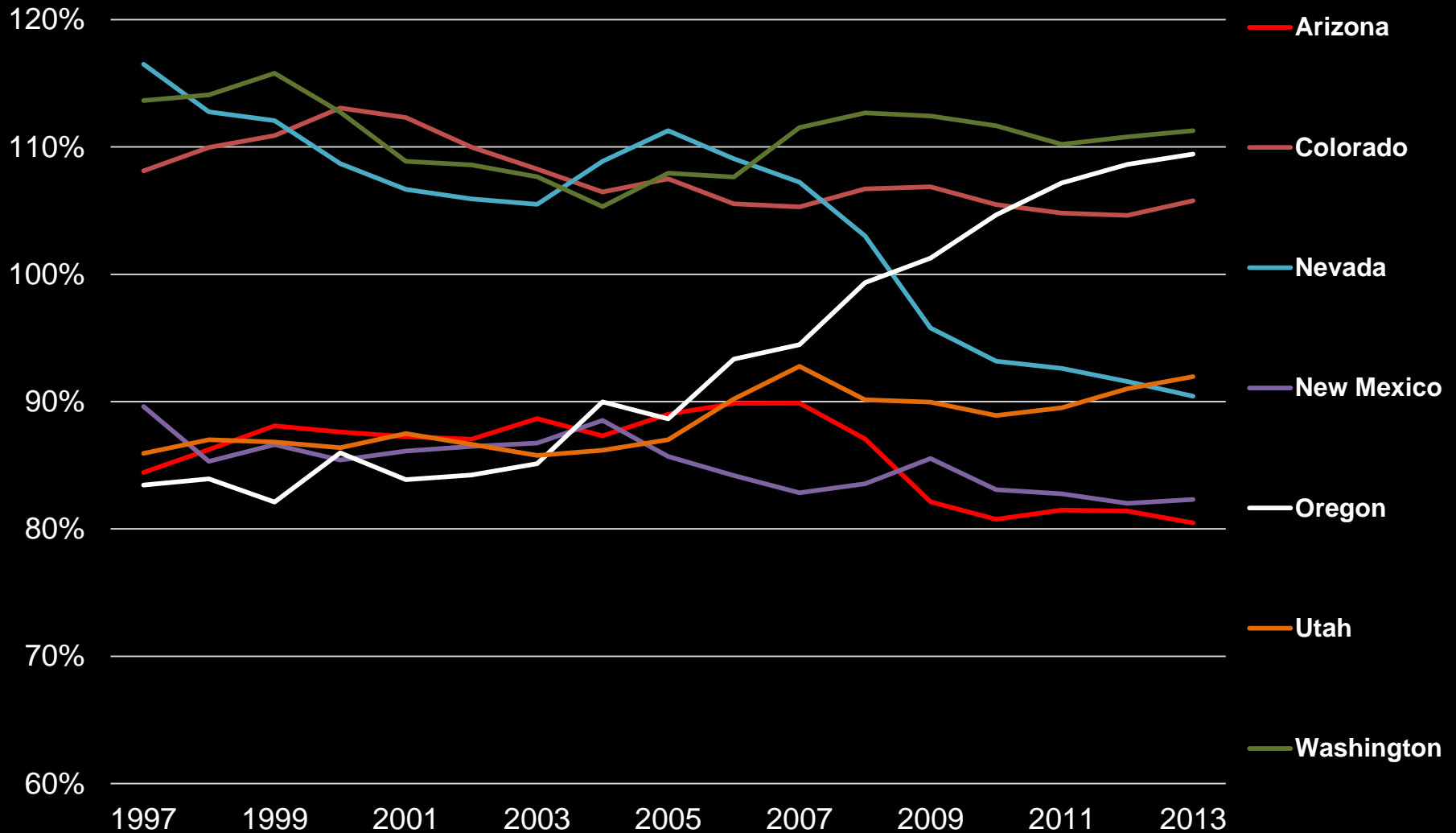
Arizona is falling **further behind.**

State Investment

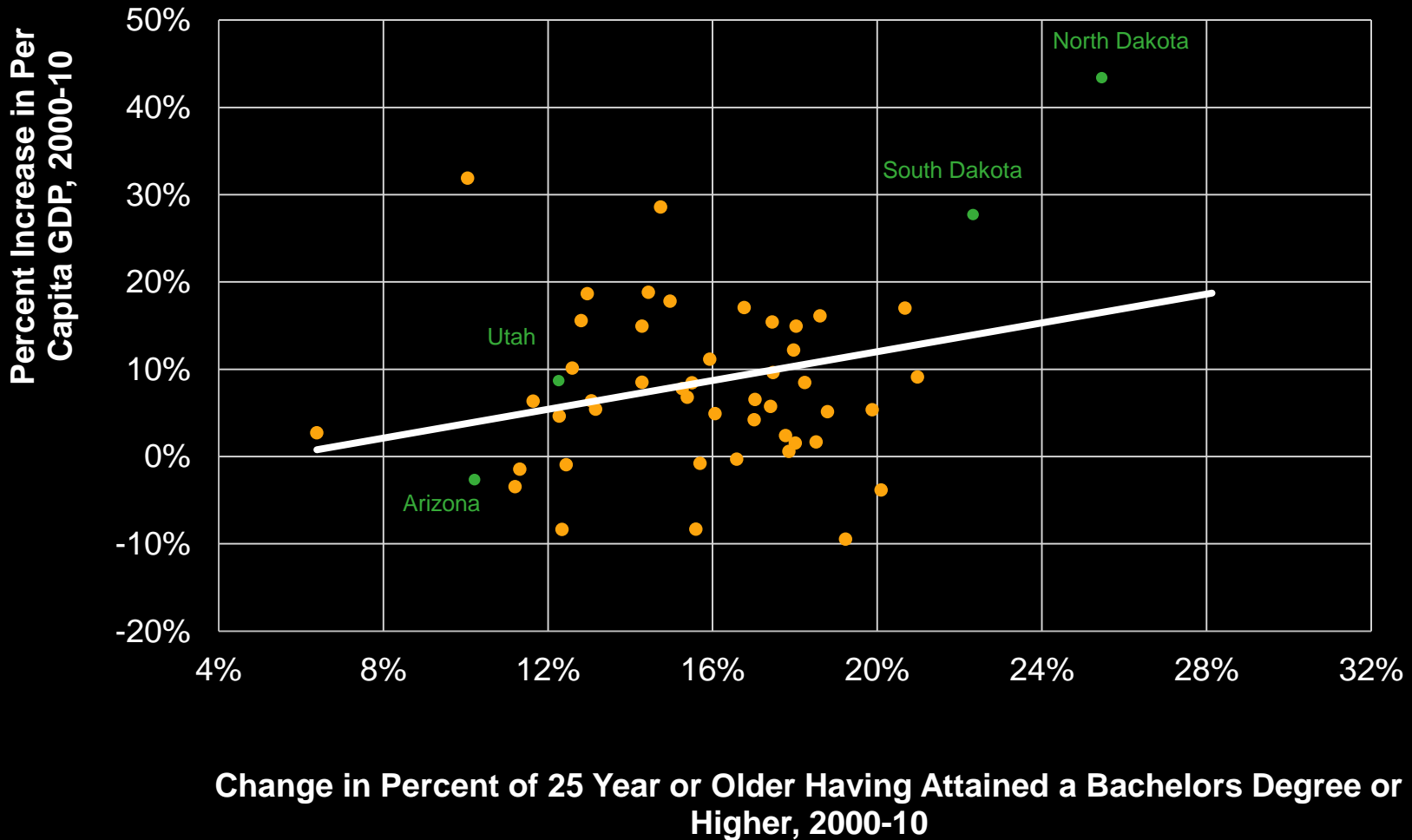
Education Appropriation Per Student Per \$1,000 of Per Capita Personal Income, Arizona State Government Fund



