



REIMAGINING SOCIAL CHANGE

Central Region

PREPARED FOR ACCELERATE NEBRASKA | FEBRUARY 2016

Executive Summary

STATEWIDE AND REGIONAL SUMMARIES

Statewide summary

STATEWIDE FINDINGS

- While the **current population is predominantly white (89.4%)**, **growth in the minority population accounted for two-thirds of Nebraska's overall population growth** in the 2000s
- Overall the **poverty rate has held steady at 12.8% and unemployment is at 2.9%**, however, these **numbers vary drastically for minority populations** with over **28% of the Hispanic population living in poverty** and **unemployment reaching 15% for the black population**
- Nebraska has among the **nation's highest high school graduation rate (90%)**, **but there is a large achievement gap between minority and low income students and their white counterparts**
- There is a **strong college-going culture (69.5% college-going rate)**, but some students **are not college ready** as evidenced by **high developmental education numbers and average completion rates**
- The **majority of Nebraska's jobs are low and middle wage**, which is misaligned with the number of four-year degrees the state produces, leading to **underemployment and brain drain**

FOUR STATEWIDE OPPORTUNITIES & KEY DATA POINTS

Research suggests several opportunities to better align Nebraska's education system with the state's labor market:



Align on expectations for K-12 education outcomes

- Nebraska's average ACT score of 21.5 and 90% high school graduation rate (in 2014) are near or above national averages, yet nearly 40% of all students test below passing on the 11th grade Math NeSA. Nebraska must create clear standards to ensure that it does not continue to pay to teach students the same materials multiple times (e.g., once in high school and again in developmental education courses).



Decrease the achievement gap for Nebraska's low income and growing minority populations

- Minority and low income students are more than twice as likely to test below passing than white students on the 11th grade Math NeSA. Nebraska must provide minority and low income students and their families with additional supports if it wishes to ensure that these individuals will enter the labor market at similar rates and wages as their white counterparts.



Increase persistence and completion rates at the postsecondary level

- Postsecondary completion rates are on par with national averages (Bachelors: 55.1% NE vs. 55.5% U.S.; Associates: 30.3% NE vs. 29.2% U.S. in 2013), but have plenty room for improvement. Nebraska must improve retention and completion to ensure it does not continue to use resources educating students who drop out of college.



Increase the number of high skill, high wage jobs

- A high school diploma or less will be required for almost two-thirds of jobs in 2020. Relative to those needs, Nebraska has more than double the required number of recent graduates (aged 25-34) who attended some college or received an associate's degree. Nebraska must create more high-skill jobs to keep the educated young people who are critical for the state's future success and contribute to the state economy and tax base.

Central summary

Central, home to Grand Island, is one of the **three major commercial and population hubs** in Nebraska. The region is home to a number of minority students (primarily Hispanic) that **have large achievement gaps compared to their white peers**. Regional postsecondary institutions understand and **serve employer and student needs** within the regional context. Without any interventions, Central's future job market is expected to **require fewer four year and above degree holders** than currently reside in the region.

Demographics

- Central, home to a large and diverse (i.e., Hispanic) population center, is **one of the three major commercial and population hubs in Nebraska**
- Central's population has **8% points fewer Bachelor and Graduate degree holders** than the Nebraska average

K-12

- In line with regional demographics, Central hosts **18% of all the high school students** in Nebraska. Grand Island Public Schools (GIPS) is the largest school district in the region and is home to many Hispanic students (48% of students in the district)
- Hispanic students at GIPS **have large achievement gaps**. They are nearly twice as likely as white students to test basic on the 11th Grade Math NeSA.
- In the largest districts, **Hispanic students still graduate at nearly the same rate (86% graduation rate)** as their white peers (88% graduation rate)

Postsecondary education (PSE)

- Through community partnerships, Central's two postsecondary institutions, Central Community College (CCC) and UN Kearney do a good job of **servicing regional employer and student needs**
- Due to regional employment dynamics, nearly 60% of CCC students **leave before completing a credential, enticed by career opportunities**
- UN Kearney has **strong ties** to the local community which encourages graduates to stay in the region

Labor market

- 65% of jobs in 2022 are projected to **require a high school degree or below**
- Given the projected labor market needs, **the fastest growing occupations in the region are truck drivers and meat cutters**

Demographics

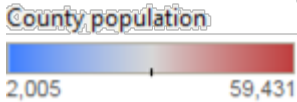
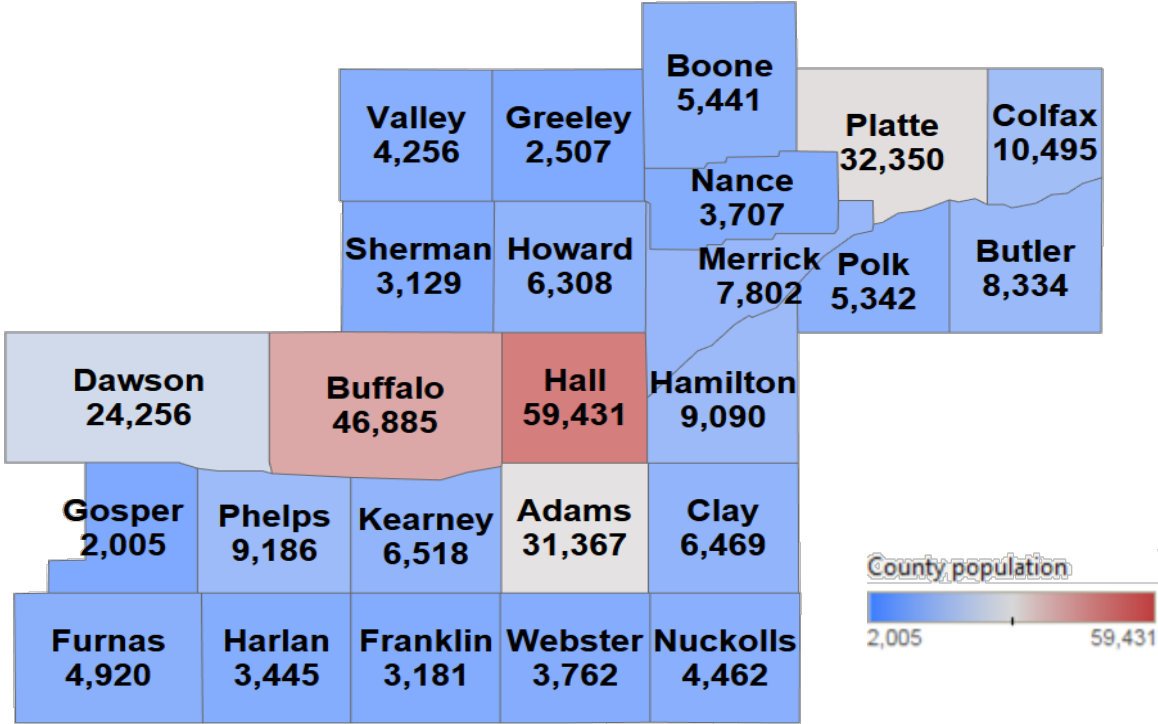
POPULATION CENTER WITH THE LARGEST PER CAPITA
HISPANIC POPULATION IN THE STATE

