

METRICS THAT MATTER

FutureReadyIowa.gov



2017
TALENT SCORECARD

July 2017

METRICS THAT MATTER

A numerical overview of key statistics shaping Iowa's workforce talent pipeline

PREPARED FOR

The Future Ready Iowa Alliance

WITH SUPPORT FROM

Lumina Foundation

PREPARED BY

Office of the Governor
Iowa Board of Regents
Iowa Department of Education
Iowa Economic Development Authority
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FUTURE READY IOWA ALLIANCE

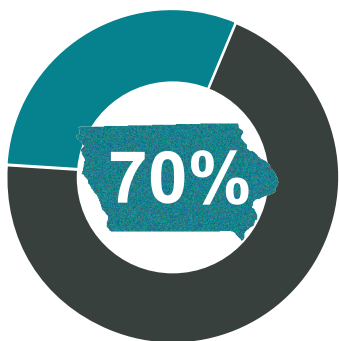
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that METRICS MATTER

**FUTURE READY IOWA'S
POSTSECONDARY
EDUCATIONAL ATTAINMENT
GOAL BY 2025**



**IOWA'S CURRENT
POSTSECONDARY
EDUCATIONAL ATTAINMENT**



INTRODUCTION: IOWA IN THE MIDST OF A WORKFORCE CRISIS

Iowans celebrate the fact that our unemployment rate is low and our economy is growing, but without a significant enhancement to our state's workforce education and training our competitiveness could evaporate. Meanwhile, employers across the state routinely say it is hard to hire enough skilled workers. This workforce crisis is why we launched the Future Ready Iowa initiative. Together we face the challenge of creating a future that works for all Iowans. The Metrics that Matter report provides a clearer picture of what it will take to close Iowa's skills gap.

Our state has a strong foundation to build upon: schools, colleges and universities committed to providing the best education possible; robust major industry sectors – from agriculture to advanced manufacturing to financial services; and a culture of rolling up our sleeves to do what needs to be done. In the 21st century, we must build upon that foundation by rapidly expanding opportunities for more Iowans to acquire the knowledge and skills needed in a fast-changing, technology-driven global economy.

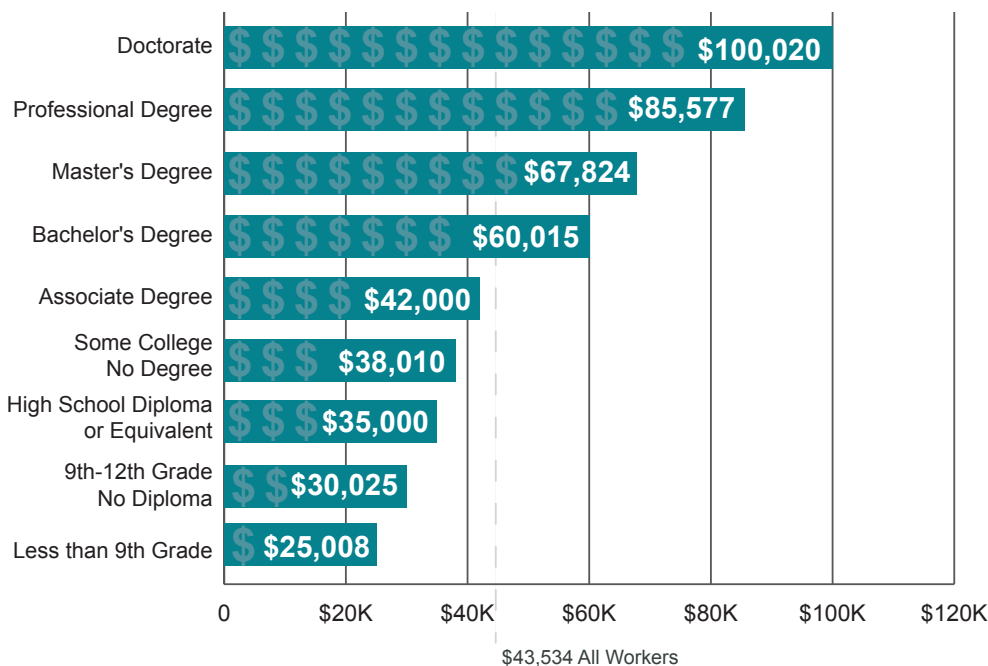
While the 20th century saw expectations for education evolve from finishing eighth grade to graduating from high school to nearly a third of Americans age 25 and over earning a two-year degree or higher, this century requires accelerating that trend with more postsecondary education and training. That could include expanding registered apprenticeships that let students earn while they learn. Across the nation, as businesses address shifts in labor markets resulting from advances in technology and other disruptions, the need for

more skilled workers is acute. Nationally, the Lumina Foundation has set the goal of 60 percent of Americans holding degrees, certificates or other postsecondary credentials by 2025. At least 40 states have set their own goals, understanding that their future prosperity is at stake.

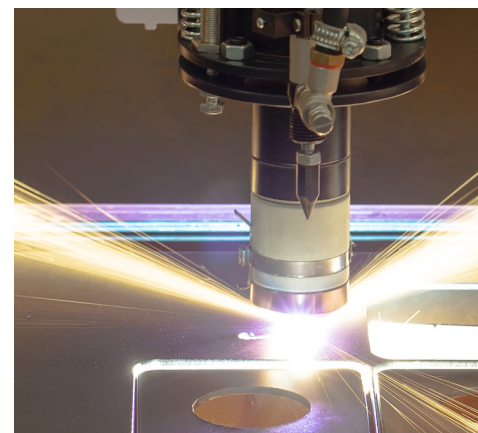
The Future Ready Iowa initiative sets the goal of 70 percent of Iowa's workforce ages 25 to 64 having education or training beyond high school by 2025. This will mean more Iowans will have rewarding careers in high-demand fields, and that employers will be able to hire the skilled workers they need. The result will be an even better quality of life in communities across Iowa. With support from a \$100,000 Lumina Foundation grant, the Future Ready Iowa Alliance – led by Gov. Kim Reynolds and Principal Chairman, President and CEO Dan Houston – will make recommendations by Oct. 31, 2017, on how to reach Iowa's 70 percent goal.

It is impossible to overstate the importance of reaching this goal: Iowans with a high school diploma earned an average \$35,000 annual income between 2013 and 2015. The average jumps to \$42,000 for an associate degree. It increases to \$60,015 for a bachelor's degree. If that is not convincing, 99 percent of U.S. jobs added since the recession bottomed out in early 2010 have gone to people with at least some college, according to a 2016 report by the Georgetown University Center on Education and the Workforce.

IOWA MEDIAN ANNUAL PERSONAL INCOME BY EDUCATIONAL ATTAINMENT: 3-YEAR AVERAGE 2013-2015



Source: Bureau of Labor Statistics Current Population Survey, 2014-2016 3-Year Average (2013-2015 Income) (CPS Table Creator)





TO REACH
70%
by **2025**

IOWA NEEDS:
127,700

APPROXIMATE NUMBER OF
ADDITIONAL CREDENTIALS

41,200

ADDITIONAL CREDENTIALS
NEEDED FROM TRADITIONAL-
AGE STUDENTS

35,200

ADDITIONAL CREDENTIALS
NEEDED BY RETURNING ADULT
STUDENTS AGE 25 TO 64

51,300

ADDITIONAL CREDENTIALS
NEEDED BY ADULTS 25 AND
OLDER WITH NO PRIOR
POSTSECONDARY EDUCATION

Numbers tell the story of what Iowa must do to reach the 70 percent goal: Iowa needs an additional 127,700 residents to earn postsecondary degrees and other credentials by 2025. This would build on the steady progress already under way. In 2016, 51.7 percent of Iowans age 25 to 64 had a two- or four-year degree or higher, based on Iowa Workforce Development's Laborshed Survey¹. Another 6.4 percent had postsecondary credentials through trade certification and other vocational training. That adds up to 58.1 percent of Iowa's workforce ages 25 to 64 with postsecondary degrees and other credentials, up from 48.3 percent in 2008.

Here is how the 127,700 breaks down:

1. By 2025, approximately 41,200 of the 127,700 additional degrees and other credentials required need to be earned by traditional-age students between ages 18 and 24. That includes some students now in high school, students currently attending public and private colleges and universities and training programs, and young adults up to age 24 with some college who have dropped out. Reducing remediation rates and increasing completion rates at two- and four-year colleges and universities is critical.
2. By 2025, approximately 35,200 of the 127,700 additional degrees and other credentials required need to be earned by returning adult students ages 25 to 64 who attended college or training programs but did not complete. Iowa has 223,952 residents with some college. Some are close to finishing, and others have a ways to go, but many could return to earn a credential if Iowa adopts an innovative approach that meets the needs of adult learners who have many other responsibilities.
3. By 2025, approximately 51,300 of the 127,700 additional degrees and other credentials required need to be earned by adults between ages 25 and 64 who currently have no recognized postsecondary education. Iowans in this category include the low-income and members of underrepresented minority groups. Some are displaced workers who lost their jobs. Some are new immigrants, including refugees. Some are incarcerated or ex-offenders. Some are disabled.

These are the big targets Iowa must meet to reach its 70 percent goal by 2025. Many of the short-term strategies with promise – such as more support to help Iowans earn postsecondary credentials that lead to high-demand jobs – also would improve long-term prospects for strengthening our workforce talent pipeline. A deeper dive into the statistics provides a fuller picture of issues that must be better addressed to make persistent progress beyond 2025.

As Iowa works to restore our schools to best in the nation and give students a globally competitive education, we must increase academic achievement in elementary and secondary schools, including closing the persistent achievement gap holding back many minority students. Iowa led the nation in fourth-grade reading and eighth-grade math in the early 1990s, but our state’s average test scores stagnated over the next two decades. At the same time, Hispanic and African-American students on average lag far behind Asian and white classmates.

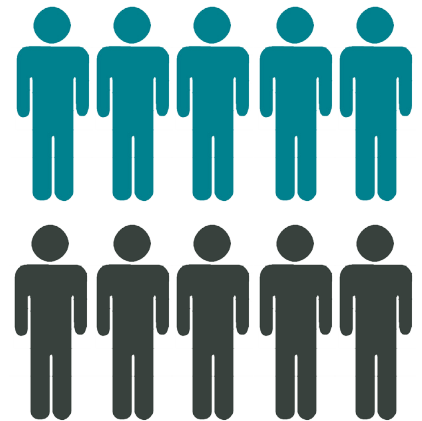
Iowa is now seeing progress due to our recent initiative to assure students read proficiently by the end of third grade. Nearly 9,000 students in kindergarten through third grade who fell short of benchmarks in reading in fall 2015 on a test given statewide three times a year met or surpassed benchmarks in spring 2016. That was an increase of 4.2 percentage points. And 53 school districts, including some with significant poverty, showed double-digit increases.

It is no exaggeration to say Iowa’s skills gap in some ways can be traced back to whether students read proficiently by the end of third grade, when they move from learning to read to reading to learn. Educators are working extraordinarily hard to help students meet higher expectations, with Iowa’s new Teacher Leadership and Compensation System providing more time to collaborate to improve instruction. The Governor’s Science, Technology, Engineering and Math Advisory Council is delivering high-quality STEM education programs to students across Iowa and expanding work-based learning to provide students real-world professional experiences to better connect the classroom to future careers. These dedicated efforts are making a difference, but more needs to be done to help students who are behind academically.

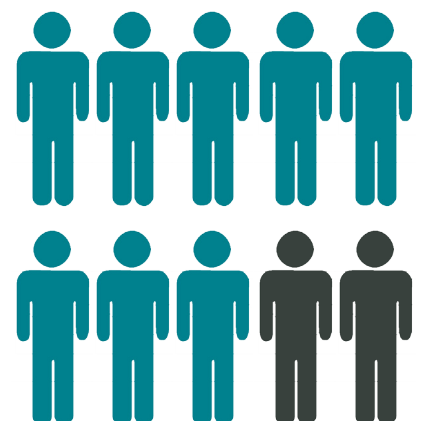
Meanwhile, Iowa has just eight years to meet the goal of 70 percent of the workforce having education or training beyond high school. Significant policy changes will be needed to make that happen. The Future Ready Iowa Alliance is examining a range of possibilities. Leaders from across Iowa have come together to recommend the best path forward to a Future Ready Iowa, understanding that solving Iowa’s workforce crisis is an economic imperative.

INCOME DISPARITY

FIRST-YEAR POSTSECONDARY ENROLLMENT FOR IOWA HIGH SCHOOL GRADUATES



ABOUT FIVE OUT OF 10 STUDENTS WHO WERE ON FREE AND REDUCED-PRICE LUNCH ENROLLED IN POSTSECONDARY EDUCATION OR TRAINING

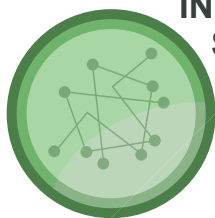


ABOUT EIGHT OUT OF 10 STUDENTS WHO WERE NOT ON FREE AND REDUCED-PRICE LUNCH ENROLLED IN POSTSECONDARY EDUCATION OR TRAINING



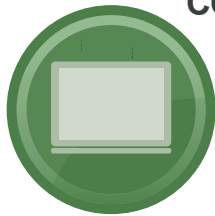
Building a FUTURE-READY WORKFORCE

IOWA'S HIGH-DEMAND JOBS WITH PROJECTED ANNUAL GROWTH: 2014 - 2024



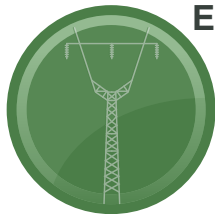
INFORMATION SECURITY ANALYSTS

3.9%
GROWTH



COMPUTER SYSTEMS ANALYSTS

2.8%
GROWTH



ELECTRICIANS

2.0%
GROWTH



REGISTERED NURSES

1.6%
GROWTH

METRIC #1: IOWA'S TOP HIGH-DEMAND JOBS

By 2025, 68 percent of all jobs in Iowa will require education or training beyond high school, according to the The Georgetown University Center on Education and the Workforce.