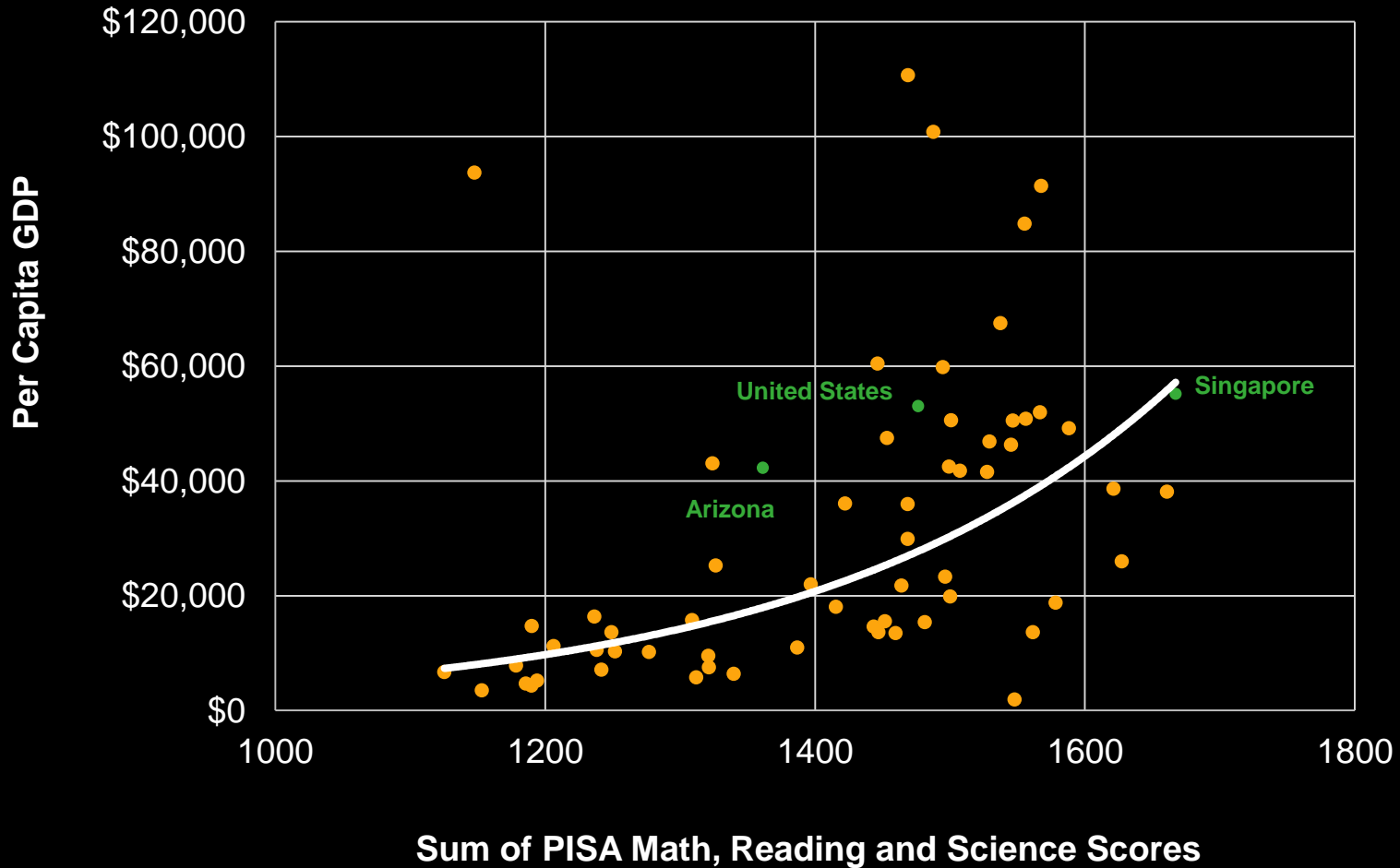
Per Capita GDP Relative to US Average



Relationship between Change in Educational Attainment and Economic Development in US States, 2000-2010



Education and Economic Growth in OECD Countries



OECD, PISA 2012; World Bank. GDP reflects 2013



An estimated **68%** of all jobs in Arizona will require post-secondary education by 2020.

55,000 jobs open up every year requiring training beyond high school.

Arizona sends **32,000** high school graduates to college, and **25%** of those are not prepared for college-level work.



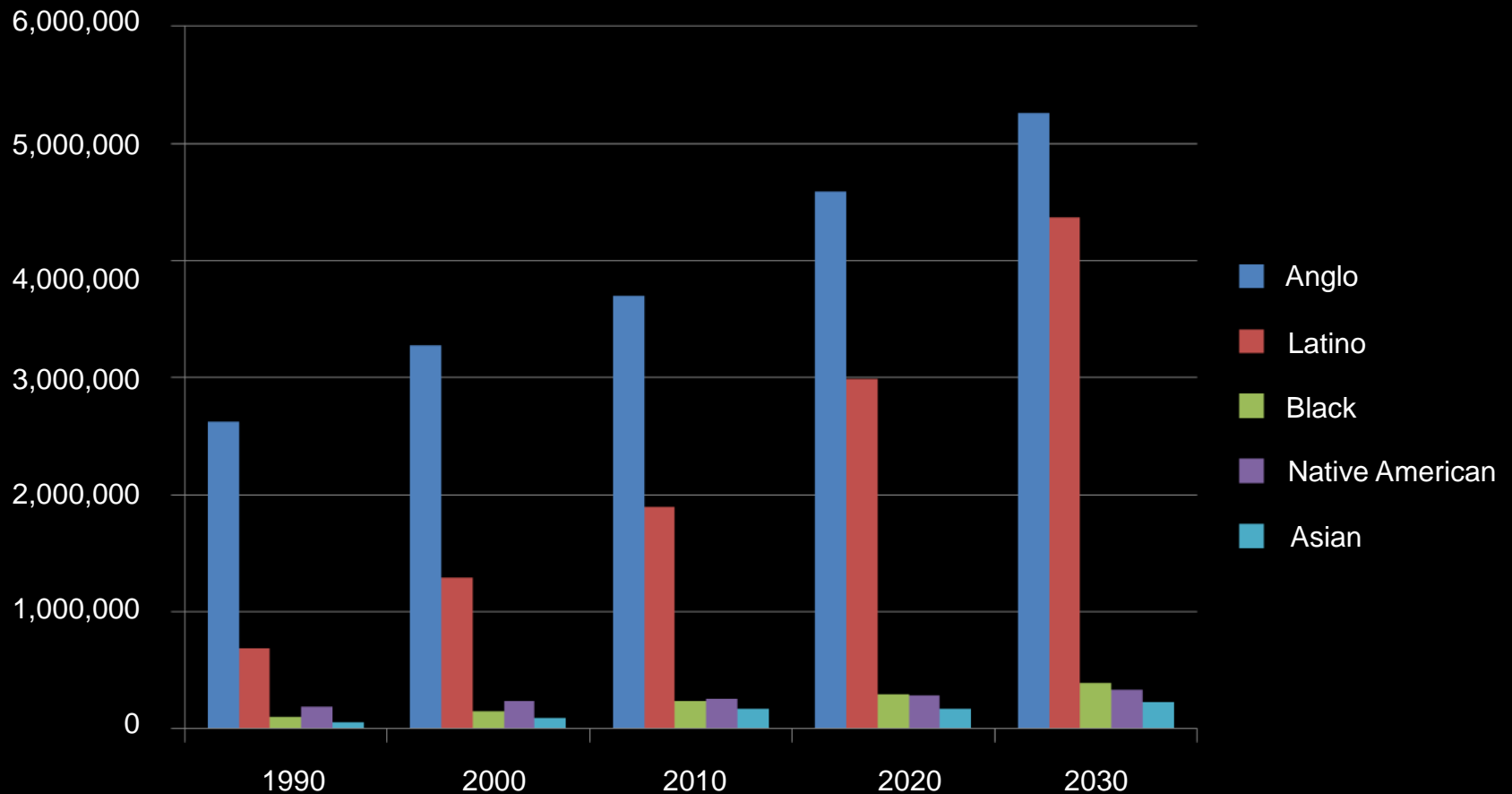
What about Latinos in Arizona?

Between 2000-2010, Arizona experienced a **25%** increase in population, the **6th** largest increase nationally.

Arizona: Who are we?

