



October 2009

# YouthNotes

## From Basic Skills to Better Futures: Lessons from the New York City GED System

By Lazar Treschan and David Jason Fischer, Community Service Society of New York

Through good times and bad, more than one million working-age New Yorkers without a high school degree or equivalent—nearly a quarter of the city’s working-age population—find themselves on the fringes of the labor market, stuck in low-wage jobs with little chance of advancement (at best) or out of work (at worst). The single biggest reason is their lack of basic skills.

Individuals too old or too far-behind to earn a conventional high school degree can pursue other routes to show mastery of the basic skills necessary for success in the workplace—in particular, by attaining a GED. The term “GED” is universally known, but almost as widely misunderstood.

Despite the misunderstandings, the GED offers tremendous potential value to low-skilled individuals and to New York City as a whole. We aim to shed light on the “GED system”, by answering three key questions:

### Why are basic skills and the GED important?

As a signifier to potential employers, colleges, and other stakeholders that an individual has mastered basic skills, the GED is a key resource for low-skilled New Yorkers looking to improve their employment prospects and earning power. Data shows that individuals without a high school degree or equivalent are far less likely than their better-educated counterparts to find work—and when they do, they typically work fewer hours for lower

pay. Individuals with at least a high school or equivalent diploma earn more, work more, and are less vulnerable to layoffs. In fact, during the current recession, those with less than high school educations lost jobs at nearly twice the rate of high school graduates and more than ten times the rate of college graduates.

*Purely in fiscal terms, individuals with less than a 12th-grade education represent a net cost to New York City, whereas those with high school-level skills or higher are a net benefit to New York City.* Analysis of lifetime data finds that on average, those who do not complete high school cost the city treasury nearly \$135,000 more than they pay in taxes, for expenses such as incarceration or shelter. Even those who only complete high school, by contrast, pay an average of over \$190,000 more into city coffers than is expended on their behalf. Thus, in the aggregate, simply helping one low-skilled New Yorker earn a high school degree or GED is worth more than \$325,000 to the city.

*The GED is not an “easy way out.”* The GED exam is not easy. In fact, by definition anyone who passes the GED compares favorably to high school graduates: the organization that develops the exam sets its passing score as the point where only 60 percent of a sample of graduating high school seniors pass the test.

*Supporting the GED does not conflict with supporting traditional K-12 education.* Even if school reform is successful to the point where New York City cuts its dropout rate to half of what it is today, we would still see more than 10,000 individuals leave high



## LEGISLATIVE UPDATE

Congress will pass a second continuing resolution (CR) to extend government funding through December 18, 2009 before the end of October. Congressional insiders believe the CR will be included in the vote on the Interior-Environment Appropriations conference agreement. The Interior-Environment Appropriations conference agreement will be the fifth of the twelve 2010 appropriations bills passed by Congress this year. Two additional spending bills are in House-Senate conference negotiations. The remaining five bills will likely be combined into a “mini-bus” considered later this year. The five remaining bills are Commerce-Justice-Science, Financial Services, Labor-HHS-Education, Military Construction-VA, and State-Foreign Operations. The 2010 fiscal year began on October 1.

### Budget & Appropriations

Congressional insiders expect Congress to vote on a final combined package of spending bills by mid-December. This bill would include the Labor-HHS-Education spending bill along with four others. Currently, both House and Senate versions of Labor-HHS-Education Appropriations include \$924 million for Workforce Investment Act (WIA) Youth Activities.

Congressional leadership has currently ruled out a second economic stimulus package at the level of ARRA 2009. However, if economic signs point to a “jobless recovery” and unemployment rates remain high, Congressional insiders believe that Congress may consider several funding and tax provi-

### Inside This Issue

“Lessons from the New York City GED System” .....	1
Legislative Update.....	1
News and Announcements.....	2
NYEC Welcomes New Members.....	4

See **NYC GED LESSONS**, 4

See **LEGISLATIVE UPDATE**, 2

YouthNotes is a monthly e-publication of the National Youth Employment Coalition, a nonprofit, nonpartisan organization founded in 1979. NYEC is a membership network that improves the effectiveness of organizations that help youth become productive citizens.

