

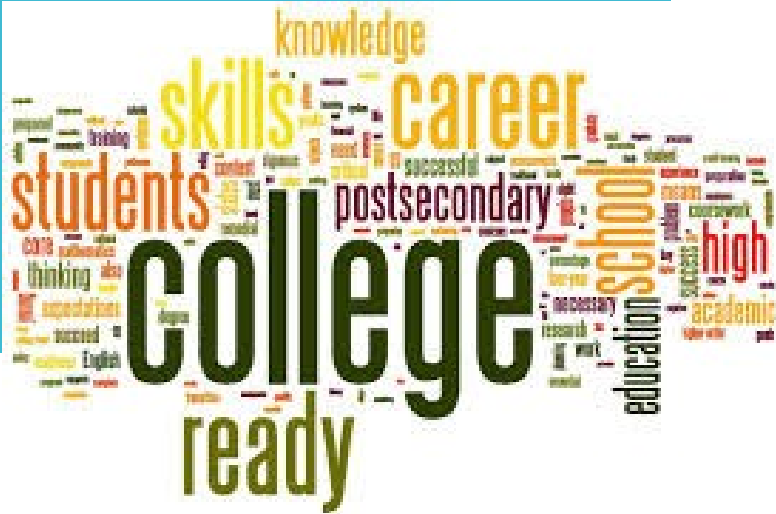
# Post Secondary Education (PSE) and Reach Up

Testimony for Child Poverty Council – November 17, 2016

# The Importance of Higher Education

- College graduates with a bachelor's degree typically earn 66 percent more than those with only a high school diploma, and are also far less likely to face unemployment.
- Over the course of a lifetime, the average worker with a bachelor's degree will earn approximately **\$1 million** more than a worker without a postsecondary education.
- By 2020, an estimated two-thirds of job openings will require postsecondary education or training.

<http://www.ed.gov/college>



# Vermont's PSE Program Results

- 59% of PSE leavers, vs. 45% of Reach Up leavers worked consistently throughout the year after leaving the respective programs
- Median earnings of PSE leavers = \$20,703, while median earnings of Reach Up leavers = \$11,736
- 19% of PSE leavers return to Reach Up, vs. 31% of Reach Up leavers
- PSE leavers were more than twice as likely as Reach Up leavers to earn at least \$20,000/year.

# What is preventing Reach Up participants from participating in PSE?

Last year, an informal survey of district supervisors found an estimated 65 additional individuals who could have been eligible to participate. Why were they not?

- Eligibility for PSE program does not always align with college admissions
- Lack of success of PSE in past
- Benefit amount too low to support family
- Lack of affordable housing
- Challenges specific to 2-parent families:
  1. Statute only allows participation of one parent
  2. Statute requires 2<sup>nd</sup> parent to be working, which often makes family financially ineligible for PSE

Additional reasons for non-participation:

- No High School diploma, or not college-ready (academically)
- “Barriers” to employment also hinder PSE participation – most commonly physical/mental health, childcare availability, transportation, and housing
- Decrease in Reach Up caseload

## Why is the 2-Generation approach relevant to the PSE program?

According to the National Institutes of Health, the education level of a parent is a significant predictor of a child's educational achievements and behavioral outcomes. Parents who are educated raise children to have healthy self-perceptions when it comes to their academic abilities, engage them in intellectual activities that help them develop a healthy attitude about learning and generally have children with fewer behavioral problems that may hinder their learning experiences.



# Children more likely to succeed academically if parents believe they're college bound

- Whether or not parents expected their children to attend college was a key factor in the children's success. Of the children with the lowest test scores, 57 percent were expected by their parents to attend college; of those who scored the highest, 96 percent were expected to attend college.
- Both reading and math skills were closely correlated with the socioeconomic status of the child's family: The higher the family's status, the better the child's scores in both areas.
- Parents' supportive interactions, expectations for their child to earn a college degree and child's preschool attendance were higher among families in the higher socioeconomic groups.
  - The research was funded by the AAP and the Department of Health and Human Services' Health Resources and Services Administration—Maternal and Child Health Bureau.

## 2-Generation Approach within PSE and Reach Up

- Encourage the culture of the Reach Up program to consider the future well-being and economic security of **both** parents and children
- Talk to parents **and** children about higher education. Provide more resources to parents around financial aid
- Refer families to programs such as Upward Bound that specifically serve high school students from low-income families and promote college aspiration



# PSE Initiatives

- Collaboration with VT colleges
  - Bringing together leaders from VT colleges to help strengthen our PSE program
- PSE Case manager and CCV Academic Advisor partnership
- Creation of PSE “rack card,” which has been distributed to all CCV campuses
- Revision of the Reach Up orientation to include information about the PSE program
- PSE workgroup including staff from Economic Services, colleges and community partners to address issues such as:
  - PSE application process
  - Increasing participation in the program by talking early and often about the program as a possibility
  - 2-Generation approach and how to integrate it into the program
- Financial Capability pilots – in 4 districts
- Integrating “Your Money, Your Goals” financial planning toolkit into Reach Up/PSE



## Other Policy Considerations

- Work Participation Rate
  - When best practice conflicts with Federal requirements
- Raising the Asset Limit