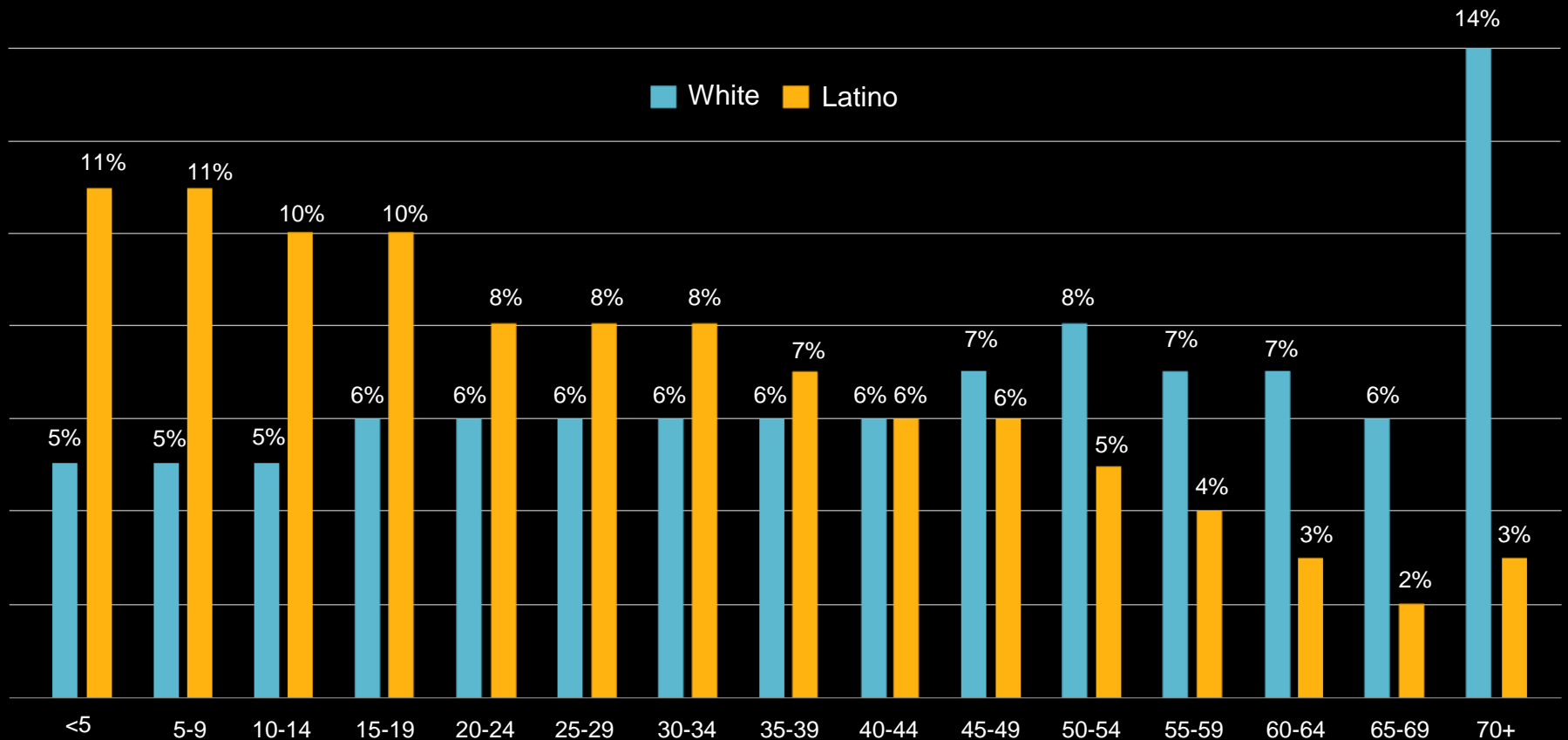
	<u>AZ</u>	<u>U.S.</u>
White (not Hispanic)	56.7%	62.6%
Latino/Hispanic	30.3%	17.1%
Black/African American	4.6%	13.2%
American Indian/Alaska Native	5.3%	1.2%
Asian alone	3.2%	5.3%
Native Hawaiian/Pacific Islander	0.3%	0.2%
Two or more races	2.6%	2.4%

Arizona Population Growth by Ethnicity – 1990-2030



AZ Demographics by Age

Age distribution of AZ residents by ethnicity, by percent, 2010



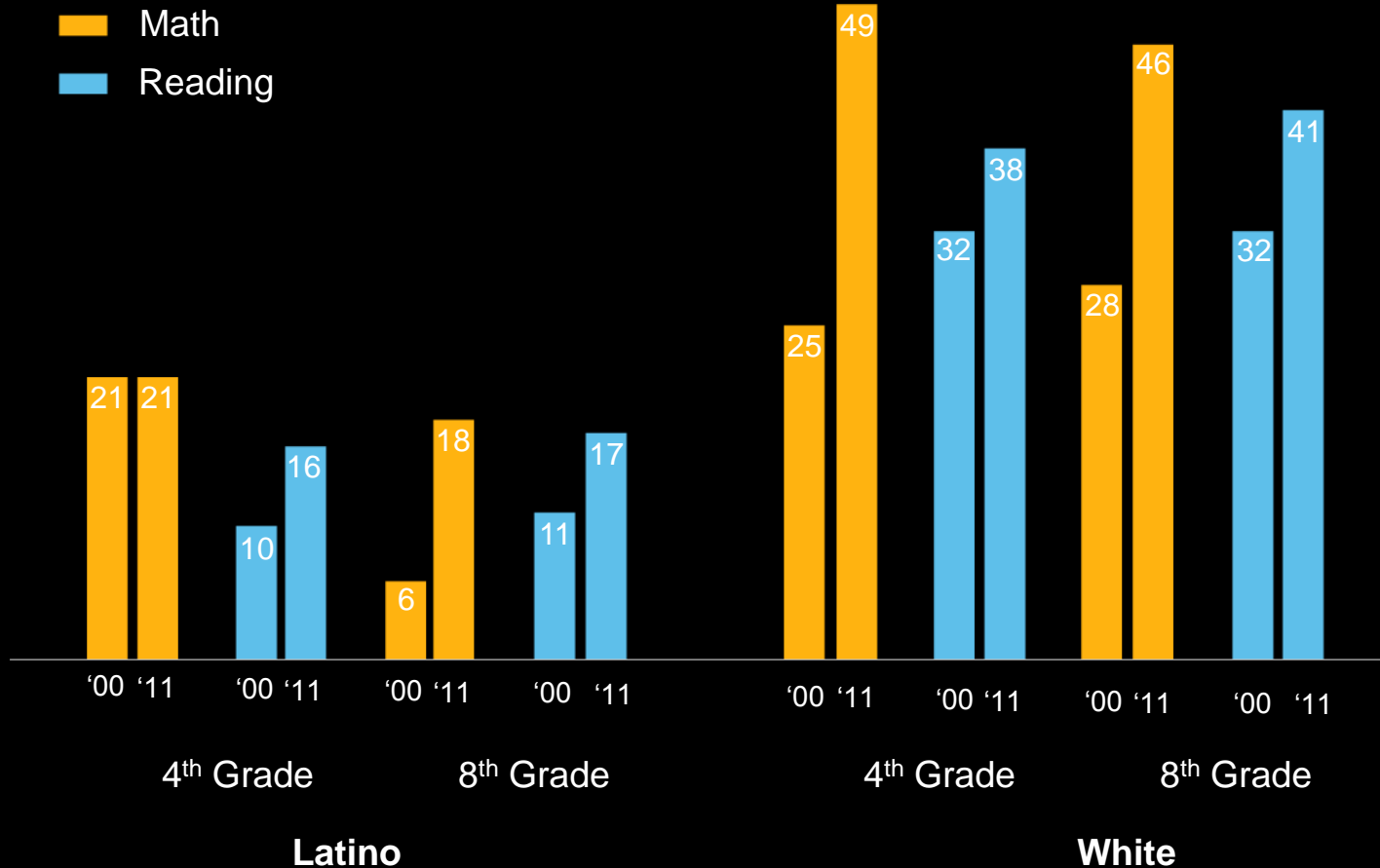
88% of Arizona Latinos under age 20 are naturalized citizens or born in U.S.

97% of Arizona Latinos under 5 are naturalized citizens or born in U.S.