# NEWS AND ANNOUNCEMENTS

## **SAVE THE DATE!** **2010 NYEC Members Forum**

Mark your calendar for the upcoming NYEC Members Forum 2010 in Nashville, Tennessee at the Hutton Hotel ([www.huttonhotel.com](http://www.huttonhotel.com)) from April 8-10, 2010. The NYEC Members Forum is an exclusive members-only, peer-to-peer learning event focused on improving the work of organizations and professionals in the fields of youth development, workforce development, and education. Look for more details in the coming weeks at [www.nyec.org](http://www.nyec.org).

## **Article Discusses Integrative Solutions to Cycle of Incarceration**

Behind the Cycle, a multi-disciplinary network united by common concerns about America's criminal justice system, published a new article titled "Integrative Solutions to Interrelated Issues: A Multidisciplinary Look Behind the Cycle of Incarceration" in the Harvard Law Review. Visit [www.behindthecycle.org](http://www.behindthecycle.org) to download the entire article.

## **Report Highlights Young Adults & Postsecondary Credentials**

The Workforce Strategy Center released a new report, "Employers, Low-Income Young Adults and Postsecondary Credentials," highlighting programs in 14 communities that are successfully addressing the challenge of providing disadvantaged young adults with technical and postsecondary education. For the full report, visit [www.workforcestrategy.org](http://www.workforcestrategy.org).

## **NGA Report Discusses Approaches to Dropout Prevention and Recovery**

"Achieving Graduation for All: A Governor's Guide to Dropout Prevention and Recovery" offers a comprehensive action plan for states to curb dropouts, help youth succeed and strengthen state economies. Access this report at [www.nga.org/Files/pdf/0910ACHIEVINGGRADUATION.PDF](http://www.nga.org/Files/pdf/0910ACHIEVINGGRADUATION.PDF).

## **GAO Report Reviews States Use of Recovery Act Funds**

This report, the third in response to a mandate under the American Recovery and Reinvestment Act of 2009, addresses the following objectives: (1) selected states' and localities' uses of Recovery Act funds, (2) the approaches taken by the selected states and localities to ensure accountability for Recovery Act funds, and (3) states' plans to evaluate the impact of Recovery Act funds. View the full report at [www.gao.gov/new.items/d091016.pdf](http://www.gao.gov/new.items/d091016.pdf).

## **NYEC Staff Update**

Eric Cline has moved on to a new position as Program Coordinator, Center for Workforce Development at the Institute for Educational Leadership. In his 6 years at NYEC, he contributed greatly to NYEC's Membership Services and Quality Standards work. We wish him the best in his new position.

## **IN MEMORY**

George Marquez, the President of the Harlem Commonwealth Council and formerly the Vice President for Youth Development and Education at SoBRO, where for many years he led their youth and education programs. George lost a fight with cancer at the end of September.

George was a vital part of the workforce community, and for the majority of his career, worked to better the lives of young people living in Harlem and the South Bronx. His humor, dedication, and love of the work helped better the lives of many thousands of young people in New York.

## **LEGISLATIVE UPDATE, from 1**

sions to provide economic relief and to help create jobs. The U.S. House of Representatives has already begun procedural consideration of the Unemployment Compensation Extension Act of 2009. This bill would extend jobless benefits for American workers, extend a first-time homebuyers tax credit, and provide tax breaks to struggling businesses. Additional provisions that Congress may consider include increased funding for the Food Stamp program, additional aid to States, and mortgage foreclosure relief.

Visit the NYEC Budget & Appropriations Side-by-Side with key youth provisions at [www.nyec.org/content/documents/Budget&AppropsSidebySide.pdf](http://www.nyec.org/content/documents/Budget&AppropsSidebySide.pdf).