Home to the University of Nebraska Kearney and the state's fourth and fifth largest cities, Central is a key hub of activity



- This region represents 17% of the state's total population, with **Grand Island (Hall County) as the anchor population hub** in the region
- **Central's population has grown considerably, doubling in size since 1960.** Grand Island represents roughly 83% of Hall County's population. Between 2000 and 2013, Hall County grew by 10%

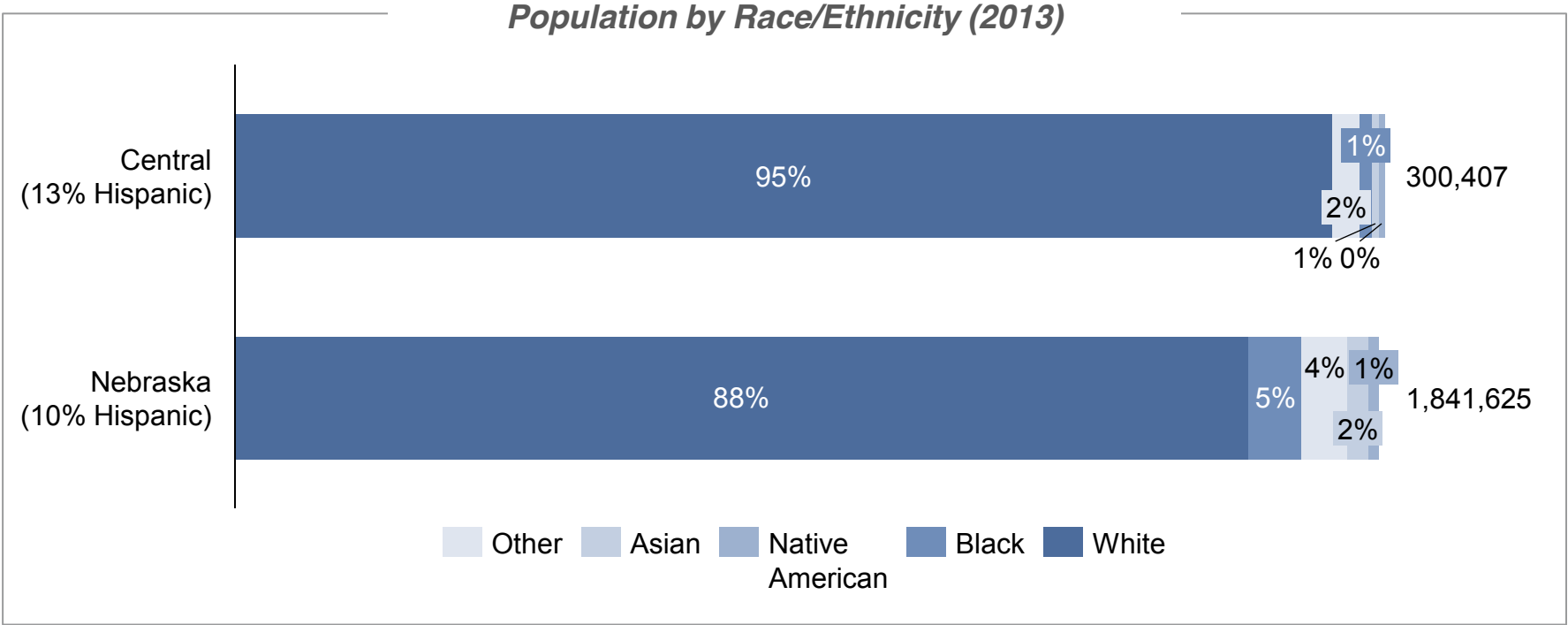
Population by County



Source: American Community Survey
 Note: The five largest cities in Nebraska are Omaha, Lincoln, Bellevue, Grand Island, and Kearney

Central is more racially/ethnically diverse than the state average

Although predominantly white, **Central has one of the largest Hispanic populations** in the state



Source: American Community Survey

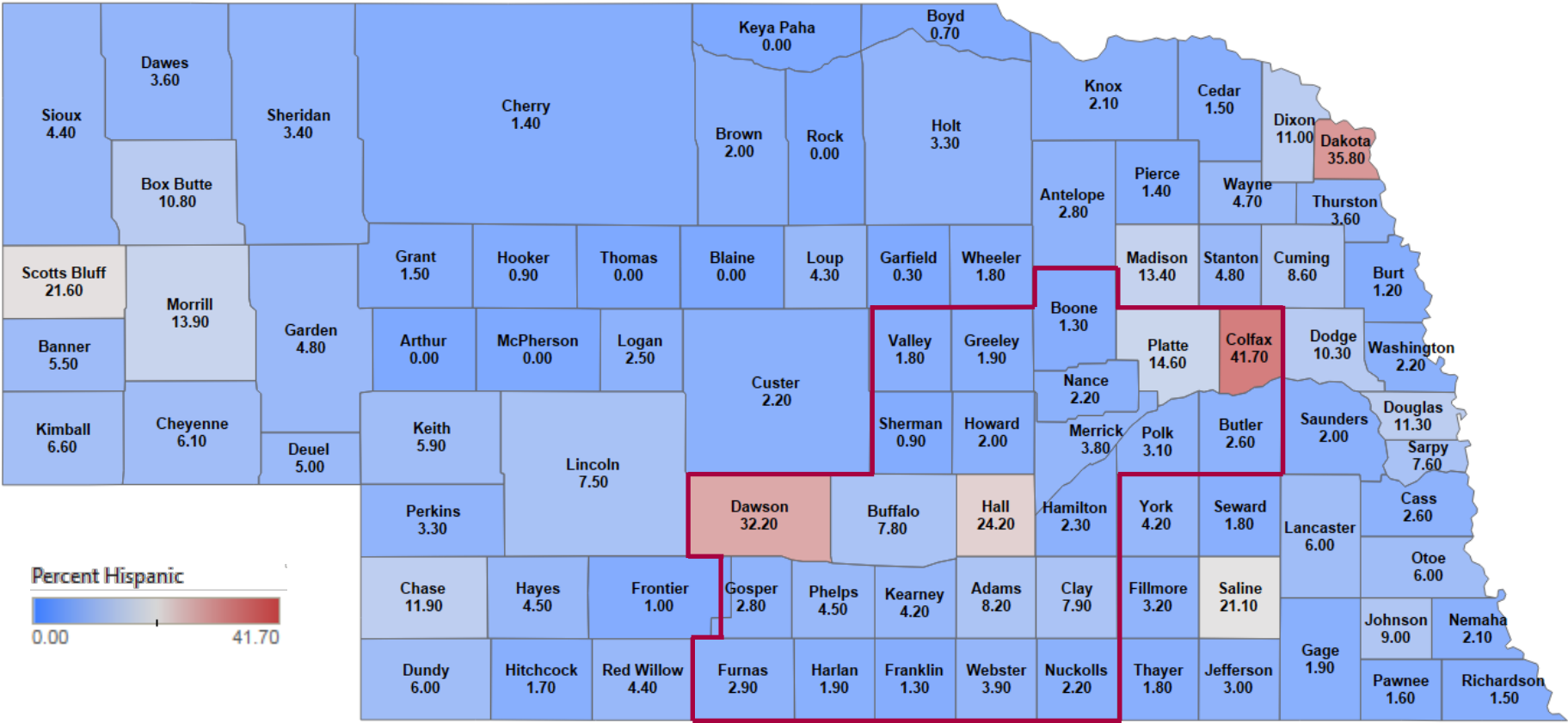
Note: As Hispanic is compiled as an ethnicity, it cannot be calculated in conjunction with race, due to significant data differences, data accounts for "one race alone" population