In fact, virtually all of Iowa's top high-demand jobs with projected growth through 2025 require training or education beyond high school. High-demand jobs are defined as those that pay at or above the statewide entry-level median hourly wage of \$16 per hour (state average wage), typically require more than a high school education, and have the highest percent growth or projected annual openings in the next 10 years. Jobs that require additional training beyond high school and are projected to have the most annual openings (including replacement jobs), include registered nurses and electricians. However, training types and duration of training differ, whereas the typical entry level education for an electrician is a postsecondary award and/or participation in a registered apprenticeship program, employment as a registered nurse typically requires an associate or bachelor's degree. High-demand job needs will also vary regionally across the state.

Another way to analyze the high-demand occupations is by annual growth rate. Though there may be fewer annual openings, growing occupations impact our state as well. The jobs listed by growth rate percentage on the following page alone will account for 18,870 jobs.

IOWA'S TOP HIGH-DEMAND JOBS BY PERCENT GROWTH AND ANNUAL OPENINGS

HIGH-DEMAND JOBS BY GROWTH PERCENTAGE	ANNUAL OPENINGS	ANNUAL GROWTH RATE (%)	2024 PROJECTED EMPLOYMENT	ENTRY-LEVEL HOURLY WAGE	MEDIAN HOURLY WAGE	TYPICAL ENTRY-LEVEL EDUCATION**
Wind Turbine Service Technicians	35	12.0	560	\$19.62	\$23.28	Postsecondary Credential
Occupational Therapy Assistants	25	4.3	520	\$20.19	\$25.88	Associate Degree
Operations Research Analysts*	40	4.1	1,020	\$24.22	\$33.93	Bachelor's Degree
Information Security Analysts	95	3.9	2,480	\$24.00	\$34.62	Bachelor's Degree
Physical Therapist Assistants	55	3.9	1,115	\$15.72	\$22.01	Associate Degree
Web Developers	40	3.2	1,265	\$16.11	\$26.36	Postsecondary Credential
Actuaries	30	3.0	680	\$29.78	\$43.75	Bachelor's Degree
Physical Therapists	95	2.9	2,220	\$30.76	\$37.09	Doctoral/Professional Degree
Occupational Therapists	45	2.8	1,150	\$27.50	\$35.16	Master's Degree
Nurse Practitioners	45	2.8	1,070	\$38.86	\$44.59	Master's Degree
Computer Systems Analysts*	215	2.8	6,790	\$26.84	\$37.62	Associate Degree

Sorted by highest annual growth rate (%) and have entry-level wages higher than \$16.00 per hour.
Excludes jobs that typically require a high school education or below and jobs with no projected growth.

* Indicates a Registered Apprenticeship program exists in Iowa and is included on the Iowa Current Registered Apprenticeship Sponsor List.

** The original source of typical entry-level education is the U.S. Bureau of Labor Statistics (national); cells marked by an asterisk have been modified to reflect occupations for which Iowa community colleges have applicable training programs.

HIGH-DEMAND JOBS BY ANNUAL OPENINGS	ANNUAL OPENINGS	ANNUAL GROWTH RATE (%)	2024 PROJECTED EMPLOYMENT	ENTRY-LEVEL HOURLY WAGE	MEDIAN HOURLY WAGE	TYPICAL ENTRY-LEVEL EDUCATION**
Registered Nurses	1,280	1.6	37,260	\$20.27	\$25.92	Associate or Bachelor's Degree
Elementary School Teachers (excluding Special Education)	650	0.8	23,555	\$17.81	\$24.59	Bachelor's Degree
Accountants and Auditors	555	1.6	15,110	\$19.41	\$27.26	Bachelor's Degree
Sales Reps, Wholesale and Manufacturing	525	0.9	19,275	\$16.50	\$26.25	Bachelor's Degree
Secondary School Teachers	440	0.8	15,130	\$17.51	\$24.50	Bachelor's Degree
General and Operations Managers	385	1.0	11,875	\$19.31	\$34.91	Associate or Bachelor's Degree
Middle School Teachers	335	0.8	12,200	\$18.87	\$26.31	Bachelor's Degree
Licensed Practical and Licensed Vocational Nurses*	295	1.0	8,370	\$16.10	\$18.82	Postsecondary Credential
Business Operations Specialists, All Other	265	0.6	15,695	\$17.13	\$27.60	Postsecondary Credential
Electricians*	260	2.0	8,875	\$16.91	\$25.19	Postsecondary Credential
Industrial Machinery Mechanic*	235	2.7	5,665	\$17.00	\$22.58	Postsecondary Credential

Sorted by highest total annual openings, and have entry-level wages higher than \$16.00 per hour.
Excludes jobs that typically require a high school education or below and jobs with no projected growth.

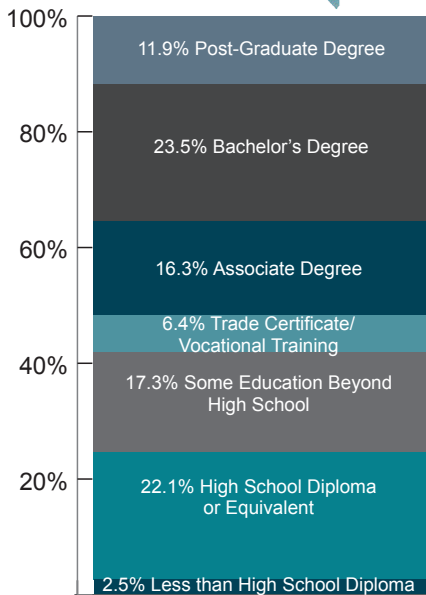
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** The original source of typical entry-level education is the U.S. Bureau of Labor Statistics (national); cells marked by an asterisk have been modified to reflect occupations for which Iowa community colleges have applicable training programs.

Source: Iowa Long-Term (2014-2024) Occupational Projections, Iowa Workforce Development
A complete list of high-demand jobs can be found at: <https://www.iowaworkforcedevelopment.gov/occupational-projections>



**EDUCATIONAL ATTAINMENT
FOR IOWANS AGE 25 TO 64:
2016**



METRIC #2: IOWA'S EDUCATIONAL ATTAINMENT

Progress is being made to increase Iowa's postsecondary educational attainment rate, meaning Iowans who have completed two- or four-year college degrees as well as other kinds of credentials, such as trade certifications and other vocational training. In 2008, 48.3 percent of Iowans between ages 25 and 64 had attained a degree or other credential. By 2016, it was 58.1 percent, nearly a 10 percentage point increase. That includes 51.7 percent of Iowans in the workforce ages 25 to 64 with two- or four-year degrees or higher, based on Iowa Workforce Development's Laborshed Survey¹. Another 6.4 percent had credentials through trade certification and other vocational training. This report uses the Iowa Workforce Development's Laborshed Survey for its primary source for postsecondary educational attainment because it is the most detailed source. U.S. Census Bureau and other data are included where appropriate.

**HIGHEST EDUCATION LEVEL, IOWA STATEWIDE LABORSHED SURVEY
(AGES 25 TO 64)**

EDUCATIONAL ATTAINMENT	2008	2010	2012	2014	2016
Less than High School	4.1%	2.6%	2.2%	3.0%	2.5%
High School Diploma or Equivalent	30.5%	26.4%	24.5%	25.7%	22.1%
Some Education Beyond High School, no Award or Certification	17.0%	16.4%	15.3%	16.5%	17.3%
Trade Certification	3.9%	4.1%	4.0%	3.6%	3.8%
Vocational Training	2.3%	2.2%	2.0%	2.2%	2.6%
Associate Degree	13.6%	14.0%	13.8%	12.0%	16.3%
Bachelor's Degree	18.6%	23.1%	25.9%	25.3%	23.5%
Post-Graduate Degree	9.9%	11.3%	12.1%	12.0%	11.9%
*Total Completers Beyond High School	48.3%	54.7%	57.8%	55.1%	58.1%

Source: Iowa Statewide Laborshed Study, Iowa Workforce Development

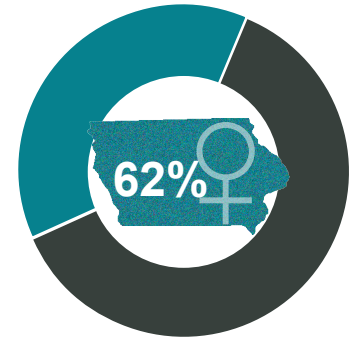
METRIC #3: EDUCATIONAL ATTAINMENT BY RACE, ETHNICITY AND GENDER

The level of educational attainment in Iowa differs slightly by gender. According to the U.S. Census Bureau's 2015 American Community Survey, 62.2 percent of females and 57.1 percent of males in Iowa age 25 and older have at least some college or education beyond high school.

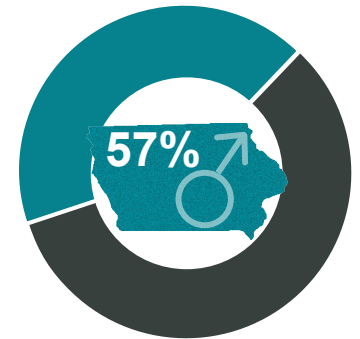
There is greater disparity in educational attainment when broken down by race/ethnicity. Among Iowans age 25 and older, 30.7 percent of Hispanics, 48.4 percent of African-Americans, 61.2 percent of whites (non-Hispanic), and 61.3 percent of Asians have attained at least some college or training beyond high school. The highest level of educational attainment, 63.8 percent, was by Iowans who are two or more races.

While 8.3 percent of Iowa's population over age 25 lacks a high school diploma or equivalent, the percentages are significantly higher for minority populations: 42.3 percent of Hispanics, 16.5 percent of African-Americans, 16.2 percent of Asians, and 13.3 percent of those identified as two or more races do not have a high school diploma or the equivalent, compared to 6.4 percent of whites (non-Hispanic).

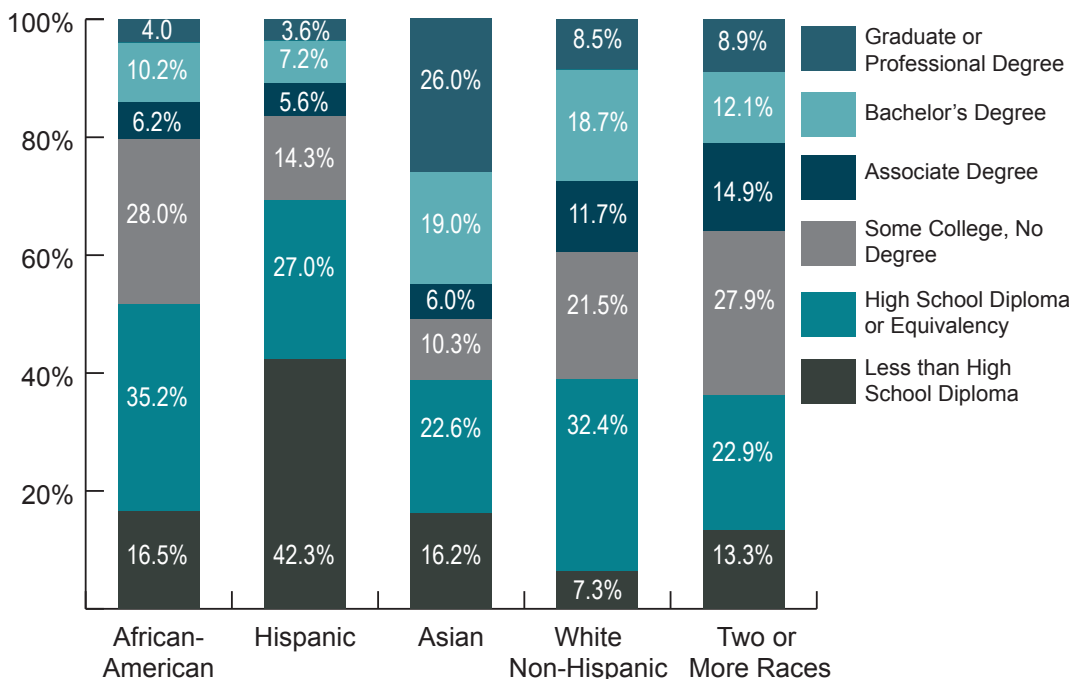
FEMALES (25 AND OLDER) WITH SOME COLLEGE OR HIGHER



MALES (25 AND OLDER) WITH SOME COLLEGE OR HIGHER



IOWA EDUCATIONAL ATTAINMENT BY RACE/ETHNICITY: AGE 25 AND OLDER



HIGHEST EDUCATIONAL ATTAINMENT BY RACE/ETHNICITY: 25 YEARS AND OLDER

RACE/ETHNICITY	SOME COLLEGE OR HIGHER	ASSOCIATE DEGREE OR HIGHER
American Indian/Alaskan Native	55.8%	27.0%
Asian	61.3%	50.9%
African-American	48.4%	20.4%
Hispanic	30.7%	16.4%
White Non-Hispanic	61.2%	39.5%
Some Other Race Alone	25.9%	11.6%
Two or More Races	63.8%	35.9%

Source: American Community Survey, 2015 1-Year Estimates (Tables B15002A-1, B15001)