44% of Arizona's K-12 age children are Latina/o

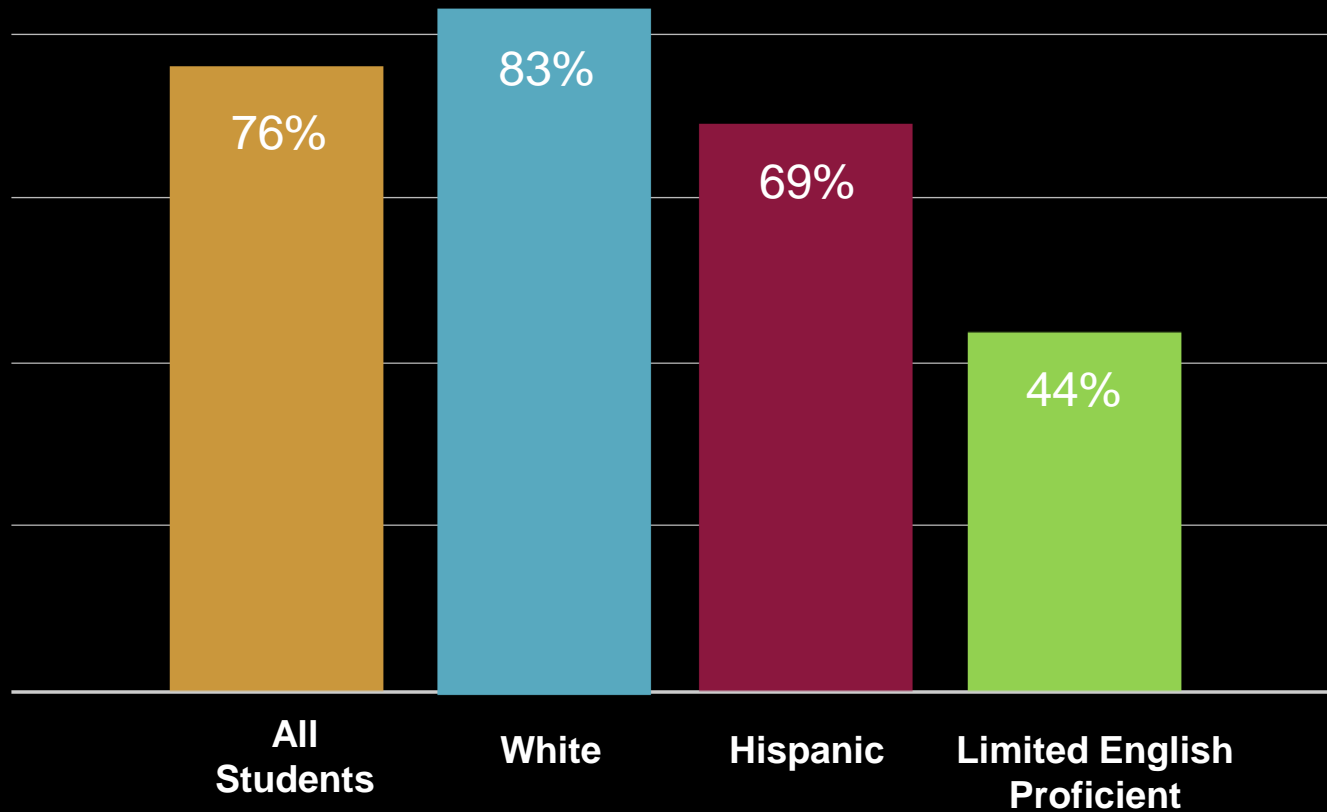
K-12 Performance Gap

Percentage at or above “proficient”, National Assessment of Educational Progress (NAEP), 2000 and 2011



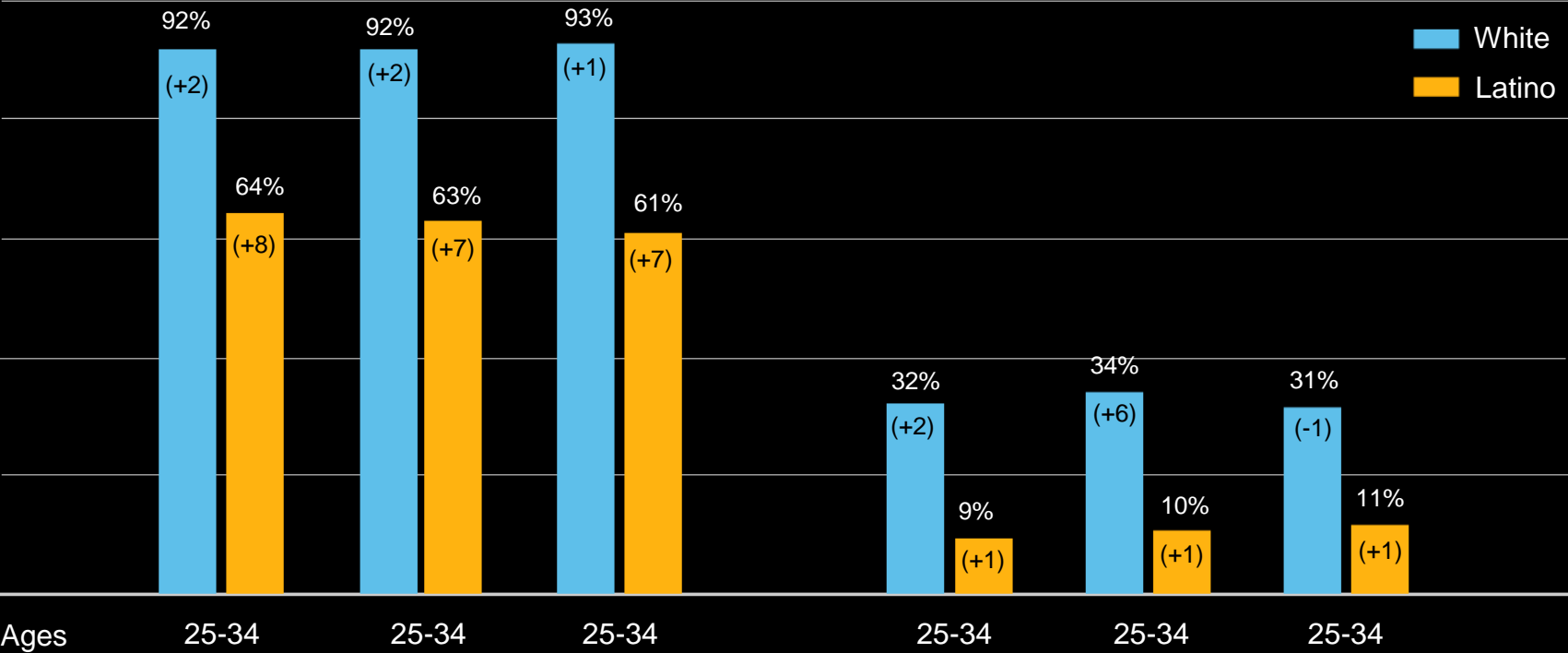
High School Diploma Gap

Arizona's Four-year High School Graduation Rate, 2009



College Attainment Gap

Percent educational attainment, 2005-2009, and Percentage Point Change in Arizona from 2000



Obtained a **High School Diploma** or higher (Percentage point change from 2000 to 2005-2009)

Obtained a **Bachelor's degree** or higher (Percentage point change from 2000 to 2005-2009)



Educational Attainment for the Population Age 25 and Older by Major Race/Ethnic Groups in 2010, Arizona

Race/ Ethnicity	Population Age 25 and Older	Less than High School	High School Diploma	Some College or Associates Degree	Bachelor Degree or More
Non-Hispanic White	2,722,084	6.6	24.1	37.8	31.5
Black	152,212	10.9	26.3	41.7	21.1
Hispanic*	966,077	35.4	27.9	26.4	10.3
American Indian/ Alaska Native	155,332	26.2	32.8	33.2	7.8
Asian	120,526	12.2	17.1	21.3	49.4
Total	4,146,758	14.4	25.1	34.7	25.9

The Result

58% of Latinos in Arizona live in poverty.

Poverty is a key determinant for college readiness and attainment.

Total and Percent of the Population in Poverty and Median Household Income by Race/Ethnicity for Arizona, 1999 and 2010

Race/ Ethnicity	1999			2010		
	Population in Poverty	%	Median Household Income*	Population in Poverty	%	Median Household Income
NH White	249,381	7.8	\$57,785	406,995	11.2	\$51,642
Hispanic (All Races)	28,798	19.9	\$44,401	63,436	25.1	\$36,351
Black	310,381	24.5	\$41,457	494,637	26.6	\$36,622
American Indian/ Alaska Native	91,998	37.3	\$32,086	101,556	36.9	\$29,487
Asian	11,042	12.3	\$59,950	20,311	11.9	\$63,376
Total	698,669	13.9	\$53,086	1,094,249	17.4	\$46,789

*In 2010 Dollars

Poverty in Arizona

Without game-changing progress in educational attainment, it is projected that **62%** of Latinos will live in poverty compared to **31%** of Whites.