As the Central region has grown, so too has its diversity

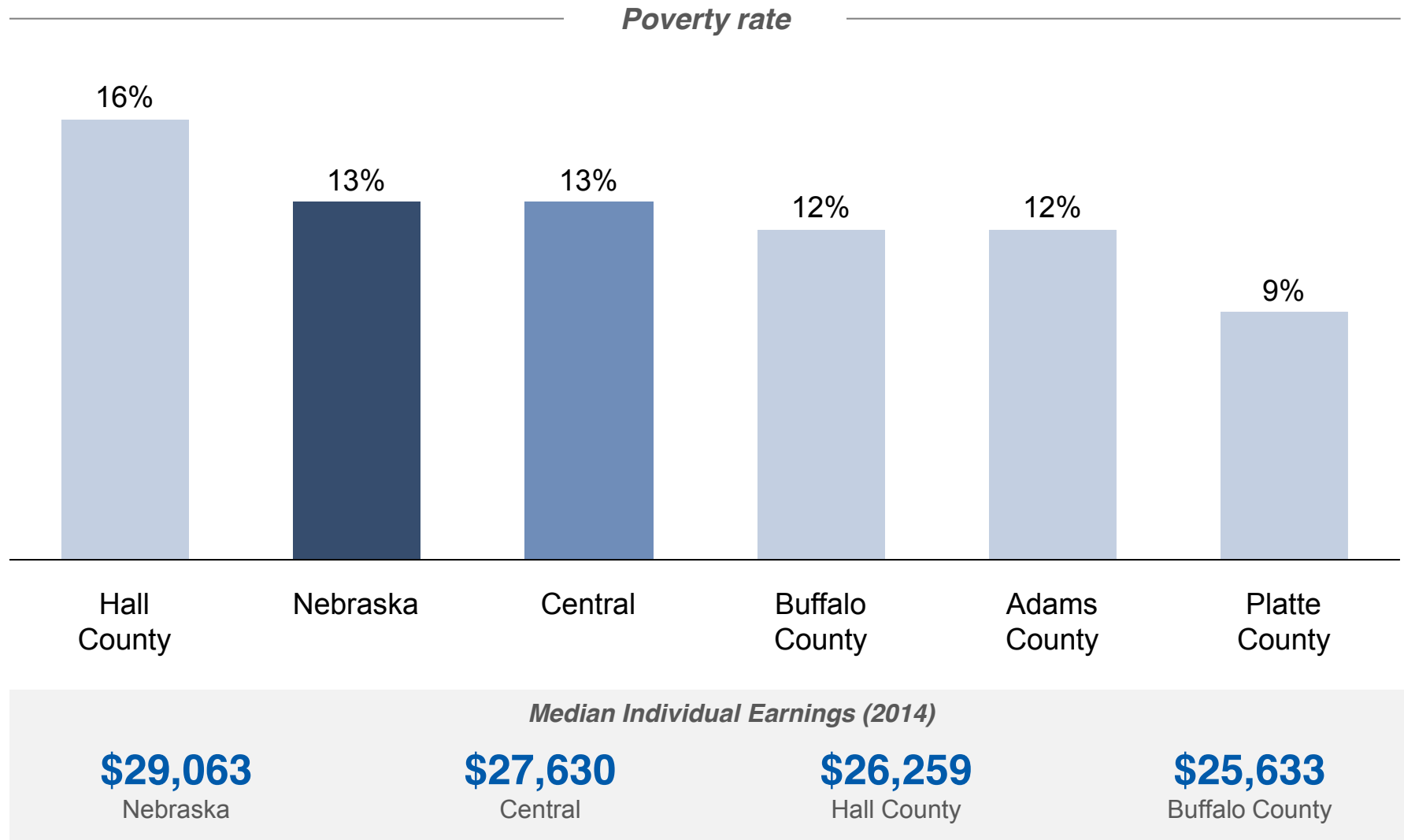


Central is home to the largest per capita Hispanic population in the state. Notably, Hispanic population growth accounted for most of Grand Island's minority population growth. From 2003-2013, **the Hispanic population increased by approximately 4,500 or 46.5%**