COUNTIES WITH THE HIGHEST EDUCATIONAL ATTAINMENT

62.9% JOHNSON

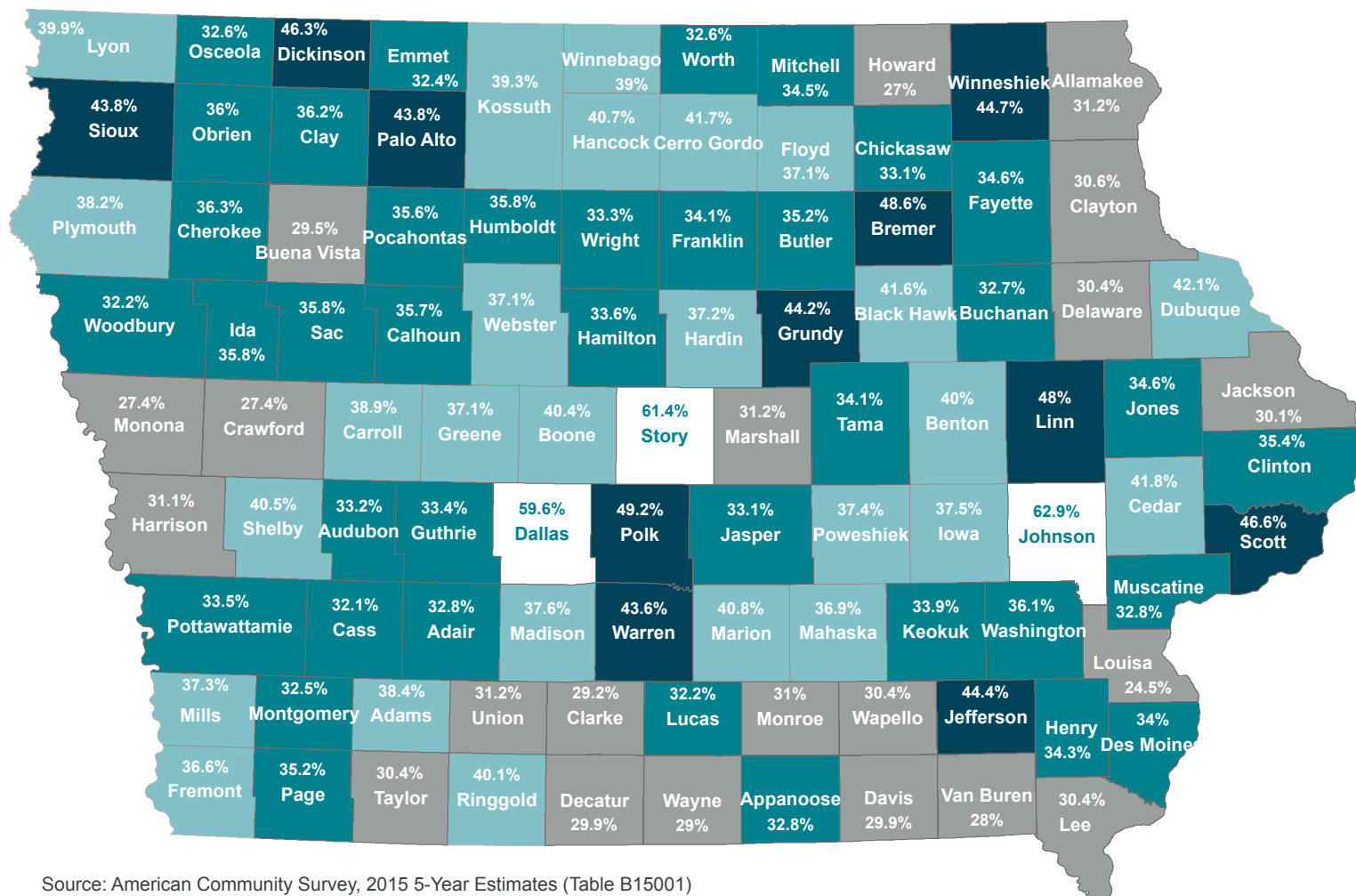
61.4% STORY

59.6% DALLAS

METRIC #4: EDUCATIONAL ATTAINMENT BY COUNTY

Of the more than 1.5 million Iowans between the ages of 25 and 64, approximately 42.4 percent have an associate degree or higher, as compared to 40.9 percent for the United States. However, educational attainment differs by Iowa county. The state's highest percentage of residents with college degrees are in Johnson, Story, and Dallas counties. Over half of the counties with the lowest percentages of residents holding an associate degree or higher are located in the southern part of the state. These county percentages do not include other postsecondary credentials, such as vocational certificates, professional certifications and occupational licenses. The U.S. Census Bureau aggregates these credentials as "some college, no degree" which does not allow for the identification of completion.

EDUCATIONAL ATTAINMENT (ASSOCIATE DEGREE OR HIGHER) BY COUNTY, AGE 25-64



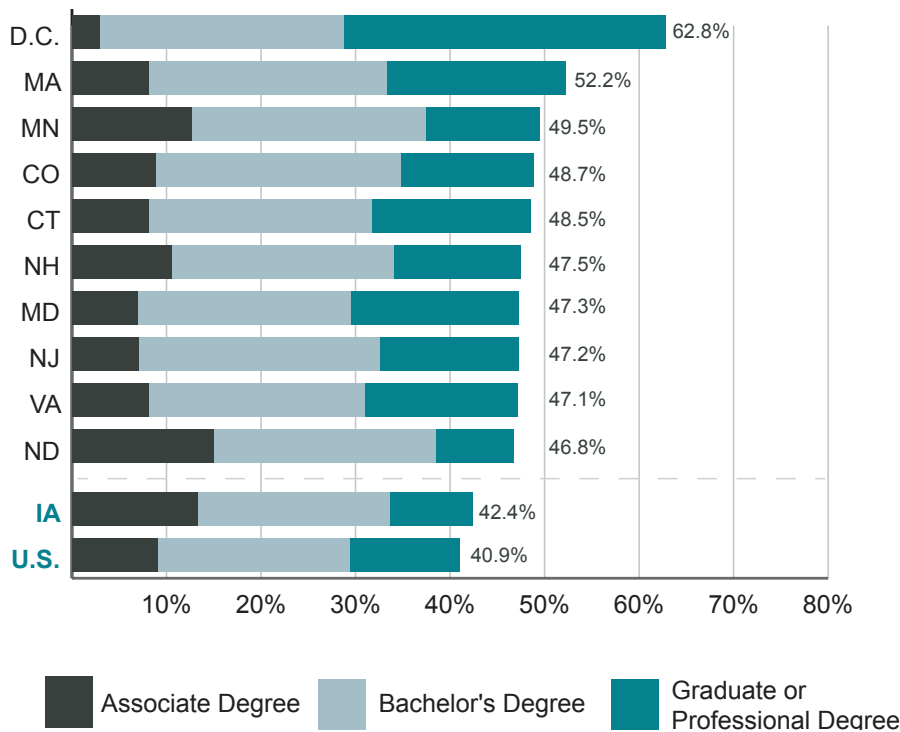
Source: American Community Survey, 2015 5-Year Estimates (Table B15001)

METRIC #5: EDUCATIONAL ATTAINMENT BY TOP 10 STATES

Massachusetts, Minnesota and Colorado are the top three states for the share of residents ages 25 to 64 with an associate degree or higher, according to the American Community Survey², which is not as detailed as the Iowa Laborshed Survey.

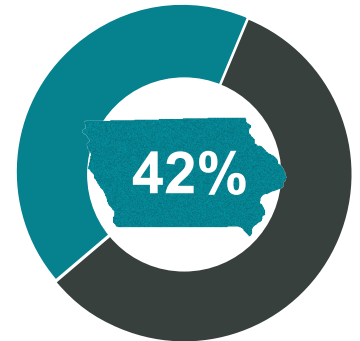
Iowa ranks 19th in the nation with 42.4 percent of the working-age population (25 to 64) having an associate degree or higher. That is slightly above the national average of 40.9 percent. Iowa has a higher than average percentage of people with associate degrees as their highest educational attainment (13.3 percent) and a lower than average percent with a graduate or professional degree as their highest educational attainment (8.8 percent).

2015 PERCENTAGE OF WORKING-AGE POPULATION (AGE 25-64) WITH AN ASSOCIATE DEGREE OR HIGHER: TOP 10 STATES AND IOWA



Source: 2015 American Community Survey 1-Year Estimate (Table B15001)

PERCENT OF IOWA'S POPULATION (AGES 25 TO 64) WITH AN ASSOCIATE DEGREE OR HIGHER



IOWA RANKS
19TH
In the U.S.

PERCENT OF THE POPULATION (AGES 25 TO 64) WITH AN ASSOCIATE DEGREE OR HIGHER: TOP 10 STATES, THE UNITED STATES, AND IOWA

AREA	RANK	ASSOCIATE DEGREE OR HIGHER
United States	—	40.9%
D.C.	1	62.8%
Massachusetts	2	52.2%
Minnesota	3	49.5%
Colorado	4	48.7%
Connecticut	5	48.5%
New Hampshire	6	47.5%
Maryland	7	47.3%
New Jersey	8	47.2%
Virginia	9	47.1%
North Dakota	10	46.8%
Iowa	19	42.4%

Source: 2015 American Community Survey 1-Year Estimate (Table B15001)

NAEP PROFICIENCY DEFINITIONS

BASIC

This level denotes partial mastery of prerequisite knowledge and skills that are fundamental for proficient work at each grade.

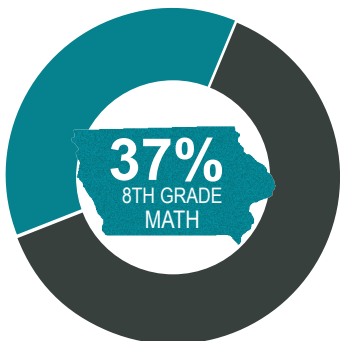
PROFICIENT

This level represents solid academic performance for each grade assessed. Students reaching this level have demonstrated competency over challenging subject matter, including subject-matter knowledge, application of such knowledge to real world situations, and analytical skills appropriate to the subject matter.

ADVANCED

This level signifies superior performance.

PERCENT OF IOWA STUDENTS PERFORMING AT OR ABOVE THE NAEP PROFICIENT LEVEL IN 2015



METRIC #6: FOURTH-GRADE READING AND EIGHTH-GRADE MATH PROFICIENCY

Reading proficiency by the end of third grade is critical because fourth-graders progress from learning to read to using their acquired reading skills to solve problems and think critically. Students struggling to read at this point are more likely to eventually drop out of high school because they face difficulty learning most subjects, including math. In fact, lack of math proficiency is a key barrier to college success. The National Mathematics Advisory Panel found that students who complete Algebra II are more than twice as likely to graduate from college compared to students with less math preparation.

Fourth-grade reading proficiency and eighth-grade math proficiency are measured by the National Assessment of Educational Progress (NAEP), also referred to as the nation's report card.

In 2015 in reading, 38 percent of Iowa fourth-grade students performed at or above the NAEP proficiency level, and 72 percent performed at or above the NAEP basic level. In 2015 in math, 37 percent of eighth-grade students in Iowa performed at or above the NAEP proficiency level, and 76 percent performed at or above the NAEP basic level (see [Appendix](#) on page 34).

Proficiency gaps exist for many minority student groups. African-American and Hispanic students and students eligible for free and reduced-price lunch fell below the statewide average scores.

NAEP PROFICIENCY RESULTS FOR IOWA STUDENT GROUPS IN 2015

REPORTING GROUPS	4TH GRADE READING % BASIC	4TH GRADE READING % PROFICIENT	8TH GRADE MATH % BASIC	8TH GRADE MATH % PROFICIENT
White	75%	42%	80%	41%
African-American	41%	14%	40%	8%
Hispanic	57%	20%	63%	19%
Asian	78%	49%	78%	42%
Two or More Races	39%	39%	71%	34%
Free/Reduced Price Lunch				
Eligible	57%	23%	61%	20%
Not Eligible	82%	49%	85%	47%

Source: NAEP, 2015 Reading and Math State Snapshot Reports

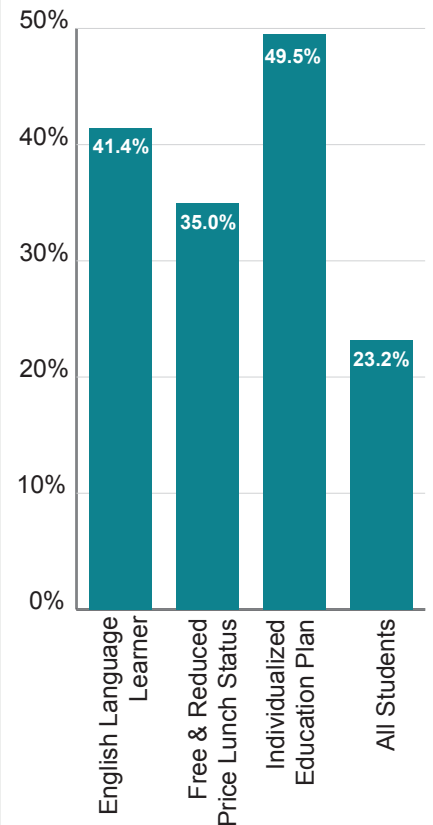
METRIC #7: REMEDIATION RATES FOR HIGH SCHOOL GRADUATES ENROLLING IN POSTSECONDARY EDUCATION

A total of 50,725 Iowa high school graduates (71 percent of all graduates) were enrolled in postsecondary institutions between 2012 and 2014 in the first year following high school graduation. Nearly one-fourth (23 percent) of them took remedial/developmental education courses, underscoring the need to better help struggling students long before 12th grade. Credits earned in remedial classes do not count toward a degree.

