Pennsylvania is home to more than 30,000 teenagers who leave high school every year without the most basic education credential – the diploma. Every school day, 166 Pennsylvania high school students drop out and set themselves up for a life of insufficient earnings and possible government dependency because they have failed to acquire the knowledge and skills necessary to earn a self/family-sustaining wage or compete in a 21st century marketplace.

Today, there are nearly 120,000 high school dropouts ages 16-24 in Pennsylvania. This group costs the Commonwealth money through lost revenue, increased crime and social spending. Pennsylvania must do more to help young people who have dropped out of high school re-engage in educational opportunities that result in a high school diploma or GED coupled with a postsecondary and/or industry-based credential leading to the ultimate goal of self/family-sustaining wage occupations. It’s not only good policy for our young people, it is sound economic policy for Pennsylvania as well.

What is the Problem?

The fiscal implications of dropping out are very real. Over the course of their lifetimes, dropouts make less money than their graduating counterparts; have fewer prospects to earn wages that support themselves and their families; and are more likely to rely on public assistance and get in trouble with the law.

High school dropouts in Pennsylvania:

- Earn nearly 40 percent less than a high school graduate with some postsecondary education or an associate’s degree ($20,890 versus $33,124 a year);3
- Are more than twice as likely to be unemployed than someone with a high school credential plus some postsecondary education or an associate’s degree (10.5 percent versus 4.6 percent);4
- Are nearly four times more likely to live in poverty than someone with a high school credential plus some postsecondary education or an associate’s degree (30.3 percent versus 8.1 percent);5
- And nationally, dropouts are three and a half times more likely than high school graduates to be arrested, and more than eight times as likely to be incarcerated.6

Furthermore, high school dropouts are a drain on the economy. A dropout in Pennsylvania consumes $683 more annually in publicly-funded programs than he or she contributes in taxes (including federal and state income taxes, social security payroll taxes, local property taxes, and state sales tax). Pennsylvanians who possess a high school credential plus some postsecondary education or an associate’s degree contribute $9,485 more annually in taxes than they consume in publicly-funded programs.7
If the nearly 120,000 16- to 24-year-old high school dropouts were to re-engage and earn their high school credential plus attend some post-secondary education or earn an associate's degree, instead of costing more than $80 million each year in public programs, they would contribute more than $1.1 billion each year. Pennsylvania clearly is losing significant revenue that could be helping to fuel our state economy. In order for Pennsylvania to compete successfully in today's knowledge-based economy, we must engage every available worker, including those young people who have dropped out of high school, to meet the needs of our technology-driven economy and ensure a continuous pipeline of qualified workers.

### A Look at What's Working

There are many successful program models both nationally and in Pennsylvania that re-engage high school dropouts to education credentials and a skilled workforce as a strategy to growing the economy. Successful models to re-engage high school dropouts:

- Provide literacy and math supports to bring skills to an age-appropriate level.
- Are rigorous and relevant, using real-world context and provide connections to employers and 21st century occupations.
- Provide strong connections to postsecondary education and/or workplace training.
- Include opportunities for rapid credit accumulation and recovery – including the competency-based awarding of secondary and postsecondary credits.
- Are delivered through traditional and non-traditional settings and methods – such as occurring during non-traditional hours, taking place at community colleges and utilizing distance learning technologies to meet the diverse needs of out-of-school young people.
- Provide connections to caring adults to mentor and counsel students.
- Include access to individualized and flexible support services to meet the varied needs of dropouts.

Jobs for the Future identifies, develops, and promotes new education and workforce strategies nationwide that help states and their communities compete in a global economy.

“Re-engaging out-of-school youth requires policy changes in the K-12, postsecondary, and workforce systems because this population crosses institutional lines. The pay-off for Pennsylvania citizens, and for the state, is immense: everybody wins,” said Lili Allen, Program Director for Jobs for the Future. “Among other benefits, the state recoups lost revenue for every young person who graduates from high school; the benefits multiply for those who achieve a postsecondary credential as well.”

Project Success at Luzerne County Community College is designed to assist GED completers with successful transition to college and the workforce by enhancing academic readiness by focusing on math, writing and reading; promoting life skills for learning that concentrate on problem solving skills, resilience, confidence, motivation, and responsibility; providing study skills instruction;
applying for and obtaining state and federal financial aid; and providing career assessment and planning to find the right fit for each student.

The Central Pennsylvania YouthBuild program is one of hundreds of YouthBuild programs nationwide that target high school dropouts. The Central Pennsylvania Workforce Development Corporation (CPWDC), in partnership with several local and national organizations, provides a six-month intensive construction skills training program for young adults ages 18 to 24. Trainees rotate in teams between a non-traditional classroom where they work toward their GED and a construction site where they build low-income housing for a local housing authority and Habitat for Humanity chapter. The program incorporates leadership development skills, service learning and connections to postsecondary education including community colleges, trade schools, and apprenticeship programs.

“The YouthBuild program is a critical economic development tool for Central Pennsylvania because it uses a unique and youth-driven approach to prepare youth to enter postsecondary training and employment in several high-demand occupational areas,” said Kate Lomax, Senior Coordinator for CPWDC and Director of the YouthBuild program.