Hispanic Population as % of Total County Population



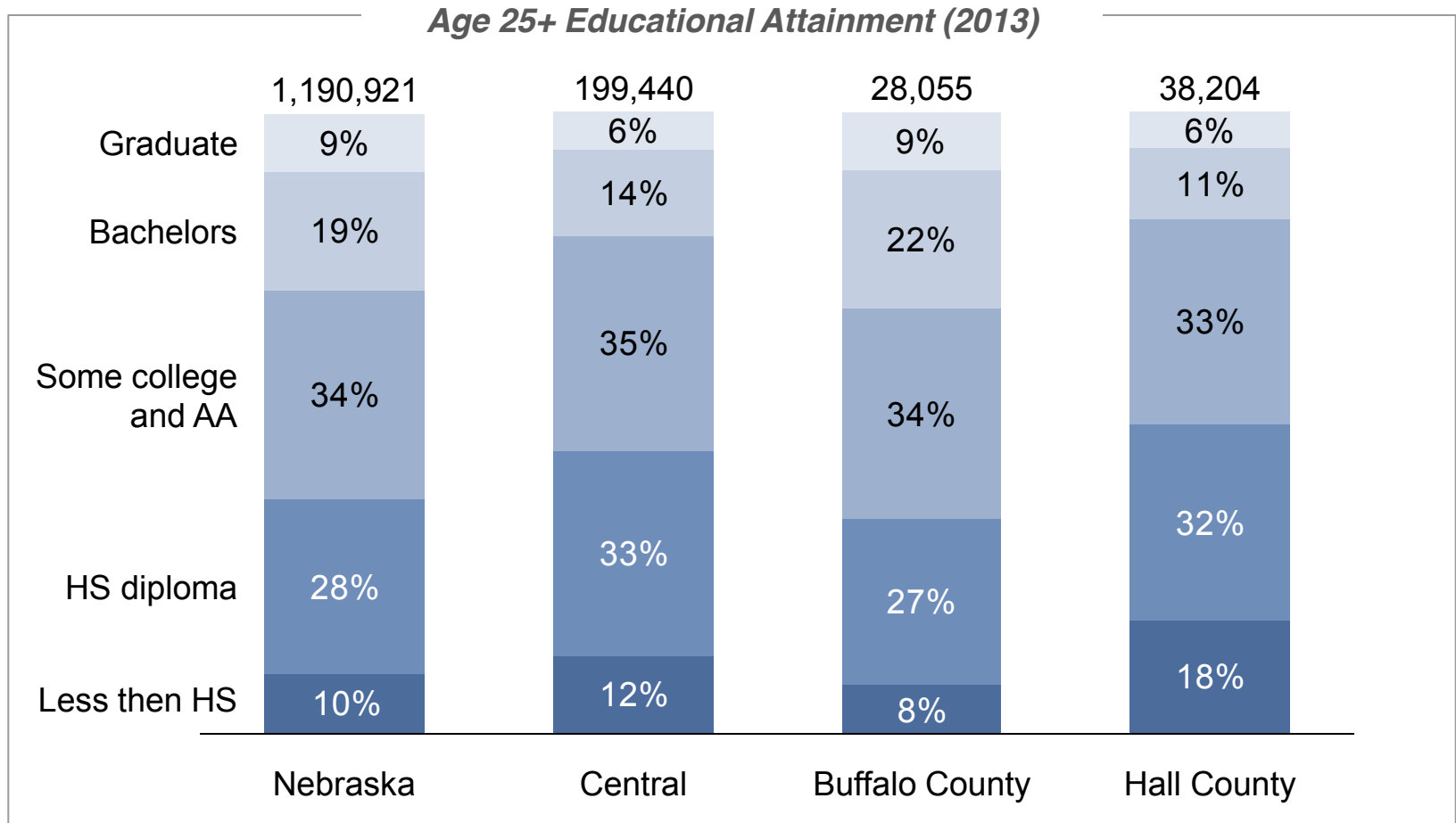
Central's median earnings are below the state average



Buffalo County, home to University of Nebraska Kearney, has more Bachelors degree holders than the state average



Given the presence of UNK as both an anchor educational institution in the region and employer, **Buffalo County has a larger number of Bachelor and Graduate degree holders**