A New Economy Requires a New Kind of University

ASU Charter

ASU is a comprehensive public research university, measured not by whom it excludes, but by whom it **includes** and how they **succeed**; advancing research and discovery of **public value**; and assuming **fundamental responsibility** for the **economic, social, cultural, and overall health** of the communities it serves.

ASU Goals

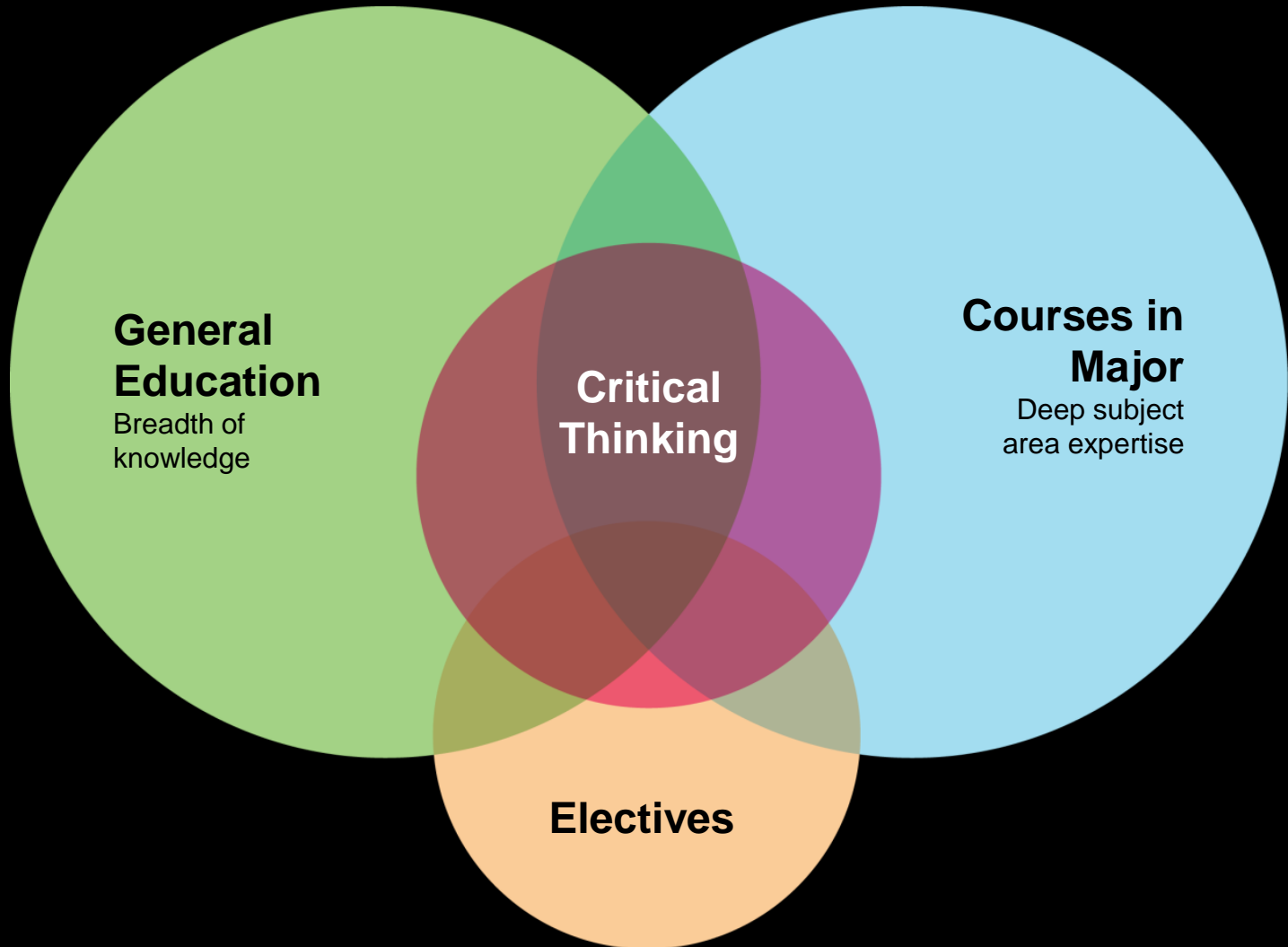
Demonstrate leadership in **academic excellence** and **accessibility**

Enhance our **local impact** and **social embeddedness**

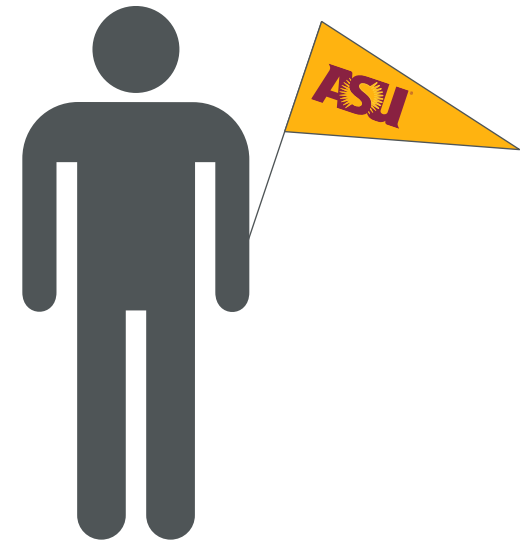
Establish ASU as a **global** center for **interdisciplinary** research, discovery and development by 2020

Establish ASU as a **global** center for **interdisciplinary** research, discovery and development by 2020

Master Learner



38%



are first-generation college students

ASU Preparatory Academy



ASU Preparatory Academy Demographics

nearly
2,000
total students

1,137*
at Phoenix

839
at Polytechnic

* 76% of Phoenix students
qualify for free and reduced lunch



ASU Preparatory Academy Phoenix Performance



improved achievement
levels across all grades

23%

in Reading

3.7% overall average
growth in state

24%

in Math

3.6% overall average
growth in state

ASU Preparatory Academy Graduation Rates

ASU Prep Rates

98% 4-year HS graduation rate

92% admitted to a 2 or 4-year college or university

- 76% admitted to 4-year degree granting universities

Arizona / National Rates

75% average 4-year HS graduation rate in state

66% national college going rate entering a 2 or 4-year college or university within 12 months of graduating high school

- 53.5% in Arizona

ASU Prep Students (Polytechnic and Phoenix) Admitted to Arizona State University

72% overall admitted into ASU

42% admitted to Barrett, The Honors College

ASU Preparatory Academy Polytechnic Performance

“ASU Prep Polytechnic High School is one of the top 3 performing schools in Phoenix.”

- Phoenix Business Journal (2015)