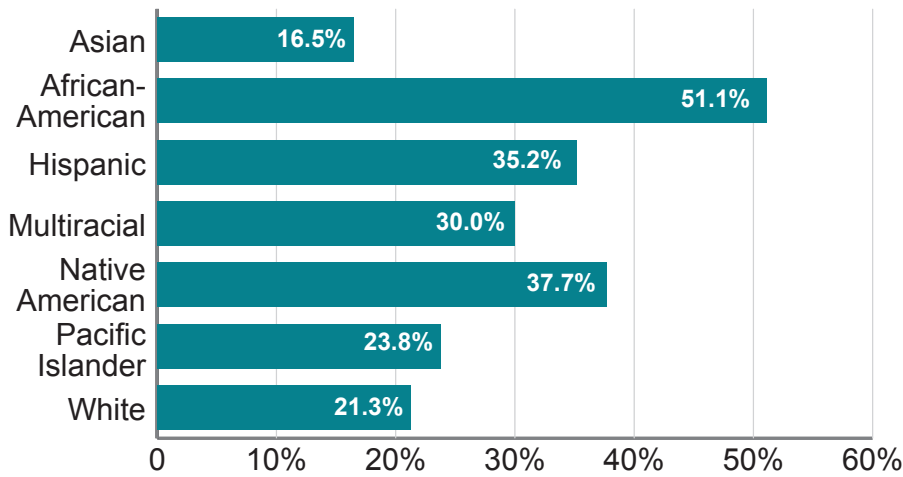
High school students who were English Language Learners (ELL), lived in low-income households, or had an Individualized Education Plan were much more likely to need remedial coursework in college than other students. Remedial rates also vary by race/ethnicity. Among recent high school graduates who pursued postsecondary education or training, about half of African-Americans and roughly a third of Hispanic, Native American and multiracial students needed remedial coursework in college.



PERCENT OF RECENT HIGH SCHOOL GRADUATES WHO TOOK A REMEDIAL MATH OR ENGLISH COURSE THEIR FIRST YEAR AT AN IOWA PUBLIC COLLEGE OR UNIVERSITY THREE-YEAR AVG., 2011-12 TO 2013-14

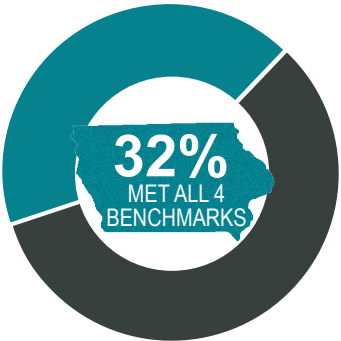
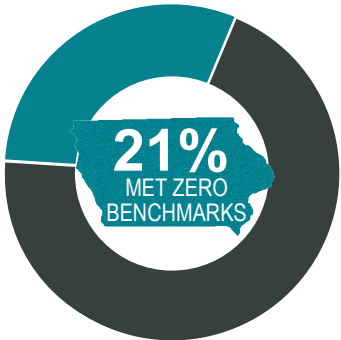


FIRST-YEAR IOWA PUBLIC POSTSECONDARY REMEDIAL COURSES BY RACE/ETHNICITY FOR IOWA HIGH SCHOOL GRADUATES, THREE-YEAR AVERAGE, 2011-12 TO 2013-14

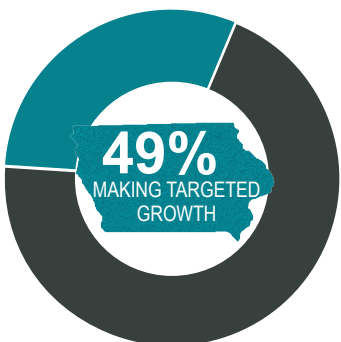


Source: Iowa Postsecondary Readiness Reports

PERCENT OF 2016 ACT-TESTED IOWA HIGH SCHOOL GRADUATES WHO MET ACT COLLEGE READINESS BENCHMARKS



2016 IOWA SCHOOL REPORT CARD COLLEGE AND CAREER READINESS MEASURES



METRIC #8: COLLEGE READINESS BENCHMARKS

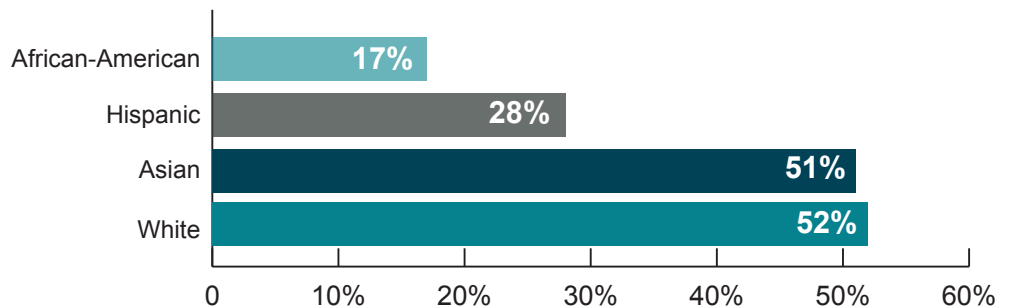
One way to measure college readiness is performance on the ACT exam, a standardized test for high school achievement and college admissions in the United States. Of Iowa's 2016 high school graduates, 23,132, or approximately 68 percent, took the ACT.

ACT COLLEGE READINESS BENCHMARK SCORES

COLLEGE COURSE/COURSE AREA	ACT SUBJECT	BENCHMARK SCORE	AVERAGE IOWA SCORE
English Composition	English	18	21.4
Algebra	Mathematics	22	21.4
Social Studies	Reading	22	22.7
Biology	Science	23	22.3
STEM	STEM	26	22.1

Of the 2016 high school graduates who took the ACT, 32 percent met all four ACT college readiness benchmarks, but 21 percent did not meet any. According to ACT, a benchmark score is the minimum needed on an ACT subject-area test to indicate a 50 percent chance of obtaining a B or higher or about a 75 percent chance of obtaining a C or higher in the corresponding credit-bearing courses. Approximately half of all white and Asian ACT test-takers met three or more college readiness benchmarks, compared to 28 percent of Hispanic and 17 percent of African-American test takers.

PERCENT OF 2016 ACT-TESTED IOWA HIGH SCHOOL GRADUATES WHO MET THREE OR MORE BENCHMARKS BY RACE/ETHNICITY



Source: ACT, The Condition of College and Career Readiness 2016, Iowa Key Findings

College and career readiness is also a measure on the Iowa School Report Card, a system that shows how each public school in Iowa is performing on certain indicators. According to the 2015-16 academic year report, 39.6 percent of students in Iowa's high schools performed at or above the state's college readiness benchmarks in math and reading. In addition, 49.1 percent of students in Iowa's public schools made the year-to-year growth necessary to be ready for college or career training by the end of high school.

METRIC #9: JOINT HIGH SCHOOL AND COLLEGE ENROLLMENT

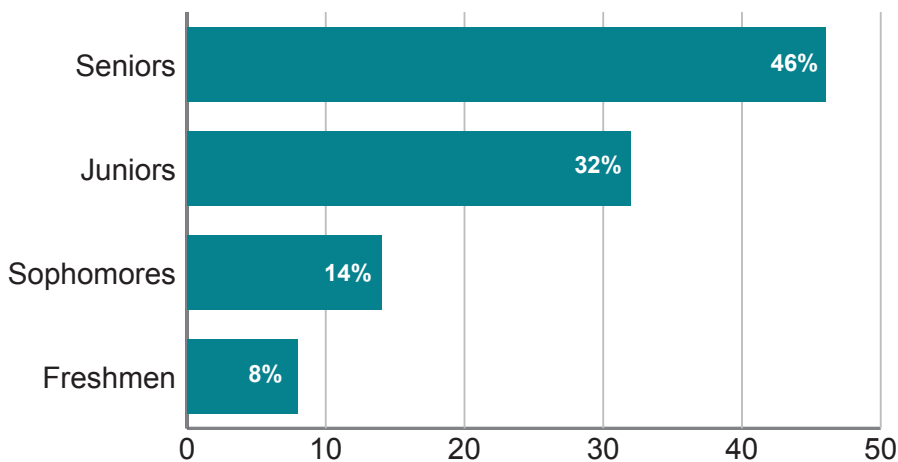
Each year, tens of thousands of Iowa high school students jointly enroll in college credit coursework through Iowa's 15 community colleges, three public universities, and numerous private postsecondary institutions.

Research highlights numerous benefits to students who participate in joint enrollment opportunities, including savings in money and potentially time to degree by enrolling in college coursework while in high school. Iowa supports two exemplary programs that afford high school students the opportunity to enroll typically at no cost in college credit courses through the Postsecondary Enrollment Option (PSEO) and concurrent enrollment programs. High school students may also enroll independently as a tuition-paying student.

In fiscal year 2016, a total of 47,907 unduplicated high school students jointly enrolled in community college courses, an increase of 8.8 percent from fiscal year 2015 (at Iowa's private and Regent institutions, an additional 497 and 809 students, respectively, enrolled through PSEO in college coursework). Thirty-one percent of all Iowa public high school students (grades nine through 12) jointly enrolled in community college courses in fiscal year 2016, averaging eight credit hours per student.

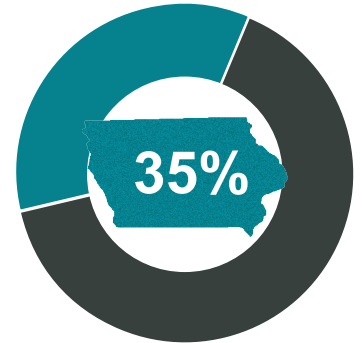
Jointly enrolled students tend to be high school juniors and seniors, with 78 percent being in their last two years of high school. Approximately 14 percent of jointly enrolled students were high school sophomores and eight percent were freshmen.

2016 JOINT ENROLLMENT PARTICIPATION BY GRADE LEVEL

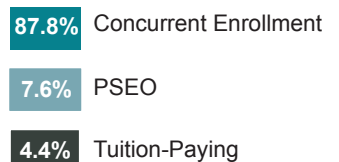
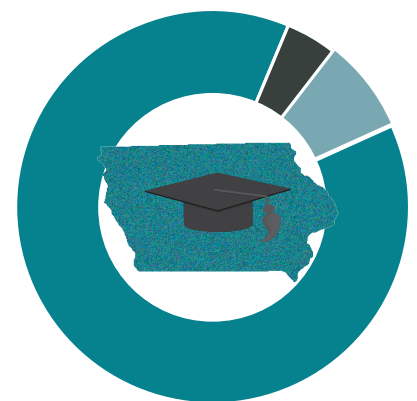


Source: Joint Enrollment FY 2016 Annual Report, Iowa Department of Education

JOINTLY ENROLLED STUDENTS AS A PERCENT OF TOTAL IOWA COMMUNITY COLLEGE ENROLLMENT



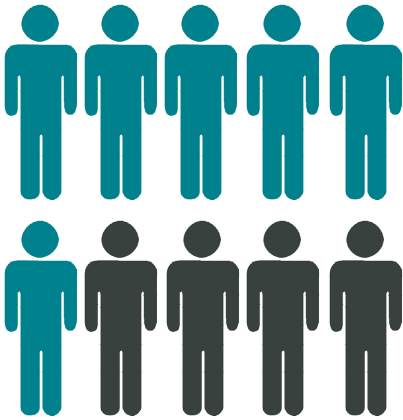
2016 JOINT ENROLLMENT BY OFFERING ARRANGEMENT



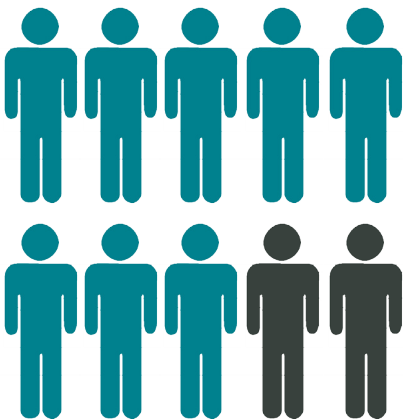
THREE OUT OF EVERY FOUR STUDENTS ENROLLED IN AN IOWA COLLEGE OR UNIVERSITY ARE WHITE



SIX OUT OF EVERY TEN WHITE STUDENTS ENROLLED IN IOWA ATTEND COMMUNITY COLLEGES



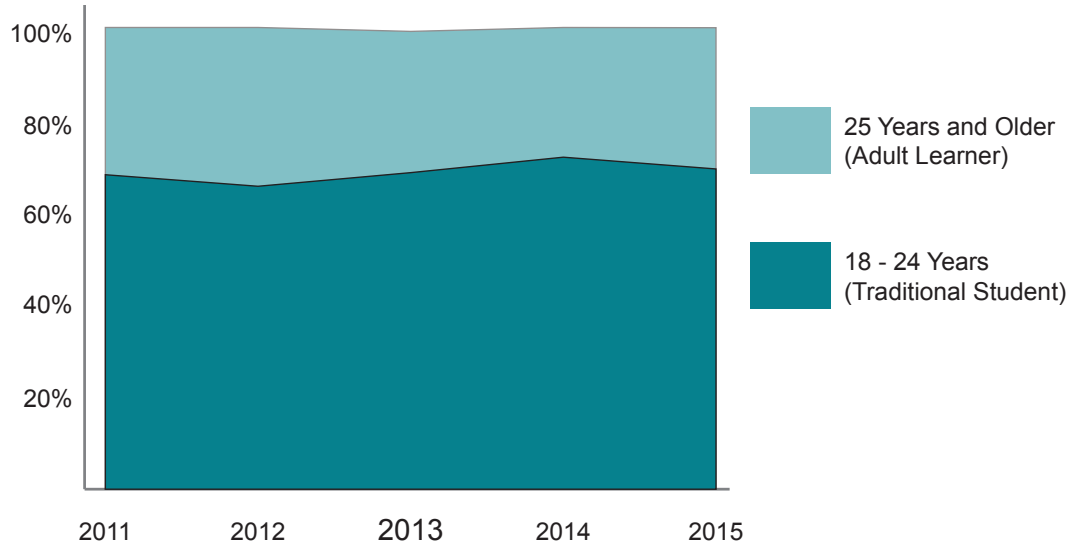
EIGHT OUT OF EVERY TEN AFRICAN-AMERICAN STUDENTS ENROLLED IN IOWA ATTEND COMMUNITY COLLEGES



METRIC #10: POSTSECONDARY ENROLLMENT BY AGE, GENDER, RACE/ETHNICITY

Over two-thirds of students enrolled at Iowa's public and private two- and four-year colleges and universities are traditional age student between the ages of 18 and 24 and this proportion has remained relatively consistent over the past five years, fluctuating between 65.6 and 71.9 percent. Adult learners, age 25 and older, make up an estimated 30 percent of enrollment.