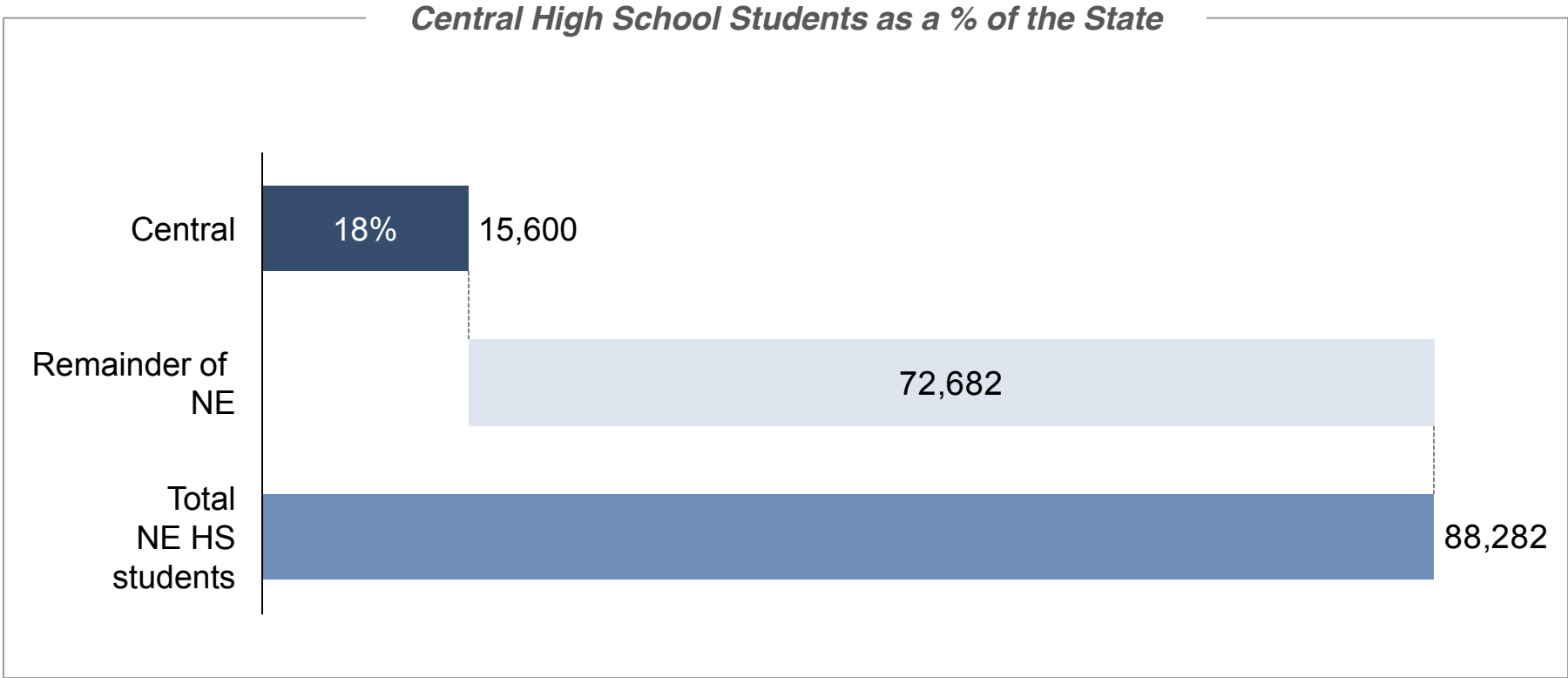


K-12 Education

THE K-12 EDUCATIONAL SYSTEM FACES A SIGNIFICANT
ACHIEVEMENT GAP

Almost 20% of Nebraska's high school students live in Central

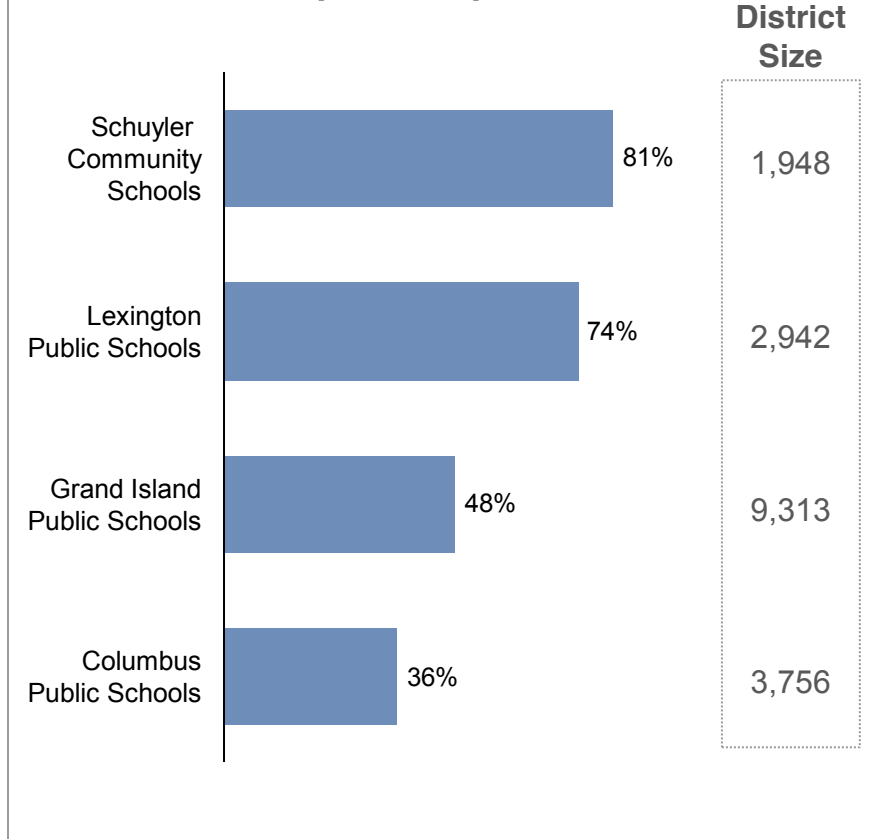
Grand Island Public Schools (GIPS), located in Hall County, is the largest district in the region. It is home to **15% of all regional high school students and ~3% of all high school students in the state**



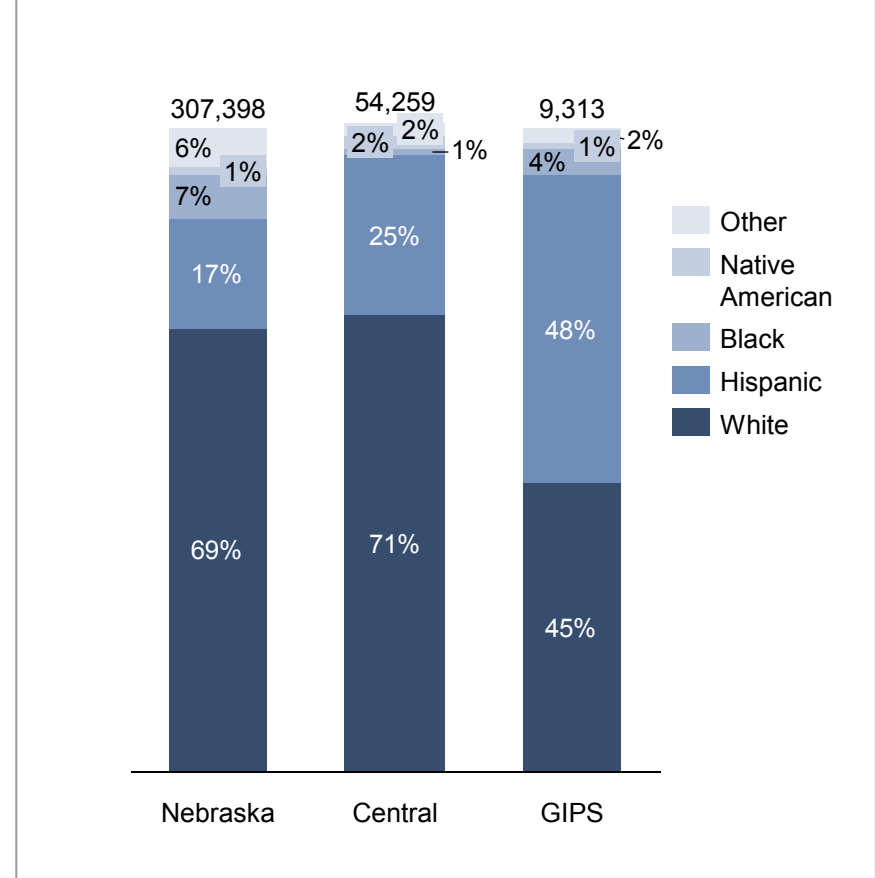
Several districts in Central have large minority student populations

Nearly half of all students in Grand Island Public Schools (GIPS), the largest district in the region, are Hispanic