outpaces the state
on average across
all grades by

20%

in Reading

28%

in Math

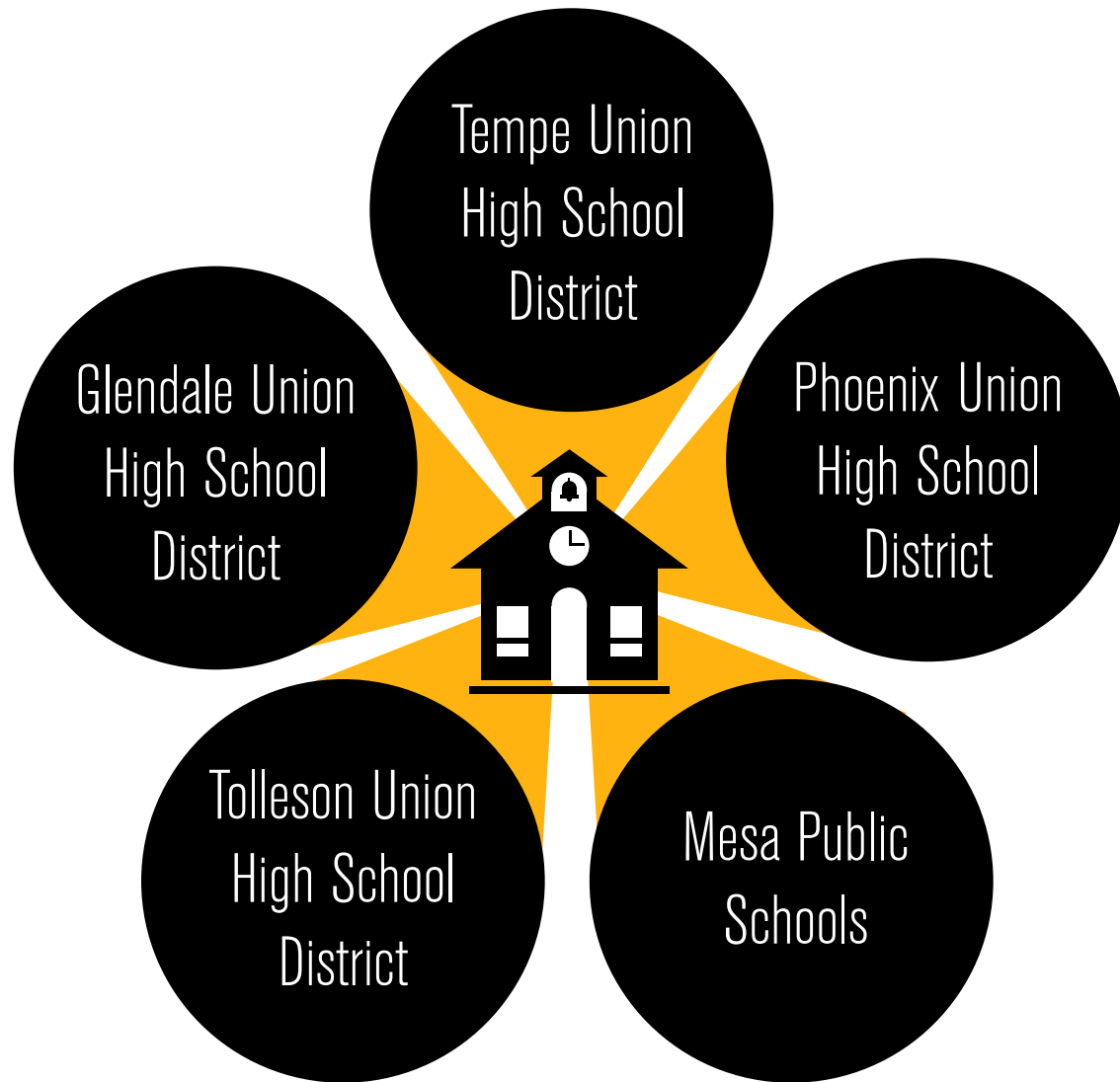
Access ASU



Access ASU

building the pipeline of Arizona youth to ASU

Access ASU Partner School Districts



Access ASU Partner Schools Population




 Hispanic
64%

 White
20%

 African American
9%

 American Indian /
Alaskan Native
3%

 Asian / Native Hawaiian
and Pacific Islander
3%

 Multiracial
non-Hispanic
1%

Access ASU Partner Schools Population

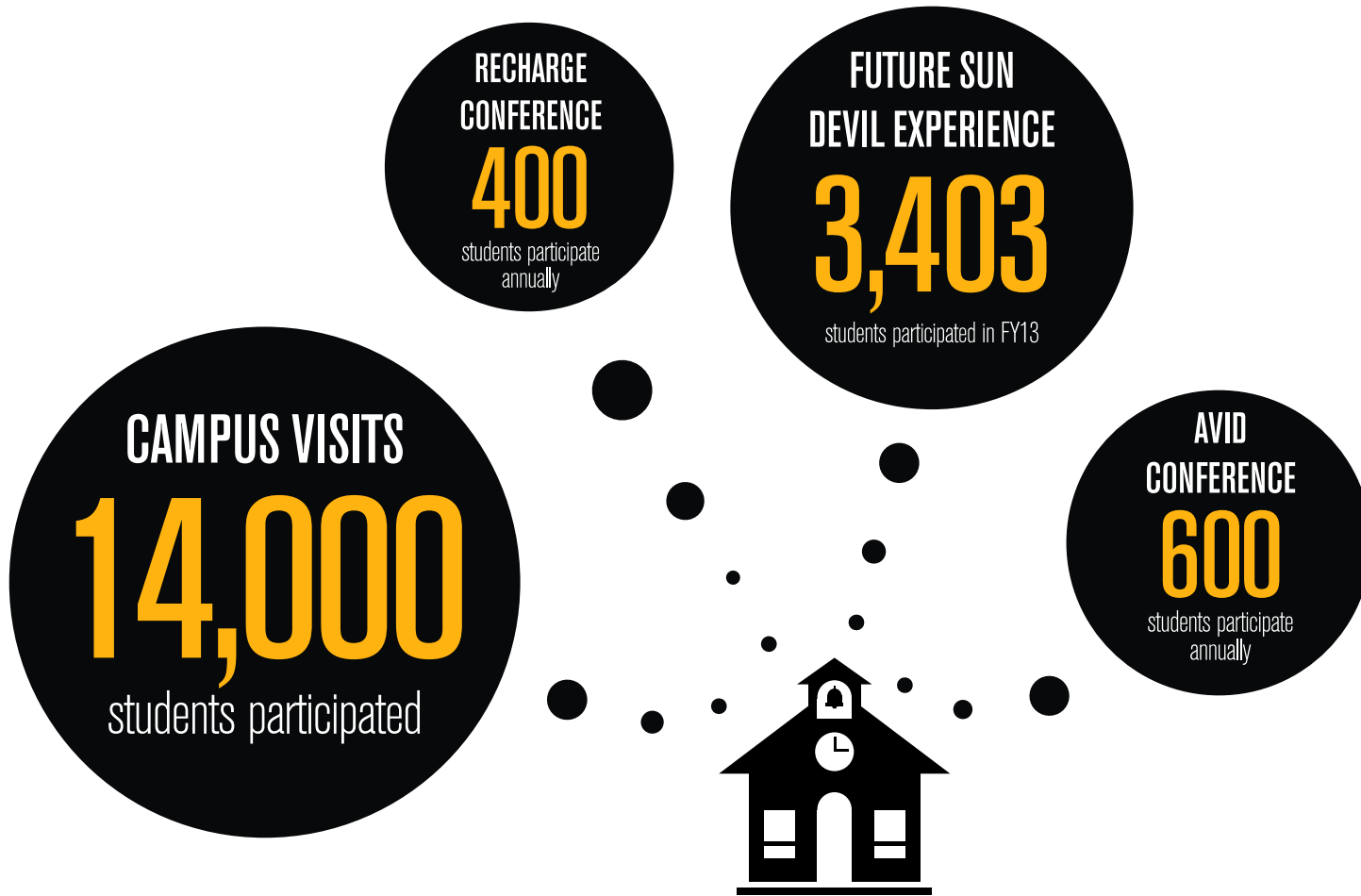
60,000
students grades 9-12

70%
low-income
students

80%
non-white
majority students



Access ASU Initiatives: Schools



Access ASU Initiatives: **Students**

SUMMER
PROGRAMS

3,000

student participants

ASU EARN TO LEARN

8:1 MATCH

earn up to \$4,000 for ASU

BARRETT
SUMMER SCHOLARS

50%

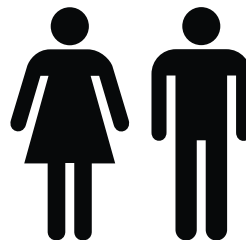
of students receive a need-based
scholarship

SPARKS

12,000⁺

student contacts
in 2013 - 2014

**COLLEGIATE
SCHOLARS
PROGRAM**



Access ASU Initiatives: Families

HISPANIC MOTHER
DAUGHTER PROGRAM

1,800

participants since 2006

AMERICAN
DREAM ACADEMY

30,000

parents have graduated
since 2006

FUTURE SUN
DEVIL FAMILIES

700+

since 2013



College Readiness

High School Seniors

GPA Partner Districts 3.24
ASU AZ Resident 3.30

TEST SCORES
SAT Partner Districts 1,095
ASU AZ Resident 1,119

Financial Support to Partner District Students

\$16,456,575

Institutional awards offered to freshmen, Fall 2014

of enrolled students

73%

receive New American
University Scholar Awards

94%

receive Institutional
Awards

Partner School Students

85% persistence rate at ASU for first-time freshmen

84% for all ASU FTF

65% six-year graduation rate

63% for full ASU population



TRIO Student Support Services Upward Bound Veterans Upward Bound



Community College

Many see community colleges as the bridge for earning a bachelor's degree:

Maricopa Community Colleges

Fall 2014 Enrollment = **128,212 (58,049 FTSE)**

Whites 48%

Latinos 26%

Community College

In 2012-13, about **8,700** students with 12 or more MCC credits earned a bachelor's degree from an Arizona public university.