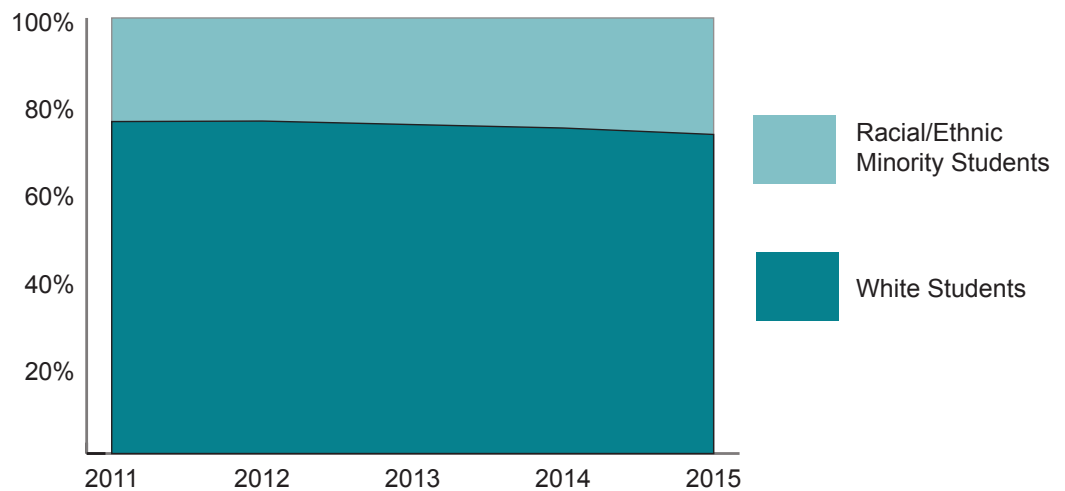
PERCENT OF IOWA UNDERGRADUATE ENROLLMENT BY AGE GROUP



Source: Integrated Postsecondary Education Data System (IPEDS)

While enrollment at all of Iowa's colleges and universities continues to be predominately by white students, racial minorities have grown at a stable rate of 1 percent annually.

PERCENT OF IOWA UNDERGRADUATE ENROLLMENT BY RACE/ETHNICITY



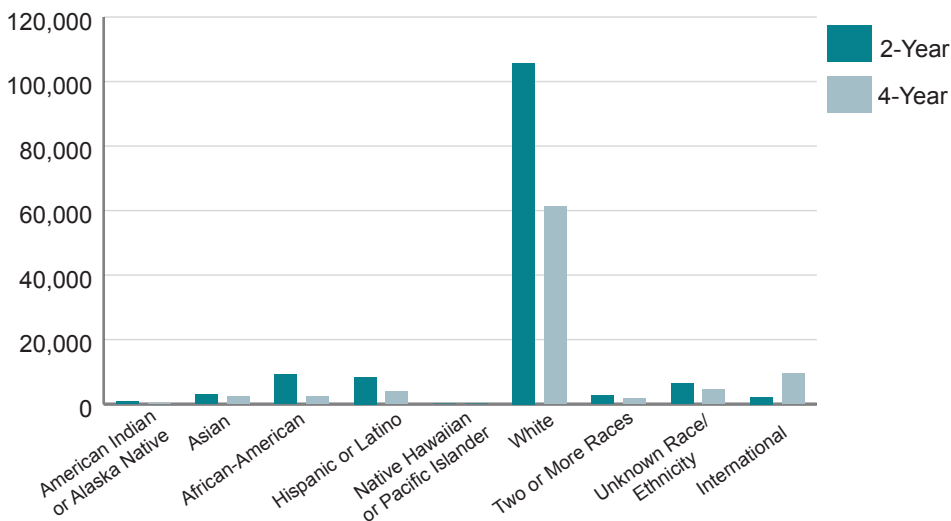
Source: Integrated Postsecondary Education Data System (IPEDS)

Of the approximately 46,501 non-white students enrolled at one of Iowa's public two- or four-year colleges and universities in 2015 who identified their race/ethnicity, over one-fourth (26.4 percent) were Hispanic. African-American students made up 25.1 percent of the non-white student population, international students were 25 percent, Asians were 11.6 percent, American Indians or Alaskan Natives were 2.3 percent, and Native Hawaiians or Pacific Islanders were 0.5 percent. Students who identified themselves as two or more races represented 9 percent.

When looking at each race/ethnicity individually, a larger percent of Asian and white undergraduate students were enrolled at one of Iowa's four-year public universities in 2015, while a larger percent of Hispanic and African-American students were enrolled at a two-year community college. About 44 percent of all Asian undergraduate students in Iowa and 36.6 percent of white undergraduate students were enrolled at one of the state's four-year public universities. In contrast, 68.2 percent of all of Hispanic undergraduate students in Iowa and 78.8 percent of African-American undergraduate students were enrolled at one of Iowa's community colleges.

Additionally, 81 percent of all international students were enrolled in a public four-year university compared to 19 percent at a community college.

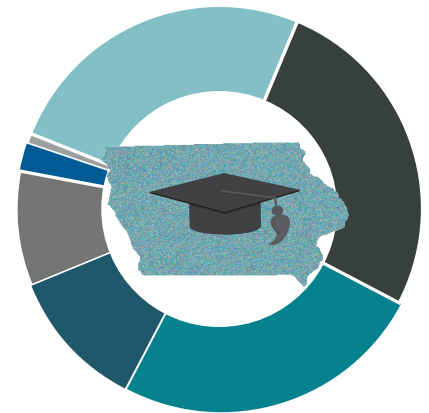
ENROLLMENT AT TWO- OR FOUR-YEAR COLLEGE BY RACE/ETHNICITY



Source: Integrated Postsecondary Education Data System (IPEDS)

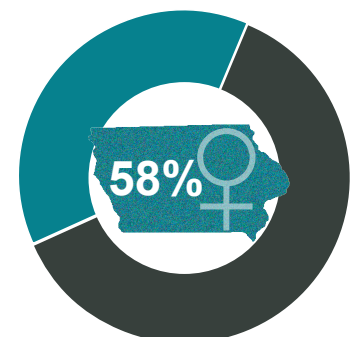
Over the past five years, females have continued to comprise the majority of students enrolled in all of Iowa's public colleges and universities, ranging between 56.5 percent and 57.6 percent.

MINORITY STUDENT ENROLLMENT AT IOWA'S PUBLIC TWO- AND FOUR-YEAR COLLEGES AND UNIVERSITIES: 2015

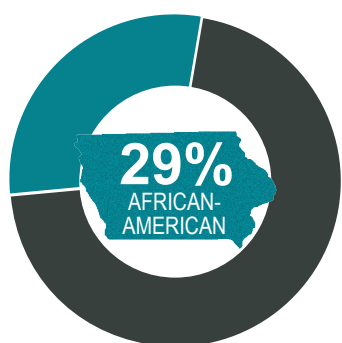
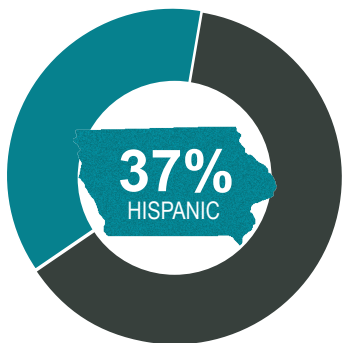
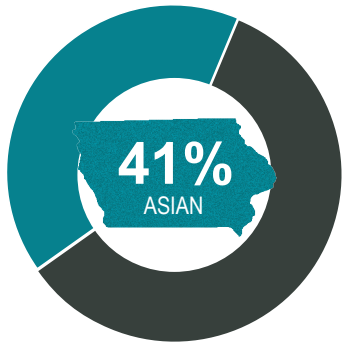
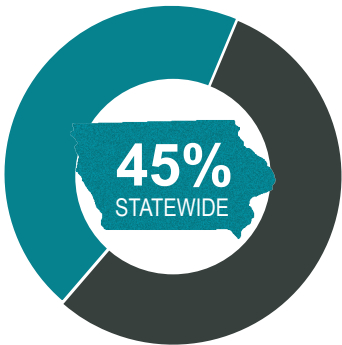


- 26.4%** Hispanic or Latino
- 25.1%** African-American
- 25.0%** International
- 11.6%** Asian
- 9.0%** Two or More Races
- 2.3%** American Indian or Alaskan Native
- 0.5%** Native Hawaiian or Pacific Islander

PERCENT FEMALE ENROLLMENT AT IOWA'S PUBLIC TWO- AND FOUR-YEAR COLLEGES AND UNIVERSITIES: 2015



SUCCESS RATES: STATEWIDE AND BY RACE/ETHNICITY



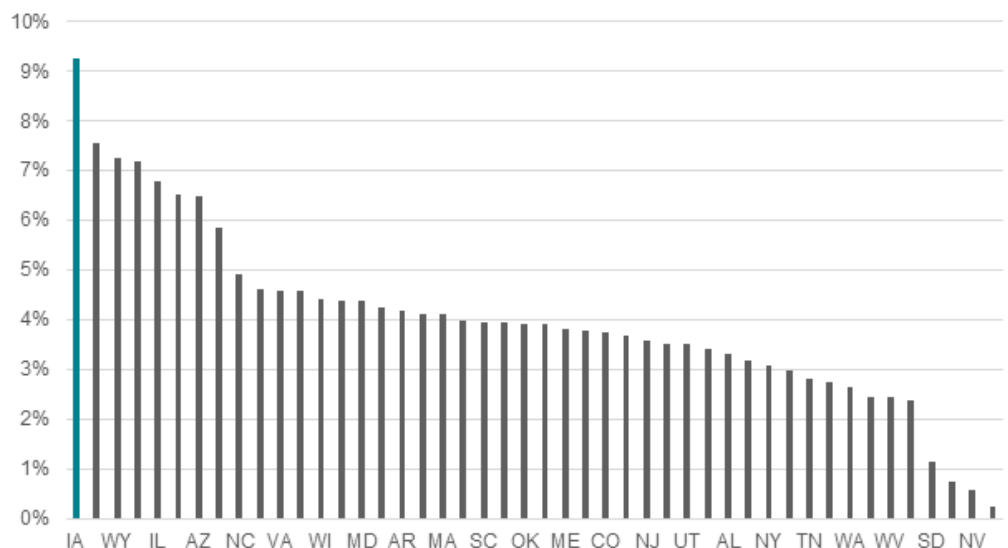
METRIC #11: COMMUNITY COLLEGE ENROLLMENT AND SUCCESS

Iowa's 15 community colleges provide over 200 career/technical and liberal arts programs annually. During academic year 2015-16, credit programs enrolled 135,267 students. While some students enroll in these programs with the intention of earning an award, such as a diploma, certificate, or associate degree, others intend to transfer credits to a four-year college or university. Therefore, student success is measured by the number of students who graduate as well as those who transfer to four-year institutions, or a combination of the two within three years after initial enrollment. Statewide student success has continuously grown from 40 percent in 2013 to 45 percent in 2016.

While racial minorities have lower success rates in the aggregate (33.4 percent in 2016) compared to white students (48.4 percent in 2016), Iowa community colleges are enrolling a growing share of racial and ethnic minorities, up from 15.9 percent in 2010 to 21 percent in 2016.

Though the percentage of racial and ethnic minority students is relatively low in Iowa community colleges, the colleges enrolled a higher percentage of minority students than other states when compared to state population. The U.S. Census Bureau (2015) estimated 11.3 percent of Iowans, 15 years of age or older, were non-white. Of that group, 9.3 percent were enrolled in Iowa community colleges in academic year 2015-16, representing the highest enrollment rate of minority students nationally, continuously for the past six years.