Central Districts with the Largest Hispanic Populations



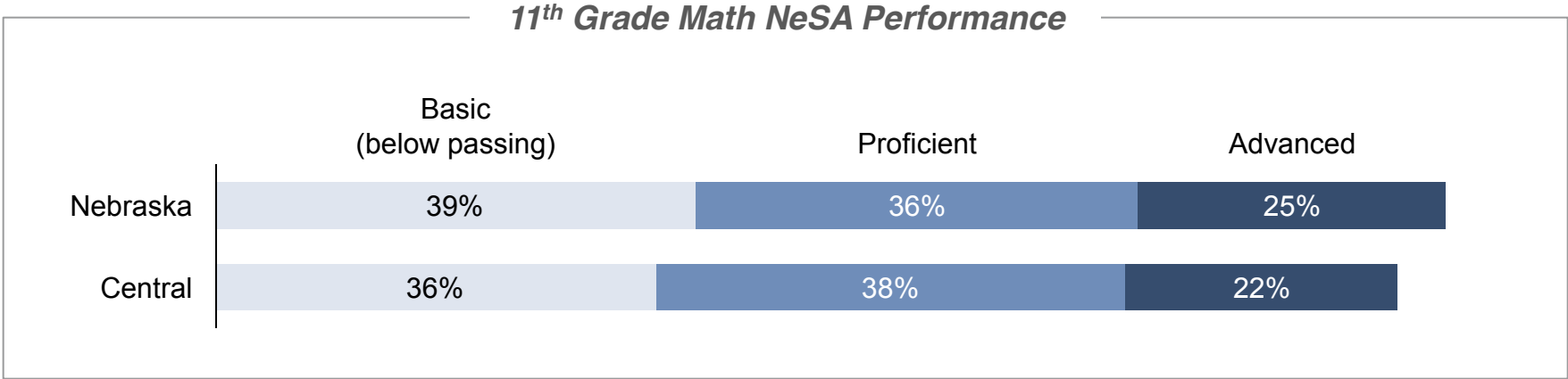
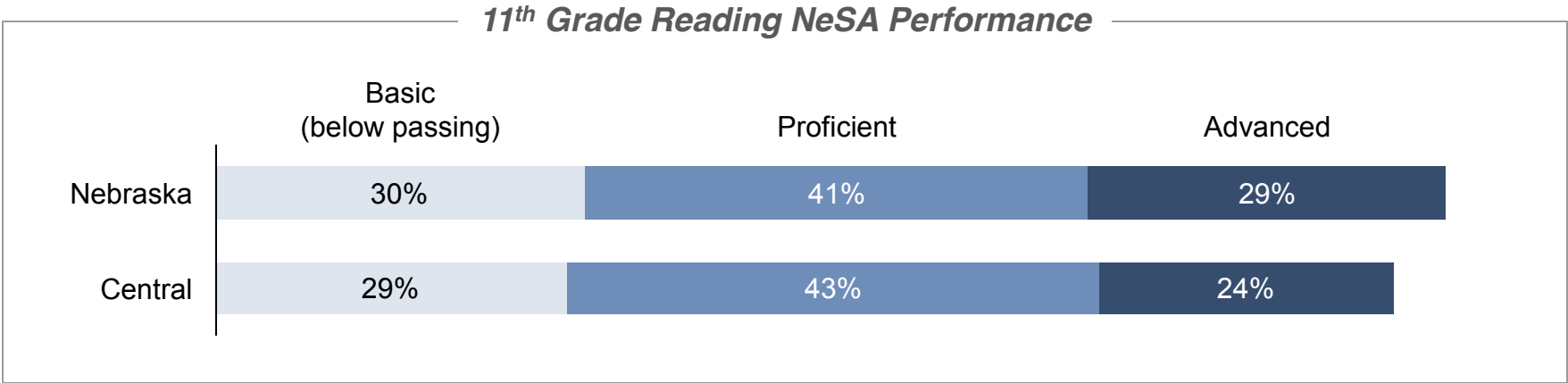
Student Ethnic and Racial Breakdown



Source: Nebraska Department of Education
 Note: Minority counts do not include "Other" category, Native Hawaiian was removed due to low numbers

Overall student NeSA performance in Central is slightly better than the state average

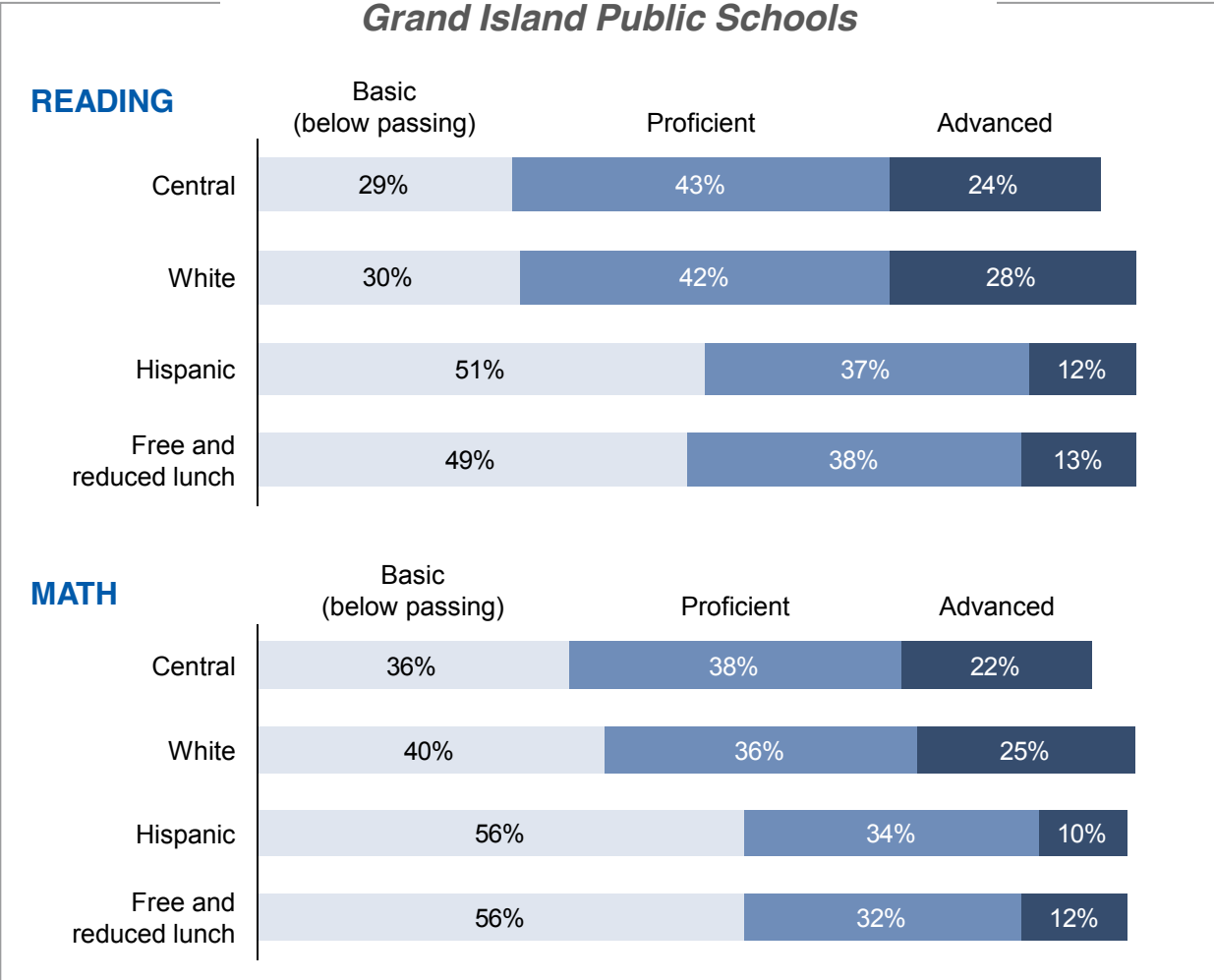
While not substantially different, **Central has a greater percentage of students testing proficient** in both math and reading than Nebraska as a whole



Source: 2014-2015 State of the Schools Report. Note: All regional performance data are weighted averages of county level data. Due to gaps in reporting regional NeSA scores will not add up to 100%. Please refer to regional presentation for additional insights.