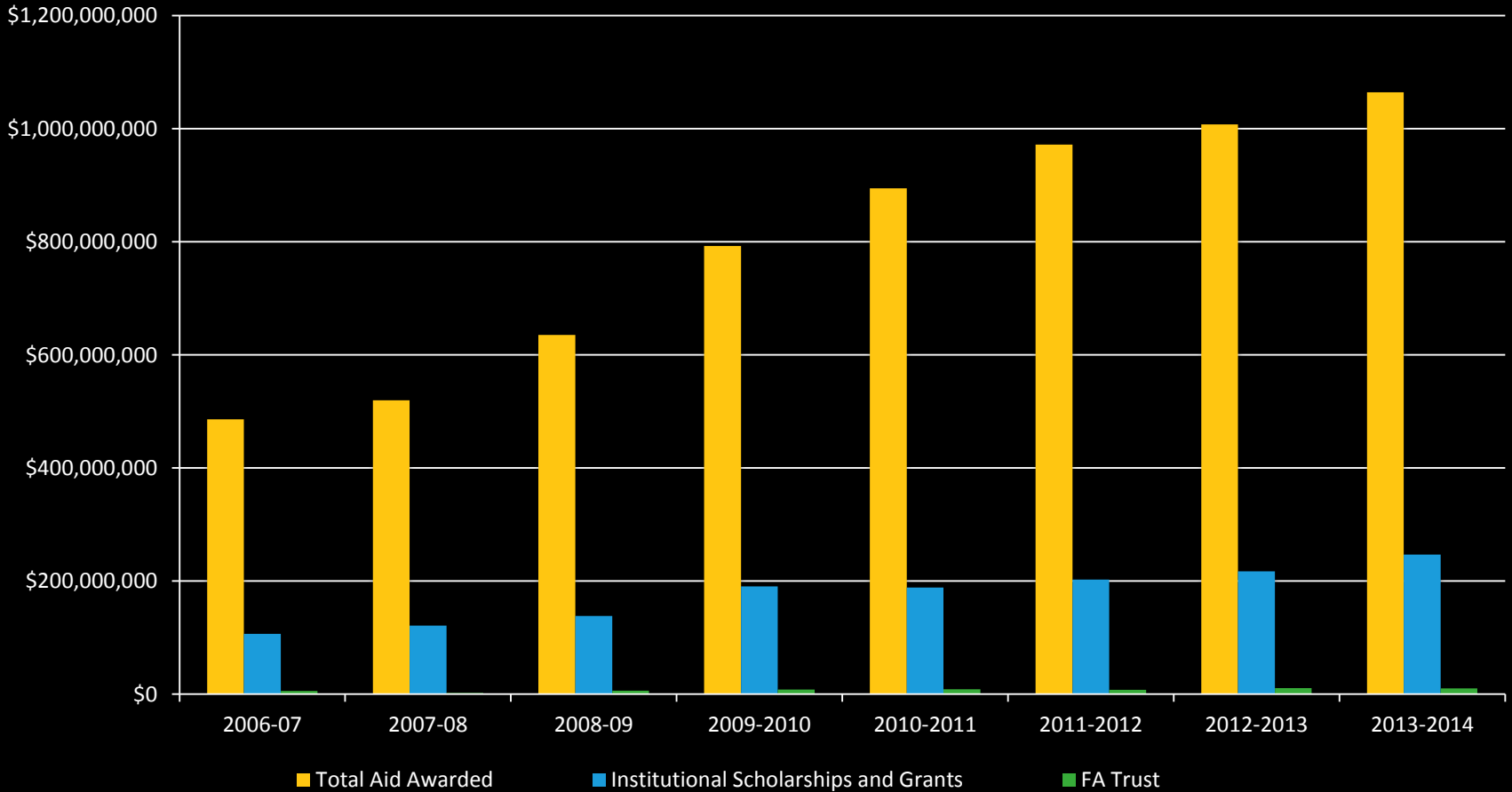
ASU Pathway Programs



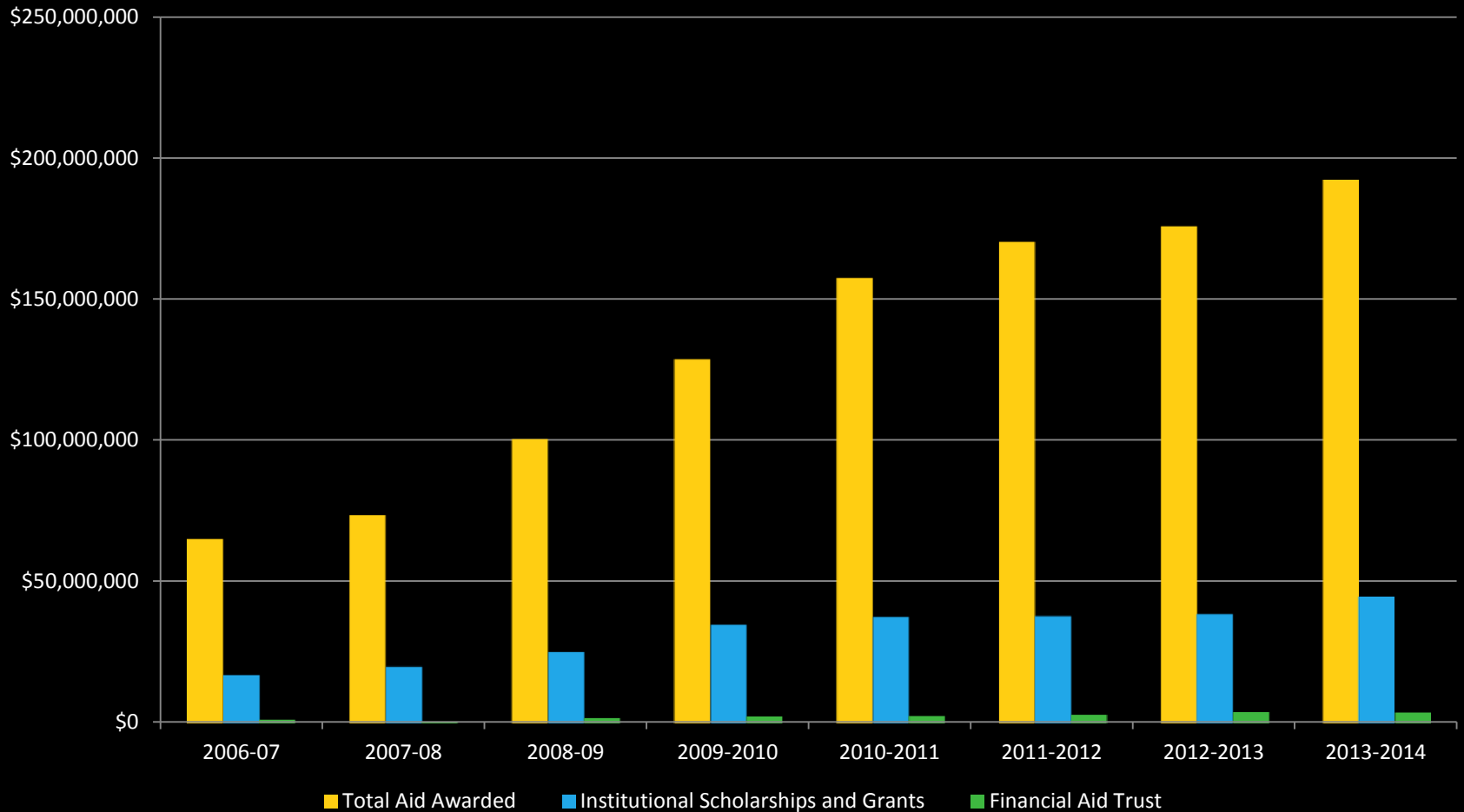
Transfer to ASU!

If becoming an ASU student is your goal, start your transfer plan here!