## **WIA Reauthorization**

On October 1, the House Education and Labor held a full committee hearing entitled, "Ensuring Economic Opportunities for Young Americans." The hearing examined the impact of declining youth employment on young Americans and strategies to ensure that there are economic opportunities available for young Americans.

The witnesses included: Jane Oates, Assistant Secretary of Labor for the Employment and Training Administration, U.S. Department of Labor; Algernon Austin, Director of the Race, Ethnicity, and the Economy Program, Economic Policy Institute; Matthew Segal, Founder & Co-Chair, 80 Million Strong; Dorothy Stoneman, President and Founder, YouthBuild USA; and Dr. Mark Wilson, Principal, Applied Economic Strategies, LLC.

In her submitted testimony, Sec. Oates referred to a recent GAO report reviewing the implementation of ARRA summer programs, stating that "GAO found that states were generally successful in serving increased numbers of youth despite having only four months to get the program running. Most states met or exceeded their target numbers for youth to be served by mid-August. However, GAO also found limited instances where local areas faced challenges in implementing summer programs, including determining and documenting youth eligibility and failing to pay youth on time."

In her written testimony Sec. Oates suggested the following recommendations for WIA reauthorization:

See **LEGISLATIVE UPDATE, 3**

Members wishing to make announcements in YouthNotes may contact Jonathan Larsen at [jl@nyec.org](mailto:jl@nyec.org).

## LEGISLATIVE UPDATE, from 2

- Exploring strategies that integrate compensated work activities and education.
- Emphasizing programs that are “proven” (through rigorous evaluation) or “promising” (based on a record with positive outcomes and operation to scale).
- Partnerships among the workforce system partners and secondary and postsecondary school systems. For example, State and locally-based employers, criminal justice systems, various social service providers, and others should be engaged to provide services to meet the wide variety of needs of at-risk youth.
- The collection of accountability performance measures that recognizes gains over time, and avoids the selection of participants based on anticipated performance success, while serving those with employment needs.
- Serving in-school and out-of-school at-risk youth, aged 16-24, including: 1) young people in high school who are off track and at high risk of dropping out – especially those with poor reading or math skills; 2) youth who have already dropped out; and 3) high school graduates with poor skills who have failed to obtain jobs, noting these categories are fluid as individuals move in and out of school.
- Simplifying program eligibility and creating a convenient and easy ways to access programs.
- Sharing data related to State certification tests and other performance measures across Federal departments and programs; and supporting States in improving interoperable data systems that help identify strategies to increase student persistence and completion and better meet the needs of the labor market.

Though the hearing’s stated focus was the broader issue of economic opportunity for young Americans, during the question and answer period following the testimony,

committee members spent much of the time focusing on two issues: 1) implementation and outcomes of ARRA-funded summer jobs programs and 2) WIA reauthorization. **Congresswomen Marcia Fudge (D-OH)** and **Judy Chu (D-CA)** both spoke about the benefits of the ARRA summer jobs in their districts. **Ranking Member John Kline (R-MN)** asked Sec. Oates if the U.S. DOL was working on WIA reauthorization. Sec. Oates stated that the U.S. DOL was ready to assist in any way possible when Congress began the process of WIA reauthorization. View the full hearing and find additional testimony at [edlabor.house.gov/hearings/2009/10/ensuring-economic-opportunitie.shtml](http://edlabor.house.gov/hearings/2009/10/ensuring-economic-opportunitie.shtml).

Congressional insiders believe that work on WIA reauthorization will begin early next year.

### U.S. DOL Announcements

On October 16, the ETA announced “Recovering America’s Youth Summits” in Chicago (November 17-18) and Dallas (December 1-2). Visit [www.doleta.gov/performance/pro.cfm](http://www.doleta.gov/performance/pro.cfm) for more information.

On October 22, the ETA issued Training and Employment Guidance Letter (TEGL) 8-09 providing guidance on the restriction of obligations and suspension of grant and contractual agreements with ACORN. Find more information at [www.doleta.gov/usworkforce/whatsnew/eta\\_default.cfm?id=2264](http://www.doleta.gov/usworkforce/whatsnew/eta_default.cfm?id=2264).