Hispanic and low income students suffer a significant achievement gap compared to white students

11th Grade NeSA Performance in Grand Island Public Schools



Key insights

- **Hispanic students** in GIPS are nearly twice as likely as white students to **test basic in math**
- Other Central districts with significant Hispanic populations, such as Columbus Public Schools and Schuyler Community Schools, have an even more drastic achievement gap. While these districts are substantially smaller, **upwards of 65% of Hispanic students rate “basic” in math**

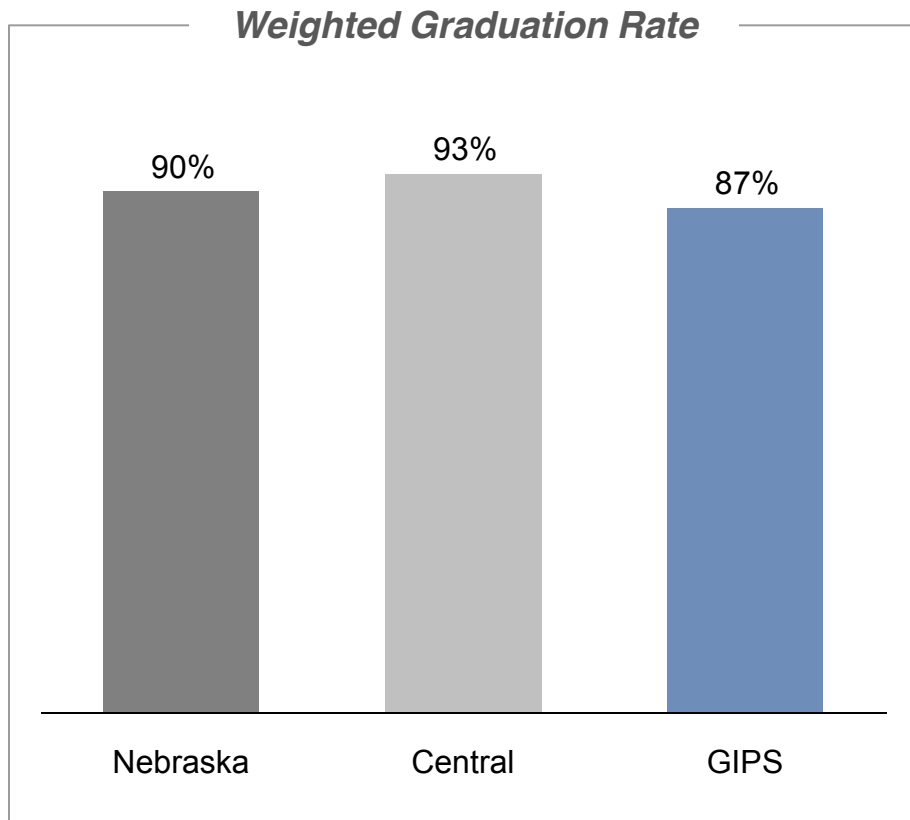
Source: 2014-2015 State of the Schools Report

Note: All regional performance data are weighted averages of county level data. Due to gaps in reporting, regions will not add up to 100%. Due to its size, FSG analysis used GIPS as a proxy for minority student performance

In the largest districts, Hispanic students still graduate at nearly the same rate as their white peers



Despite the significantly poorer performance of Hispanic students on the 11th grade Math NeSA, they **still graduate at nearly the same rate as their white peers**



Grand Island Public Schools

	Proficient or above on 11 th Grade Math NeSA	vs	Graduation rate
White	61%	vs	88%
Hispanic	44%	vs	86%
Free and reduced lunch	44%	vs	87%

Postsecondary Education (PSE)

STRONG LABOR DEMAND HAS AN EFFECT ON RETENTION & COMPLETION

Central has two postsecondary institutions with strong ties to the region

2014 Snapshot of Central Postsecondary Institutions

CC

Community Colleges:
42,005 total



Enrollment (PT + FT)	6,906 (16% of all community college students)
% Minority Enrollment	19% (20% community college average)
Retention Rate	63% (57% community college average)
Completion Rate (6 year)	25% (26% community college average)

“Our role and mission is specific. CCC maximizes student and community success. Our priority is on career and technical instruction. 91% of credentials are awarded in career/tech fields” – PSE educator

UN

University of Nebraska:
33,848 total



Enrollment (PT + FT)	5,502 (14% of all university students)
% Minority Enrollment	12% (51% of all university students)
Retention Rate	76% (14% university average)
Completion rate (6 year)	53% (52% university average)