ENROLLMENT RATE² OF ETHNIC/RACIAL MINORITY STUDENTS AT IOWA COMMUNITY COLLEGES: ACADEMIC YEAR 2015-16

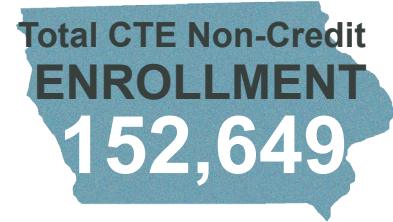
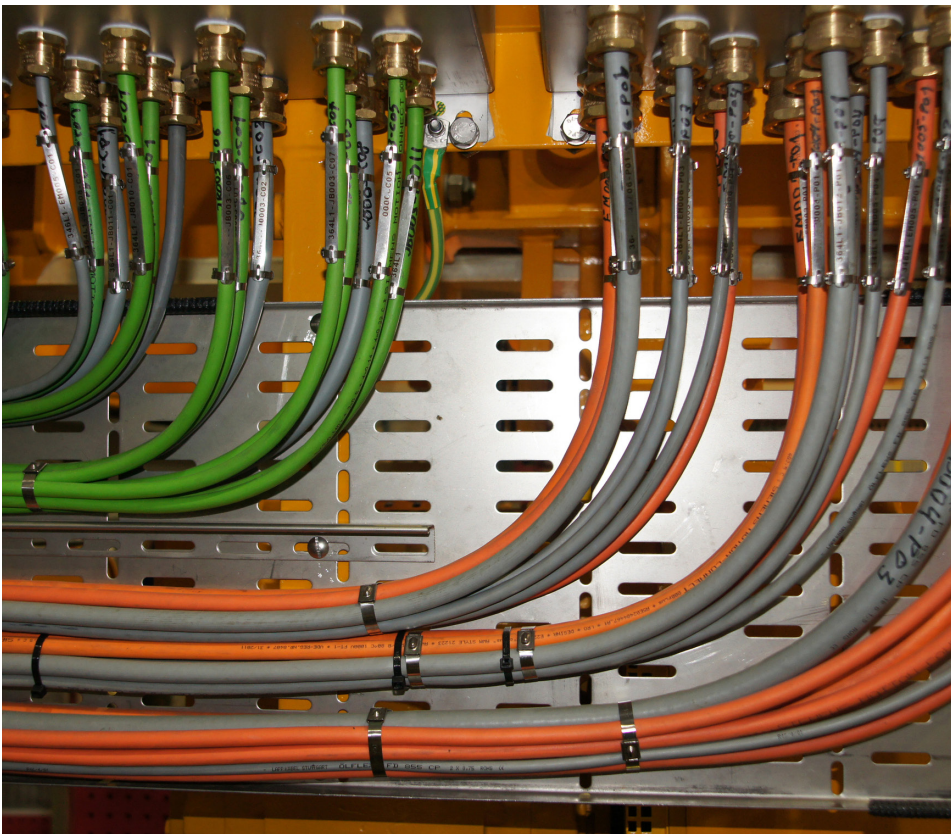


Source: U.S. Census Bureau and the Integrated Postsecondary Education Data System (IPEDS)

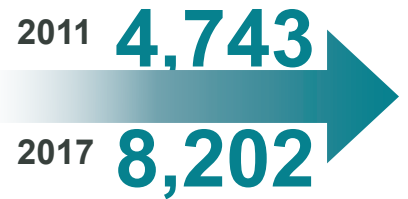
Iowa community colleges enroll close to a quarter of a million non-credit students annually. Out of the 240,939 non-credit students who were enrolled during the 2015-16 academic year, more than half of them (63.4 percent) were enrolled in non-credit career and technical education (CTE) courses and programs, which include job training, technical upgrading, college-conducted apprenticeships, enhanced employability training, and recertification/re-licensure preparation.

METRIC #12: REGISTERED APPRENTICES AND APPRENTICESHIP PROGRAMS IN IOWA

As of late June 2017, Iowa had 779 active registered apprenticeship programs and 8,202 active registered apprentices across the state, according to the U.S. Department of Labor Office of Apprenticeship. That is up significantly from 2011, when Iowa had 461 active registered apprenticeship programs and 4,743 active registered apprentices. Registered apprenticeship programs are driven by employer needs and allow students to earn while they learn. Newer registered apprenticeship programs include advanced manufacturing, financial services, health care and information technology.



ACTIVE REGISTERED APPRENTICES



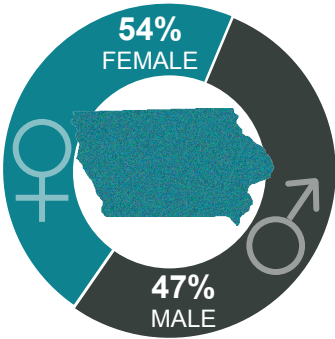
ACTIVE REGISTERED APPRENTICESHIP PROGRAMS



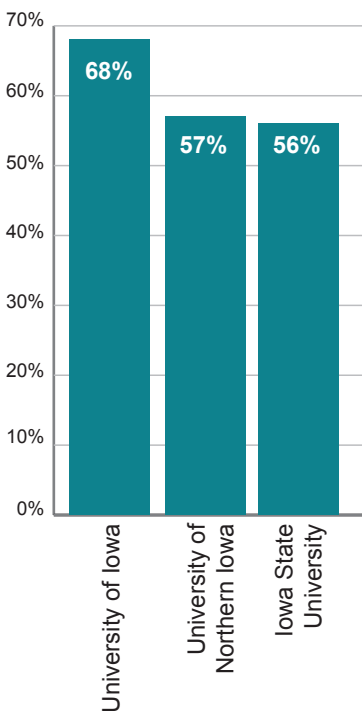
NEW REGISTERED APPRENTICESHIP PROGRAMS



**DISTRIBUTION OF AWARDS
CONFERRED BY IOWA PUBLIC
COLLEGE OR UNIVERSITY IN
2015 BY GENDER**



**PERCENT OF 2015 GRADUATES
WHO COMPLETED PROGRAMS
IN FOUR YEARS AT IOWA'S
PUBLIC UNIVERSITIES**



**METRIC #13: POSTSECONDARY COMPLETION RATES
BY INSTITUTION TYPE**

The number of postsecondary degrees and awards have grown at a stable rate for the past five years. In 2015, Iowa community colleges and public four-year universities granted 32,025 degrees and awards combined. Women comprised the majority of those who earned awards in 2015, which is similar to the nationwide gender distribution of postsecondary credentials and awards.

2015 AWARD COMPLETIONS BY IOWA COLLEGE/UNIVERSITY

INSTITUTION NAME	DEGREE TYPE	# AWARDS TO MALES	# AWARDS TO FEMALES	TOTAL AWARDS
Iowa State University	Bachelor's Degree	3,043	2,644	5,687
University of Iowa	Bachelor's Degree	2,278	2,567	4,845
University of Northern Iowa	Bachelor's Degree	999	1,304	2,303
Iowa Community Colleges	Associate Degree	5,168	6,925	12,093
	Award < 1 Year	2,017	1,574	3,591
	Award of at Least 1 Year but < 2 Years	1,387	2,119	3,506
Total Awards		14,892	17,133	32,025

Source: The Integrated Postsecondary Education Data System (IPEDS) 2015

Graduation rates for first-time, full-time undergraduate students at Iowa's three state universities vary significantly by race and ethnicity, according to the 2016 Iowa Board of Regents fall enrollment report. Within six years, 72 percent of white undergraduate students complete compared to 70 percent of Asian-American students, 69 percent of Hispanic-American students and 49 percent of African-American students. Many undergraduates finish in four years, but some take longer. Meanwhile, increasing college completion rates and closing attainment gaps will assure a brighter economic future for students and the state.

**SIX-YEAR GRADUATION RATES, FIRST-TIME, FULL-TIME
UNDERGRADUATES ENROLLED AT AN IOWA PUBLIC UNIVERSITY**

RACE/ETHNICITY	NUMBER ENROLLED	NUMBER WHO GRADUATED WITHIN SIX YEARS	SIX-YEAR GRADUATION RATE
Hispanic	441	306	69.4%
American Indian or Alaska Native	19	9	47.4%
Asian	250	176	70.4%
African-American	284	139	48.9%
Native Hawaiian or Pacific Islander	13	9	69.2%
Two or More Races	193	126	65.3%
White	8,818	6,381	72.4%
Race/Ethnicity Unknown	287	203	70.7%
Total Awards	10,305	7,349	71.3%

Source: Iowa Board of Regents 2016 Fall Enrollment Report

METRIC #14: MEDIAN HOUSEHOLD INCOME IN IOWA AND THE TOP 10 STATES

The benefits to Iowans with postsecondary education or training beyond high school are evident when looking at the income disparity between those with postsecondary degrees and those without. A bachelor's degree holds enormous value for individuals in terms of earnings, which in turn tends to translate into greater economic benefits for states with the best-educated residents. Generally, states with more educated populations have higher per capita incomes than those with less educated populations.

The table below shows that 29.1 percent of Iowa's working-age population (25 to 64) has a bachelor's degree or higher, ranking Iowa 33rd in the nation. The percentage change in this measure between 2010 and 2015, 1.3 percent, is slightly below the national average of 2.1 percent. Iowa ranks 26th in the nation for median household income, but has a slightly higher percent increase from 2010 to 2015 than that of the United States.

MEDIAN HOUSEHOLD INCOME: BACHELOR'S DEGREE OR HIGHER FOR THE U.S., IOWA AND TOP 10 STATES

AREA	RANK	BACHELOR'S DEGREE OR HIGHER 2015	2015 PER CAPITA MEDIAN HOUSEHOLD INCOME	PERCENT CHANGE BACHELOR'S DEGREE OR HIGHER 2010-2015	PERCENT CHANGE PER CAPITA MEDIAN HOUSEHOLD INCOME 2010-2015
United States	—	32.0%	\$55,775	2.1%	2.5%
D.C.	1	59.9%	\$75,628	6.8%	14.2%
Massachusetts	2	44.1%	\$70,628	1.8%	4.7%
Maryland	3	40.4%	\$75,847	2.6%	1.3%
Connecticut	4	40.4%	\$71,346	2.2%	2.5%
New Jersey	5	40.2%	\$72,222	1.8%	-1.8%
Colorado	6	40.0%	\$63,909	2.3%	8.8%
Virginia	7	39.0%	\$66,262	2.5%	0.5%
New Hampshire	8	37.0%	\$70,303	2.2%	5.9%
Minnesota	9	36.9%	\$63,488	2.5%	5.3%
Oregon	10	33.1%	\$54,148	3.1%	7.0%
Iowa	33	29.1%	\$54,736	1.3%	5.0%

Source: 2010 and 2015 American Community Survey 1-Year Estimates (Tables B15001 and S0201)

Increasing educational attainment in Iowa benefits both individuals and the state on such factors as earnings, employment opportunities, increased tax revenues, economic growth, and lower crime rates, among other things. Evidence also indicates that increasing educational attainment today increases the probability of degree attainment in future generations.

WAYS HIGHER EDUCATION BENEFITS INDIVIDUALS AND SOCIETY



EDUCATION PAYS

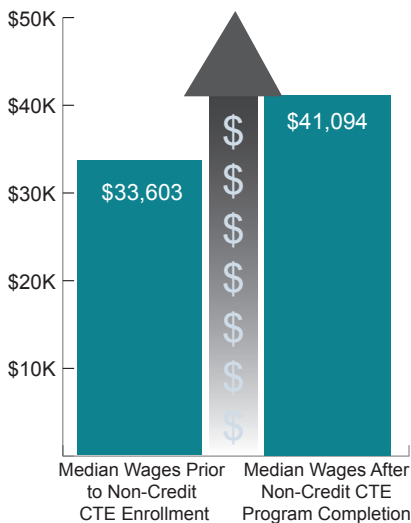
IOWANS WITH ASSOCIATE DEGREES LEARN

40% MORE THAN THOSE WITHOUT A HIGH SCHOOL EDUCATION

20% MORE THAN THOSE WITH ONLY A HIGH SCHOOL EDUCATION



WAGES PRIOR TO AND AFTER NON-CREDIT CTE PROGRAM COMPLETION



METRIC #15: AVERAGE EARNINGS FOR IOWANS

The overall median annual personal income for full-time workers in Iowa ages 25 to 64 in 2013-2015 was \$43,534. Iowans with an associate degree earned \$42,000, \$7,000 more than residents with a high school diploma or equivalent, and those with a bachelor's degree earned \$60,015, or \$25,015 higher.

IOWA MEDIAN ANNUAL PERSONAL INCOME FOR FULL-TIME WORKERS (AGE 25 TO 64) BY EDUCATIONAL ATTAINMENT

EDUCATIONAL ATTAINMENT	MEDIAN ANNUAL PERSONAL INCOME
Less than 9th Grade	\$25,008
9th to 12th Grade, No Diploma	\$30,025
High School Diploma or Equivalent	\$35,000
Some College, No Degree	\$38,010
Associate Degree	\$42,000
Bachelor's Degree	\$60,015
Master's Degree	\$67,824
Professional Degree	\$85,577
Doctorate Degree	\$100,020
Overall	\$43,534

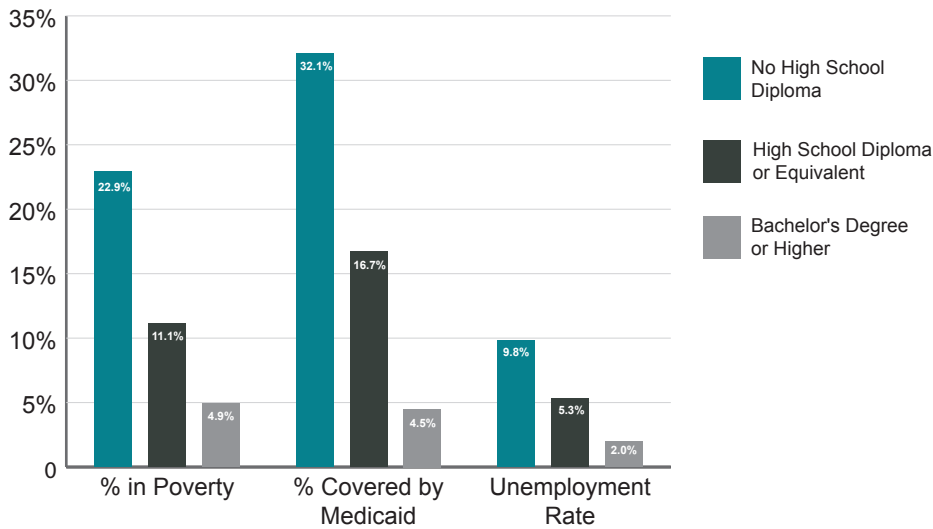
Source: Current Population Survey, 2014-2016 3-Year Average (2013-2015 Income)

In addition, recent research conducted by Iowa in partnership with the American Association of Community Colleges Voluntary Framework of Accountability (VFA) demonstrates that non-credit career and technical education (CTE) programs contribute to students' career growth, reflected by significant gain in employability and wages. According to the VFA (to be published fall 2017), median wages for Iowa community college non-credit CTE program completers increased by 22.3 percent, from \$33,603 on annual average to \$41,094⁶.