On October 20, the ETA posted online presentations from the Recovery and Reemployment Research Conference which took place September 15-16 in Washington, D.C. Find more information at [www.doleta.gov/usworkforce/whatsnew/eta\\_default.cfm?id=2262](http://www.doleta.gov/usworkforce/whatsnew/eta_default.cfm?id=2262).

### U.S. DOEd Announcements & ESEA Reauthorization

On September 24, as part of a speech outlining the U.S. Department of Education’s Elementary and Secondary Educa-

tion Act (ESEA) reauthorization priorities, Secretary of Education Arne Duncan called for the process of reauthorizing the ESEA to begin immediately. The Secretary directed the Department of Education to begin convening a series of ESEA stakeholder meetings starting in October and continuing through the rest of the year. The Department of Education will also be holding public forums on ESEA as part of its “Listening and Learning” tour to take place in all 50 states. Visit [www.ed.gov/news/press-releases/2009/09/09242009.html](http://www.ed.gov/news/press-releases/2009/09/09242009.html) for more information.

On October 6, Sec. Duncan announced the Department’s priorities for its \$650 million Investing in Innovation Fund (i3) grants. Visit [www.ed.gov/news/pressreleases/2009/10/10062009a.html](http://www.ed.gov/news/pressreleases/2009/10/10062009a.html) for more information. The Department of Education has asked for comments on the proposed priorities to be submitted by November 9.

### RAISE-UP

In early October, **Rep. Dale Kildee (D-MI)** sent a “Dear Colleague” letter to fellow House members requesting co-sponsorship of the **Reengaging Americans in Serious Education by Uniting Programs (RAISE UP)** Act. As of October 30, thirty Representatives have signed on as co-sponsors, including ten members of the House Education and Labor Committee and four Republican members. We expect Rep. Kildee to introduce RAISE UP in the House soon.

RAISE UP was previously introduced in the Senate by Sens. **Debbie Stabenow (D-MI)**, **Sherrod Brown (D-OH)**, **Al Franken (D-MN)**, **Blanche Lincoln (D-AR)**, and **Kristen Gillibrand (D-NY)**.

View the full Senate bill text at [www.nyec.org/content/documents/RAISEUP.pdf](http://www.nyec.org/content/documents/RAISEUP.pdf). Access a one-page summary of RAISE UP at [www.nyec.org/content/documents/RAISE-UPOne-Page.doc](http://www.nyec.org/content/documents/RAISE-UPOne-Page.doc).



## NATIONAL YOUTH EMPLOYMENT COALITION

**Howard Knoll**, Chair, Board of Directors  
**Mala B. Thakur**, Executive Director  
**Nancy Martin**, Director, Capacity Building Initiatives  
**GeMar Neloms**, Director, Professional Development  
**Laura Jiménez**, Director, Postsecondary Achievement  
**Cheryl Holley**, Manager of Finance and Administration  
**Jonathan Larsen**, Policy Associate  
**Christina Weeter**, Policy Associate  
**Tracey Livingston**, Administrative Assistant

*The National Youth Employment Coalition is supported by the W.T. Grant Foundation, Bill and Melinda Gates Foundation, Institute for Educational Leadership, Charles Stewart Mott Foundation, Nellie Mae Education Foundation, fees for service, and membership dues.*

*NYEC publishes YouthNotes 11 months of the year.*

school without graduating each year. The circumstances surrounding high school non-completers are as varied as the young people themselves; not every individual will follow the same path to success, and we must have options for all to advance.

### **How does New York City's basic skills development system currently perform?**

*The outcomes of New York City's current GED system are abysmal.* New York State ranks 48th in the country in GED pass rate, with only 60 percent of those who take the test passing as of 2007. New York City performs even worse, with only 47.5 percent passing. What's worse, each year less than 7 percent of the GED-eligible population gets into a prep program, less than 3 percent take the test, with only about 1 percent passing.