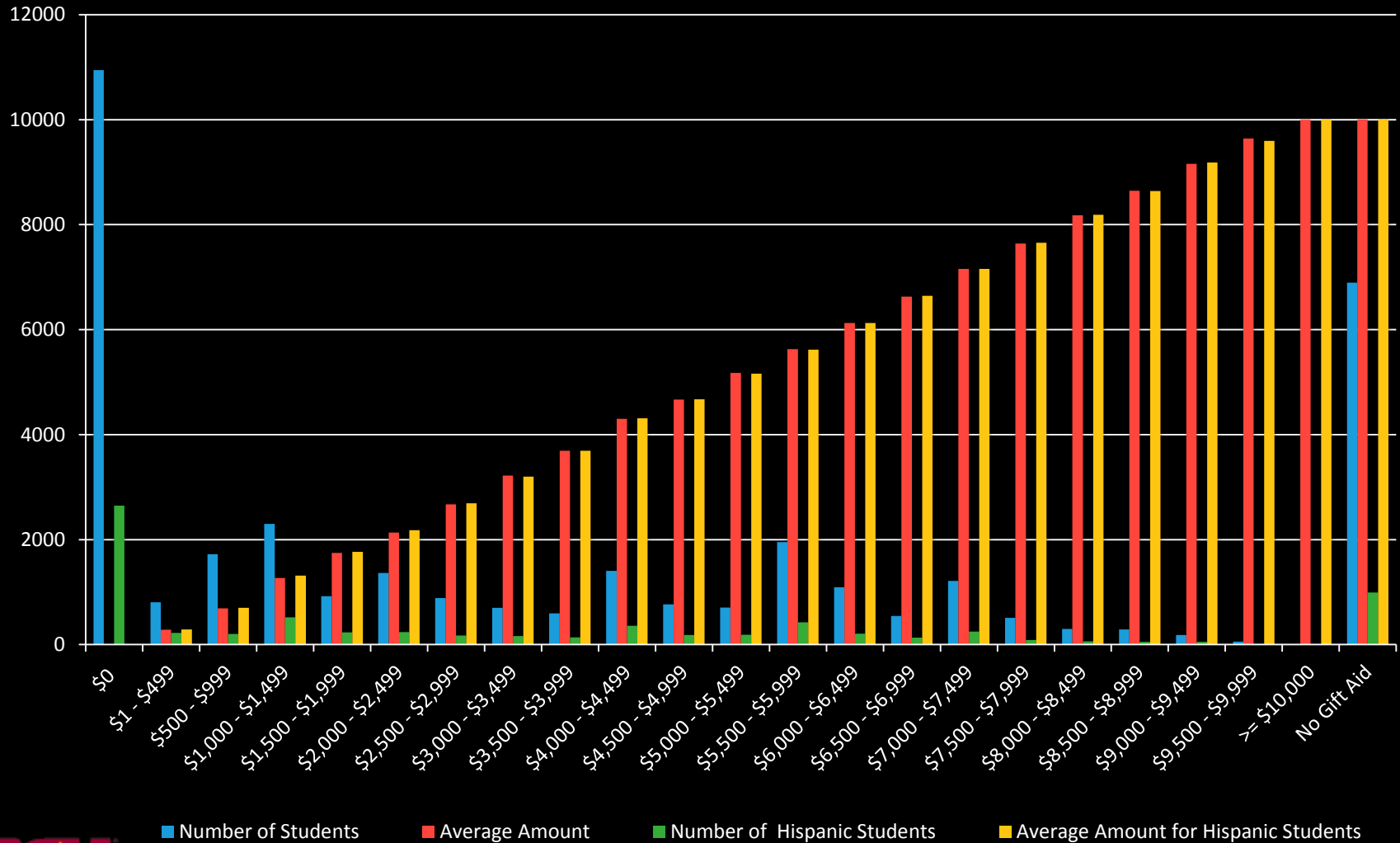
ASU Financial Aid Awarded by Aid Year All Students 2006-2014



ASU Financial Aid Awarded by Aid Year Latino Students 2006-2014



Average Tuition Paid ASU Full-Time Undergraduate Students 2013-14 Academic Year



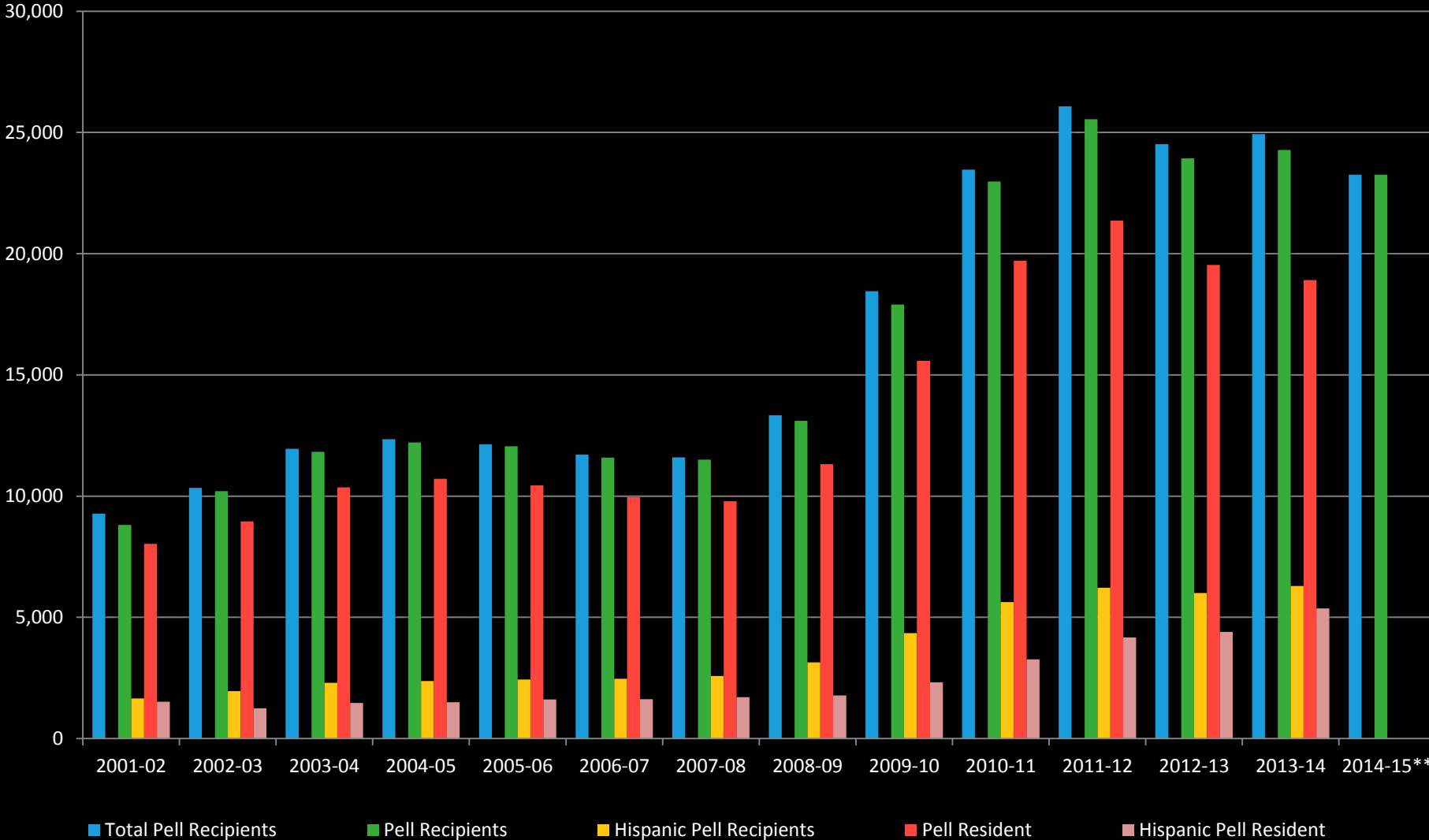
■ Number of Students

■ Average Amount

■ Number of Hispanic Students

■ Average Amount for Hispanic Students

ASU Pell Recipient and Hispanic Student Historic Trend 2001-2015



** 2014-15 headcounts are preliminary and limited to fall 21st day census data IPEDS

Impact of the Latino Education Gap

- Inability for Arizona to economically compete
- Stagnating average incomes statewide
- Diminished purchasing power
- Sluggish consumer demand
- Flat per-capita tax revenues
- More poverty
- More unemployment
- More Arizonans without health insurance
- Greater demand for government services

How do we work together to
achieve the **outcomes** Arizona
needs?



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