METRIC #16: POVERTY, WELFARE AND UNEMPLOYMENT BY EDUCATIONAL ATTAINMENT

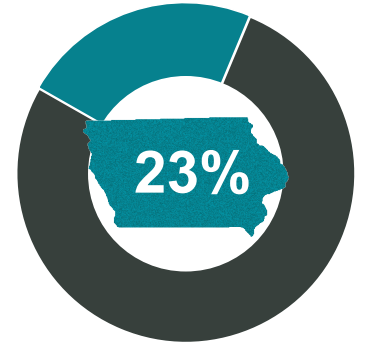
Getting the best education possible remains the surest path to good job prospects and economic well-being. Among Iowans ages 25 to 64, 22.9 percent with less than a high school diploma live in poverty. This percentage drops with higher levels of educational attainment as 11.1 percent of people with a high school diploma or equivalent live in poverty and only 4.9 percent of those with a bachelor's degree or higher live in poverty. Postsecondary education and training levels also correlate with qualifying for Medicaid and unemployment.

POVERTY STATUS, MEDICAID COVERAGE AND UNEMPLOYMENT BY EDUCATIONAL ATTAINMENT FOR IOWA'S POPULATION AGES 25 TO 64

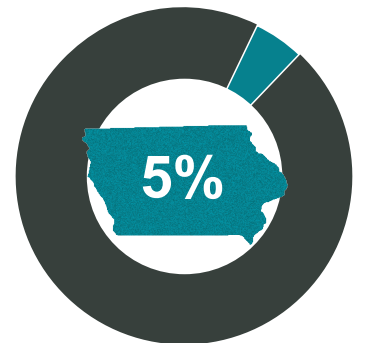


Source: 2016 Current Population Survey, 2015 data

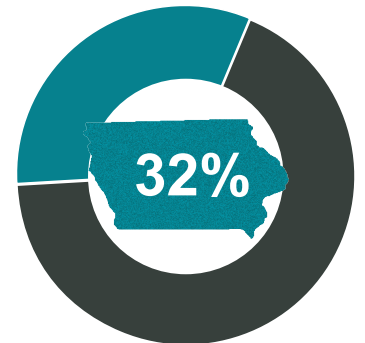
PERCENT OF IOWANS AGE 25 TO 64 LIVING IN POVERTY: NO HIGH SCHOOL DIPLOMA



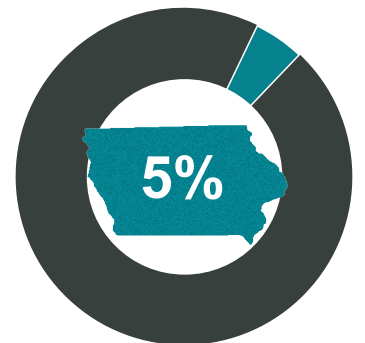
PERCENT OF IOWANS AGE 25 TO 64 LIVING IN POVERTY: BACHELOR'S DEGREE



PERCENT OF IOWANS AGE 25 TO 64 COVERED BY MEDICAID: NO HIGH SCHOOL DIPLOMA



PERCENT OF IOWANS AGE 25 TO 64 COVERED BY MEDICAID: BACHELOR'S DEGREE





GETTING TO THE GOAL



127,700

ADDITIONAL CREDENTIALS NEEDED by 2025

METRIC #17: ADDITIONAL CREDENTIALS NEEDED BETWEEN NOW AND 2025

In 2016, there were an estimated 757,600 people ages 25 to 64 in the labor force who had completed education or training beyond high school. By 2025, Iowa will need approximately 885,300 people (ages 25 to 64) in the labor force with education or training beyond high school to meet the 70 percent educational attainment goal. That means Iowa needs an additional 127,700 people to earn postsecondary degrees and other credentials. That is an average of an additional 14,189⁵ people per year with credentials or degrees between 2016 and 2025.

PROJECTED TOTAL NUMBER OF IOWANS WITH EDUCATION OR TRAINING NEED TO MEET THE 2025 GOAL⁴

YEAR	NUMBER OF IOWANS NEEDED	YEAR	NUMBER OF IOWANS NEEDED
2016 ¹	757,600 (Baseline)	2021	828,544
2017	771,789	2022	842,733
2018	785,978	2023	856,922
2019	800,167	2024	871,111
2020	814,356	2025 ⁴	885,300

Source: 2016 Laborshed Survey, Iowa Workforce Development
 2015 American Community Survey 1-Year (Table B23001) and 5-Year Estimates (Table 2301)
 2016 Woods and Poole Projections

METRIC #18: ADDITIONAL CREDENTIALS NEEDED BY POPULATION SEGMENT

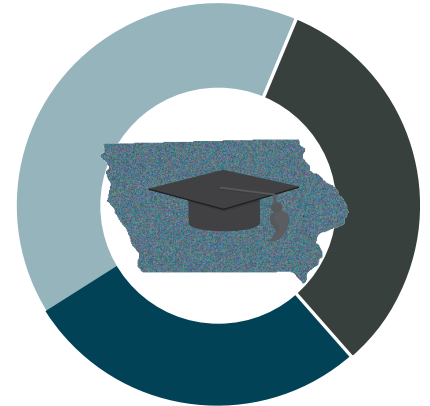
A large share of adults age 25 and older comprise a large portion of the population who have not yet earned a degree or credential (549,944). They either attended a college or training program in the past and did not complete it, or they never enrolled in college. This group makes up nearly 68 percent of the targeted population for Future Ready Iowa, representing 86,500 of the 127,700 people needed to reach the 70 percent goal.

IOWA ESTIMATED EDUCATIONAL ATTAINMENT BY AGE GROUP

POPULATION	ESTIMATED NUMBER IN 2016	PERCENT	NET ADDITIONAL CREDENTIALS NEEDED
Traditional-age students age 18 to 24.	262,364	32.3%	41,200
Adults age 25 and older, no degree or credential, but some college ⁶ .	223,952	27.6%	35,200
Adults age 25 and older with no recognized postsecondary education ⁶ .	325,992	40.1%	51,300
Total	812,308	100.0%	127,700

Source: 2015 American Community Survey 1-Year Estimate (Table B15001) 2016 Laborshed Survey

PERCENT BREAKDOWN OF THE 127,700 ADDITIONAL CREDENTIALS NEEDED BY 2025 BY POPULATION SEGMENT

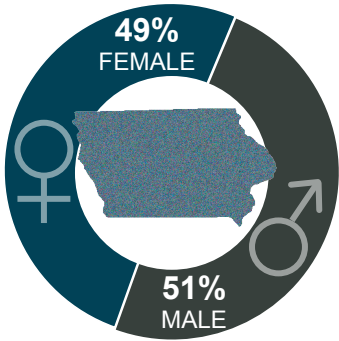


- 32.3%** Traditional-age students between ages 18 and 24
- 27.6%** Adults, 25 and older started, but did not complete a credential or degree
- 40.2%** Adults, 25 and older never started a credential or degree program

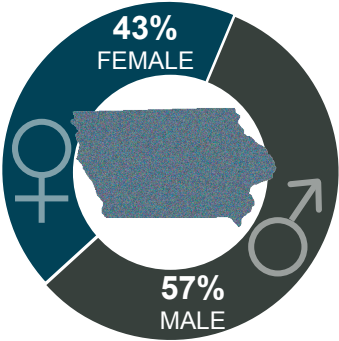


GENDER BREAKDOWN

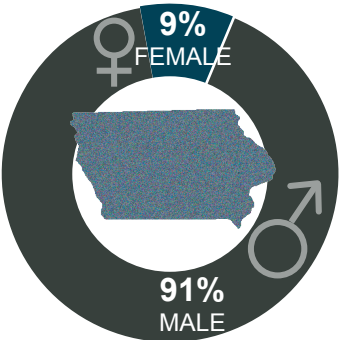
GENDER BREAKDOWN OF UNEMPLOYED IOWANS AGES 25 TO 64 WITH A HIGH SCHOOL DIPLOMA OR LESS



GENDER BREAKDOWN OF DISABLED IOWANS AGES 25 TO 64 WITH A HIGH SCHOOL DIPLOMA OR LESS



GENDER BREAKDOWN OF INCARCERATED IOWANS AGES 18 TO 64 WITH RELEASE DATES BEFORE 2025 WITH NO POSTSECONDARY CREDENTIAL



METRIC #19: ADDITIONAL CREDENTIALS BY 2025 BY UNEMPLOYED, DISABLED AND INCARCERATED IOWANS

Iowa has a lot of talent to tap that could help us reach our goal of 70 percent of the workforce with education or training beyond high school by 2025. Consider these statistics for Iowans ages 25 to 64 in the workforce: an estimated 325,992 have a high school diploma or less. Of these Iowans, there is a higher percentage of men (27.1%) who have a high school diploma or less than women (22.6%). Additionally, there are an estimated 223,952 Iowans who have taken some college coursework, but never received a credential.

Among Iowans without a high school diploma or equivalency are an estimated 70,000 disabled residents and 24,664 unemployed residents ages 25 to 64. Plus, 6,384 people ages 18 to 64 who are incarcerated in Iowa lack a postsecondary credential and are scheduled to be released from prison by 2025.

ESTIMATED NUMBER OF UNEMPLOYED AND DISABLED IOWANS WITH A HIGH SCHOOL DIPLOMA OR LESS AND CURRENTLY INCARCERATED IOWANS WITHOUT A POSTSECONDARY CREDENTIAL

RACE/ETHNICITY	UNEMPLOYED AGES 25 TO 64 ⁷	DISABLED AGES 25 TO 64 ⁸	INCARCERATED WITH A RELEASE DATE BY 2025 AGES 18 TO 64 ⁹
American Indian/Alaska Native	*	2,000	119
Asian or Pacific Islander	*	2,000	39
African-American	*	7,000	1,630
Hispanic	*	3,000	375
White	*	56,000	4,220
Total	24,664	70,000	6,384

* Data unavailable by race/ethnicity
 Source: 2016 Laborshed Survey percentages applied to American Community Survey 2015 1-Year Estimate Counts (Table B23001)
 Current Population Survey Table Creator, 2014-2016 3-Year Average
 Iowa Department of Corrections (June 2017)

Non-credit career and technical education (CTE) programs include job training, technical upgrading, and enhanced employability training. Offered by Iowa's community colleges, non-credit CTE programs are available to all Iowans, including those incarcerated in Iowa penitentiaries. During the 2015-16 academic year, 115 incarcerated Iowans enrolled in non-credit CTE programs.

CONCLUSION: CLOSING IOWA'S SKILLS GAP

Look at Iowa's education and workforce statistics to see a state well positioned to close our skills gap. The Future Ready Iowa goal of 70 percent of Iowans in the workforce having education or training beyond high school by 2025 can be accomplished if we build on this strong foundation. Just over 58 percent of working Iowans already have earned degrees and other postsecondary credentials. Still, much more needs to be done to raise public awareness and adopt policies that lead to an additional 127,700 Iowans earning degrees and other postsecondary credentials over the next eight years.

It is critical to encourage Iowans to earn those degrees and other credentials in fields that lead to high-demand jobs. Employers across the state say it is difficult to hire enough skilled workers for the positions that would help their companies grow. Meanwhile, Iowa's list of high-demand jobs must continually be updated as labor-market needs inevitably change due to automation and other innovations. The leadership of business and industry will be crucial to drive the transformation needed to better align education and the workforce as quickly and effectively as possible.

That transformation calls for emphasizing the importance of life-long learning for adults and students in order to be competitive in a global economy. But most of the 127,700 people needed to earn degrees and other credentials for Iowa to reach the 70 percent goal by 2025 will have to be adults age 25 and older. That includes Iowans with some college, but no degree; Iowans who are underemployed; and Iowans who are unemployed. Not enough 18- to 24-year-olds are in the pipeline in the next eight years to meet the 70 percent goal with this group of traditional-age students alone.

While we address the relatively short-term goal of closing our skills gap by 2025, Iowa has to think long term about how to assure our citizens and our state flourish in coming decades. That calls for far more attention to closing the academic achievement gap in elementary and secondary schools and decreasing remediation rates while increasing completion rates at two- and four-year colleges and universities. Most of the students who are struggling are from low-income homes and many are African-American, Hispanic and Native American. Iowa cannot afford to waste the talent and potential of so many young people.

While closing the skills gap is a big task, Iowans never back away from a challenge. Moving with a sense of urgency to reach the goal of 70 percent of our workforce with education or training beyond high school by 2025 will result in rewarding careers for more citizens and a more vibrant workforce for employers in the 21st century. A future that works for all Iowans depends on successfully addressing Iowa's workforce crisis.