*Insufficient resources, lack of oversight, and a complete absence of coordination contribute to the New York City system's poor performance.* The majority of programs that aim to support individuals in attaining a GED are funded at approximately \$1,000 per participant, per year. Programs funded at this level simply cannot offer the necessary hours, retain good teachers, focus on transition to college or careers, or provide participants with the supportive services they need to succeed. The underfunding of GED programs is matched by a near-complete lack of uniform standards and oversight. Individuals who wish to enter a program have no single resource to help them sort through all existing options to find the one that is right for them.

*There are some bright spots to build upon.* Despite the aggregate underperformance of New York City's GED system, various programs and subsystems have shown promise and merit greater support and replication. Within community-based organizations, the NYC Department of Education and the

City University of New York, leaders have taken important steps to strengthen programming by focusing on professional development and student transitions after GED attainment. We should invest in enhancing and expanding these efforts so they become the rule, not the exception, within the GED world.

### **What can we do to improve efforts to build and certify basic skills and put people on track for successful careers?**

*Obtaining a GED will require considerable effort for most individuals, and real investment from the public sector.* Most adults and older youth without a high school diploma begin their efforts to earn a GED with literacy and numeracy levels so low that they will require considerable time to raise those skills before they can pass the GED exam. City officials should make investments to create more and better pre-GED programming of this sort, in recognition of the fact that most GED seekers will need more than a few months to earn the credential. Along the same lines, the city should support innovative programs that offer stronger incentives for often-frustrated students to "stick with it," as well as opportunities to develop technical skills that carry value in the labor market while they work toward earning their GED—rather than sequencing learning before earning.

*Position the GED as a milestone, not a destination.* Although obtaining a GED is no small endeavor for many individuals, New York City's efforts must also focus on the next step after earning the credential—be it college, advanced training, or a job that offers a career track with advancement opportunities. GED preparatory programs should anticipate and help prepare participants for all of these possible outcomes. Program design and funding must reflect that the most important step for a GED program participant is the one they take after obtaining their di-

ploma.

*Create an infrastructure that will promote success.* Despite a handful of standout programs scattered across the city, the network of GED programs collectively fails to produce strong results in large part because no "connective tissue" binds them together. With very few exceptions, each program or subsystem conducts its own recruitment, makes (or doesn't make) referrals based on its own relationships, and keeps best practices to itself. We can significantly improve citywide GED performance by enhancing and expanding mechanisms of information dissemination, program referral, and recruitment.

### **Recommendations in Brief**

*In order to make the GED a true gateway to opportunity, we recommend:*

- Requiring all GED programs to offer a bridge to higher education.
- Encouraging some GED programs to focus on building bridges to careers.
- Creating new programs and expand existing programs for low-level learners.
- Expanding and leverage existing funding sources.
- Improving the quality of GED instruction.
- Building more central accountability and coordination.

*In order to create and sustain a true GED system that ensures access, we recommend:*

- Developing a comprehensive information and referral network.
- Expanding existing referral sources.
- Improving processes for GED testing.

This article is an excerpt of the executive summary of a report entitled *From Basic Skills to Better Futures: Generating Economic Dividends for New York City*. For the full report, visit [www.cssny.org/use-riimages/downloads/From%20Basic%20Skills%20to%20Better%20Futures%20Sept.%202009%20Final%20Report.pdf](http://www.cssny.org/use-riimages/downloads/From%20Basic%20Skills%20to%20Better%20Futures%20Sept.%202009%20Final%20Report.pdf)

## **NYEC WELCOMES NEW MEMBERS!**

**Neighborhood Family Services Coalition**  
New York, NY  
[www.nfsc-nyc.org](http://www.nfsc-nyc.org)

**New City Ministries**  
Waterloo, IA

**Year Up**  
Boston, MA  
[www.yearup.org](http://www.yearup.org)

**YouthCare**  
Seattle, WA  
[www.youthcare.org](http://www.youthcare.org)