The Gateway to College program at Community College of Philadelphia is designed for youth 16-20 who have dropped out of school but who desire to get back on track by earning a high school diploma and more. While students are earning their high school credentials, they also are working toward an associate’s degree or industry certificate that will enable them to compete for skilled jobs that require more than a high school education.

“We select students who have high school ready skills, boost their readiness and place them in college-level courses in which they get both a diploma credit and three college credits. By the time they finish their missing diploma credits, they can be well on their way to an associate’s, bachelor’s, or technical school degree,” said Carol A. Smith, Ph.D., Director, Gateway to College program. “We see this program as an heroic quest with students deciding to take a chance at transforming their lives. By supporting students with tutoring, learning labs, advising, and social and emotional developmental experiences, we get the satisfaction of seeing them take this first crucial step back onto the path toward success.”

What can Pennsylvania do?

Pennsylvania can and should make dropout re-engagement a state priority and develop an integrated system to provide education options and support services for high school dropouts to re-engage and earn a high school diploma or GED and postsecondary and/or industry credentials that prepare them for productive employment in a 21st century occupation. Pennsylvania Partnerships for Children calls for strong leadership to advance the following dropout re-engagement public policy agenda:

State-Level Agenda

- Under the auspices of the Governor’s Policy Secretary, convene a cross-departmental workgroup that includes relevant secretaries and/or senior staff to analyze cross-system data and develop a dropout re-engagement strategy to assure high school dropouts have opportunities to re-engage in quality programs that lead to high school and postsecondary credentials.

- Ensure dropout and re-engagement data (such as graduation rate, dropout rate, student achievement data, on track to on-time graduation rates for ninth graders, number of dropouts who have re-engaged) is measured and reported by school districts and all other providers of dropout re-engagement initiatives.

Local Partnerships

- Develop and/or sustain local youth workforce collaboratives supported with state and federal funds to conduct community-wide assessments to analyze the dropout population — including their level of educational attainment and the social service needs of this population — and create cross-sector comprehensive plans to improve the educational attainment of dropouts.
Education Models

- Provide dedicated funding for the creation of small, recovery-focused high schools for over-age and under-credited dropouts, including the use of charter and alternative schools.

- Create incentives for school districts to re-engage high school dropouts by providing “bonus aid” over and above the Average Daily Membership (ADM) subsidy for each re-engaged dropout.

- Create incentives for Career and Technical Centers to develop and offer re-engagement programs that blend academics, occupational skills and access to part-time employment. These incentives may also be “bonus aid” over and above the Vocational Average Daily Membership (VADM) subsidy.

- Support Adult Basic and Literacy Education (ABLE) programs to enhance their capacity to meet the needs of high school dropouts by providing additional opportunities through the Distance Learning Project and GED programs to incorporate transitions to postsecondary education.

- Create incentives for dropout re-engagement programs that develop and implement evidence-based, targeted strategies to increase the education attainment levels and address the needs of specific populations such as youth aging out of foster care, pregnant/parenting teens and juvenile offenders, who drop out of high school at disproportionately high rates.

- Amend Pennsylvania’s dual enrollment legislation to increase opportunities for high school dropouts to participate by increasing the set-aside for this population and by expanding effective dropout re-engagement models that can participate.

- Assure re-engagement programs are rigorous and require young people to demonstrate proficiency in the core academic standards using common assessments such as Pennsylvania Keystone exams, National Occupational Competency Testing Institute (NOCTI) exams, and approved Ability To Benefit (ATB) exams such as ASSET, Career Programs Assessment (CPAT), COMPASS and Accuplacer so they can benefit from student financial aid programs. Students without a U.S. high school credential are eligible for financial aid programs if they take and pass an approved ATB exam.

- Assure re-engagement programs provide competency-based awarding of secondary and postsecondary credit. Utilize the Pennsylvania Department of Education’s Prior Learning Assessment initiative to assess knowledge and skills acquired outside of the classroom for the purpose of granting postsecondary credits.

- Assure that any public policies to make college more affordable for Pennsylvania’s young people, including all state and federally funded programs, contain funding for high school dropouts to enhance their educational attainment.

Support Services

- Establish local/regional re-engagement centers – perhaps utilizing the Commonwealth’s CareerLinks – to provide assessment, counseling and referral services to high school dropouts.

- Authorize tax credits for employers who provide part-time employment to former dropouts who have re-enrolled in educational programming.

- Designate local or regional governmental offices, such as County Assistance Offices or CareerLinks, to coordinate support services for dropouts who re-engage in educational programming.

Conclusion

Sound economic development for Pennsylvania includes a strategy to re-engage dropouts (up to age 25) in quality education options that lead to high school, postsecondary and/or industry credentials – and ultimately, to a self/family-sustaining, high-priority occupation.

2. U. S. Bureau of the Census, 2005-07 American Community Survey PUMS (Public Use Microdata Sample); 3-year file
3. ibid
4. ibid
5. ibid
7. Fogg, Neeta P; Harrington, Paul E.; Khatriwada, Ishwar; Center for Labor Market Studies at Northeastern University; The Tax and Transfer Fiscal Impacts of Dropping out of High School in Pennsylvania; September 2008

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