METHODOLOGY

Iowa's Educational Attainment Goal to Close Skills Gap

1 Iowa's Laborshed Study - Educational Attainment
Iowa's Future Ready Alliance will be using Iowa's Laborshed Survey to track educational attainment of Iowans and monitor Iowa's track to its 2025 educational attainment goal. The Laborshed Survey is conducted annually by Iowa Workforce Development with support from the Iowa Economic Development Authority. The survey is conducted across the entire state and collects information from Iowans ages 18 to 64. The survey takers provide information on a wide array of workforce related topics (employment, educational/training attainment, occupation, wages, benefits).

The Future Ready Iowa Alliance chose to use the Laborshed Survey due to its flexibility to answer educational and training attainment levels in more detail that are not currently being collected by federal surveys. The Laborshed Survey was modified in January of 2017 to provide more alignment with the needs of Future Ready Iowa tracking.

The 2016 estimate of the number of Iowans age 25 to 64 in the labor force with education beyond high school is calculated by multiplying the estimated percentage of those 25 to 64 years of age who completed education/training beyond high school based on the 2016 Laborshed Survey (58.1 percent) and an estimate of the total number of Iowans ages 25 to 64 in the labor force (1,303,979) based on the 2015 American Community Survey Table B23001 (1-year estimate).

2 The 2025 estimate of the number of Iowans ages 25 to 64 in the labor force with education beyond high school is calculated by multiplying the estimated number of Iowans ages 25 to 64 who will be in the labor force in 2025 by 70 percent (the 2025 goal), resulting in an estimated 1,264,662. The calculation uses population projections from the 2016 Woods and Poole Projections and participation rates by age group from the 2015 American Community Survey Table S2301 (5-year estimate) and makes the assumption that labor force participation rates by age remain relatively constant within the next ten years.

- 3 The minority enrollment rate calculation is based on U.S. Census Bureau 2015 estimate of 11.3 percent of Iowans, 15 years of age or older, being non-white. Of that group, 9.3 percent were enrolled at an Iowa community college during the 2015-2016 academic year.
- 4 Annualized median quarterly wages calculated, both prior to and after program completion, using Iowa Workforce Development's Unemployment Insurance Wage Records. Data is prepared by Iowa Department of Education and published by the American Association of Community Colleges within the Voluntary Framework of Accountability (VFA).
- 5 The 2017 to 2024 estimates are simply a linear interpolation (straight-line estimate) between the 2016 and 2025 values. This assumes that equal progress would be made each year to reach the goal (an increase of 14,189 people per year ages 25 to 64 with education beyond high school).
- 6 The returning adult students age 25 and older who attended college or training programs, but did not earn a credential and the adults with no recognized postsecondary education was calculated by applying the 2016 Laborshed Survey percentages to the 2015 American Community Survey 1-year estimate counts.
- 7 Number of unemployed Iowans calculated by applying the 2016 Laborshed Survey percentages to the American Community Survey 2015 1-year estimate counts (Table B23001).
- 8 Number of disabled Iowans calculated using the Current Population Survey Table Creator, 2014-2016 3-year average.
- 9 Number of incarcerated Iowans due to be released based on numbers provided by the Iowa Department of Corrections, June 2017.





RESOURCES

Georgetown University: Center on Education and the Workforce. Iowa: Education and Workforce Trends through 2025. From the Georgetown University: https://cew.georgetown.edu/wp-content/uploads/Iowa_Wrkfrce2025.pdf.

Georgetown University: Center on the Education and the Workforce. Recovery: Job Growth and Education Requirements Through 2020. From Georgetown University website: <https://cew.georgetown.edu/cew-reports/recovery-job-growth-and-education-requirements-through-2020/#full-report>.

Iowa Postsecondary Readiness Reports. Iowa Department of Education, Iowa Board of Regents, Iowa Workforce Development. From Iowa Department of Education website: <http://reports.educateiowa.gov/postsecondaryreadiness/home/index>.

Iowa Workforce Development. Iowa's Long-Term (2014-2024) Occupational Projections. From Iowa Workforce Development website: www.iowaworkforcedevelopment.gov/occupational-projections.

Iowa Workforce Development. Iowa Statewide Laborshed Study. From Iowa Workforce Development website: <https://www.iowaworkforcedevelopment.gov/laborshed-studies>.

Lumina Foundation. Strategic Plan for 2017 to 2020. From the Lumina Foundation website: <https://www.luminafoundation.org/files/resources/strategic-plan-2017-to-2020-apr17.pdf>.

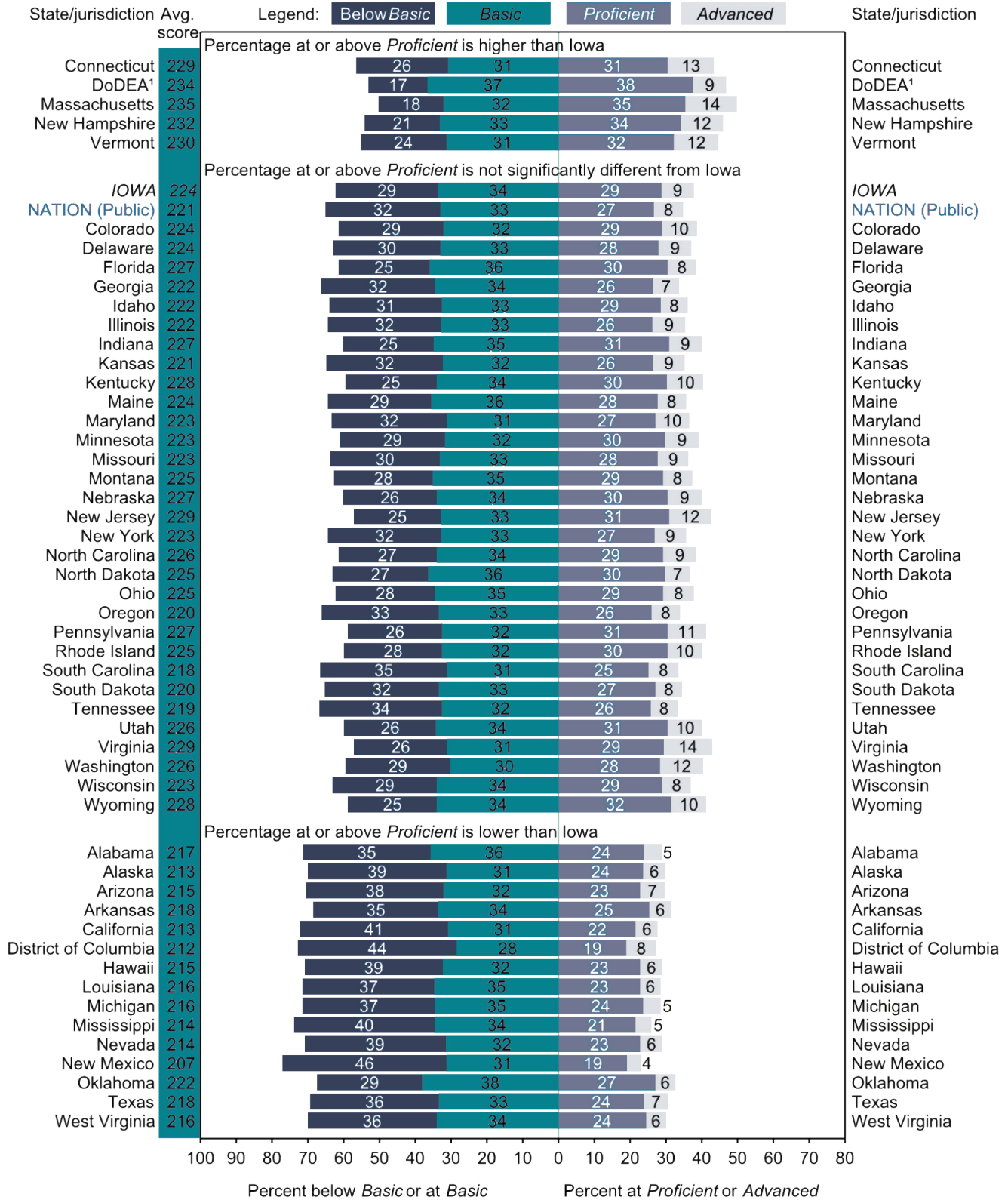
National Center for Education Statistics. Integrated Postsecondary Education Data System (IPEDS). From National Center for Education Statistics website: <https://nces.ed.gov/ipeds/>.

United States Census Bureau. American Community Survey (ACS). From American FactFinder: <https://factfinder.census.gov>.

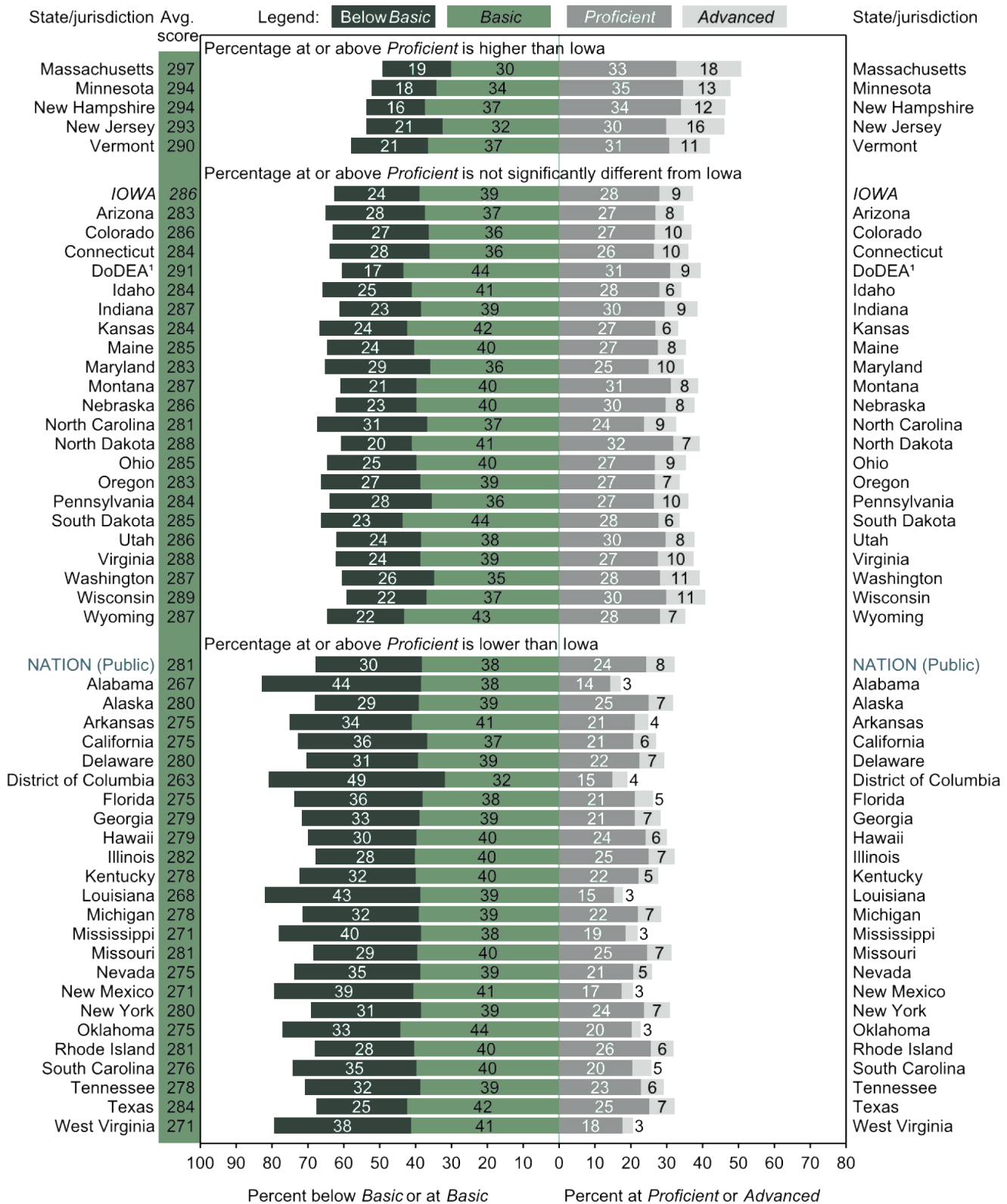
United States Census Bureau. Current Population Survey (CPS). From Current Population Survey Table Creator: <https://www.census.gov/cps/data/cpstablecreator.html>.

APPENDIX

2015 AVERAGE SCALE SCORES IN NAEP READING FOR FOURTH-GRADE PUBLIC SCHOOL STUDENTS, PERCENTAGE WITHIN EACH ACHIEVEMENT LEVEL, AND IOWA'S PERCENTAGE AT OR ABOVE PROFICIENT



2015 AVERAGE SCALE SCORES IN NAEP MATHEMATICS FOR EIGHTH-GRADE PUBLIC SCHOOL STUDENTS, PERCENTAGE WITHIN EACH ACHIEVEMENT LEVEL, AND IOWA'S PERCENTAGE AT OR ABOVE PROFICIENT



¹ Department of Defense Education Activity (overseas and domestic schools).

Note: The bars on the previous page and above contain percentages of students in each NAEP Reading and Mathematics achievement levels, respectively. Achievement levels corresponding to each population of students are aligned at the point where the **Proficient** category begins, so that they may be compared at **Proficient** and above. Detail may not sum to totals because of rounding.

Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, National Assessment of Educational Progress (NAEP), 2015 Reading and Mathematics Assessments.



ABOUT THE FUTURE READY IOWA INITIATIVE

Future Ready Iowa is an initiative to build Iowa's talent pipeline. Careers today and in the future require advanced knowledge and technical skills. Understanding that education or training beyond high school is the new minimum to earn a living wage, the goal of Future Ready Iowa is for 70 percent of Iowa's workforce to have education or training beyond high school by 2025.

FOR MORE INFORMATION, PLEASE CONTACT:

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