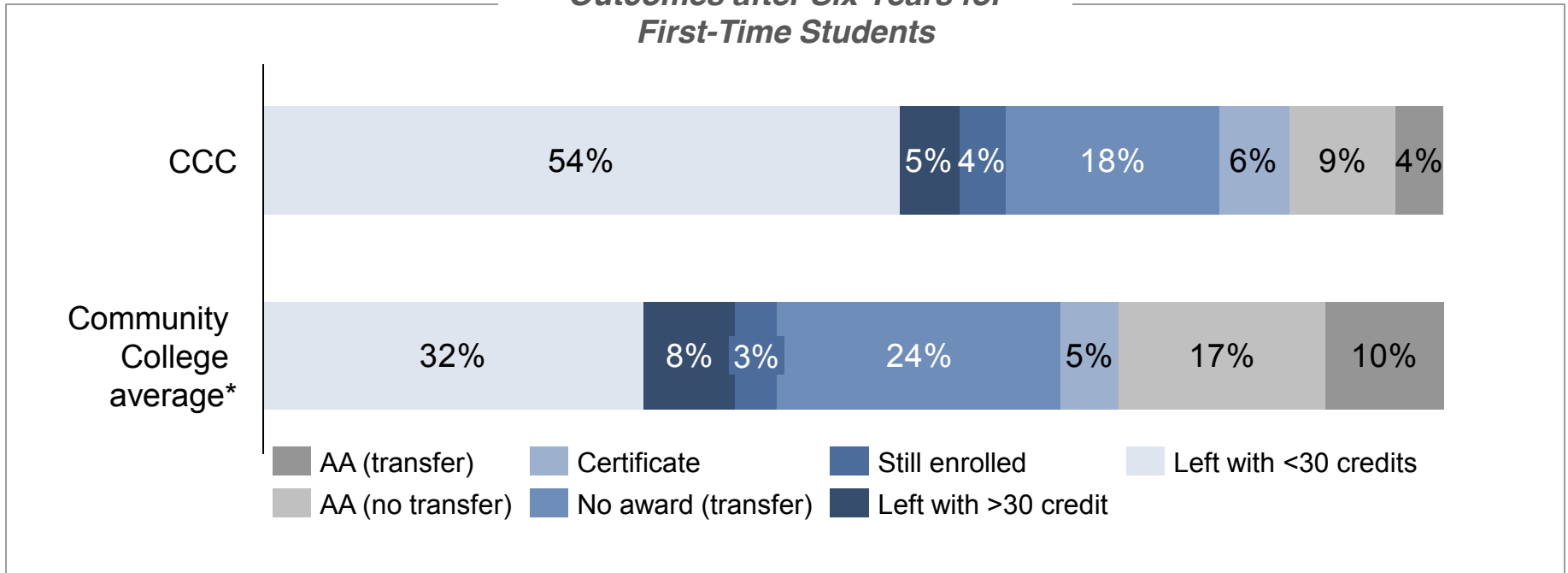
“Kearney is a residential campus with a strong focus on meeting the needs of all the students...our best people teach freshman and sophomores” – PSE educator

Central Community College (CCC) students often leave before completing a credential, enticed by the tight labor market



CCC has **strong partnerships with the local labor market** that likely influence a **lower rate of student retention and completion**

Outcomes after Six Years for First-Time Students



*“If you graphed the state unemployment rate with our enrollment and lagged those by about two years, assuming it takes that amount of time for unemployment to affect enrollment, they mirror each other almost exactly. **Why stay in school if you can make money?**” – Postsecondary educator*

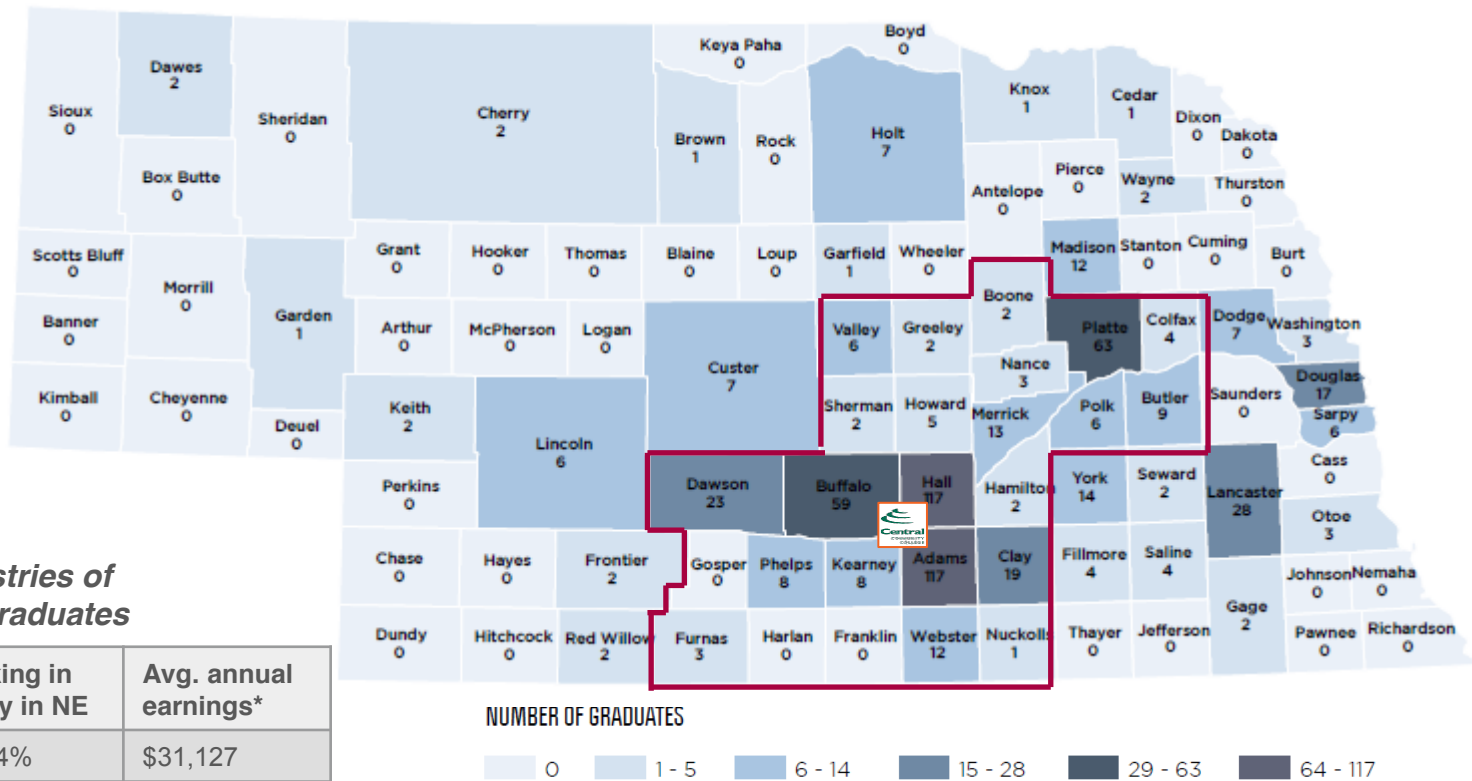
Source: Voluntary Framework of accountability

* Does not include Metro Community College as they do not report to the VFA

Most CCC graduates who stay in Nebraska remain in the region



Graduate Employment by County



Top 5 Industries of Employed Graduates

Industry	% working in industry in NE	Avg. annual earnings*
Health Care	24%	\$31,127
Manufacturing	17%	\$31,513
Retail Trade	12%	\$14,782
Wholesale Trade	7%	\$26,019
Leisure & Hospitality	5%	\$10,098

Key Takeaways

- **81%** of Central's graduates were found to be **working in Nebraska**
- The **most common industry** that Central graduates were found to be working in was **health care**
- Associate degree holders earned an **average of \$26,688**

UNK's legacy as a teacher's college is evident in the industry mix of its graduates who stay in NE

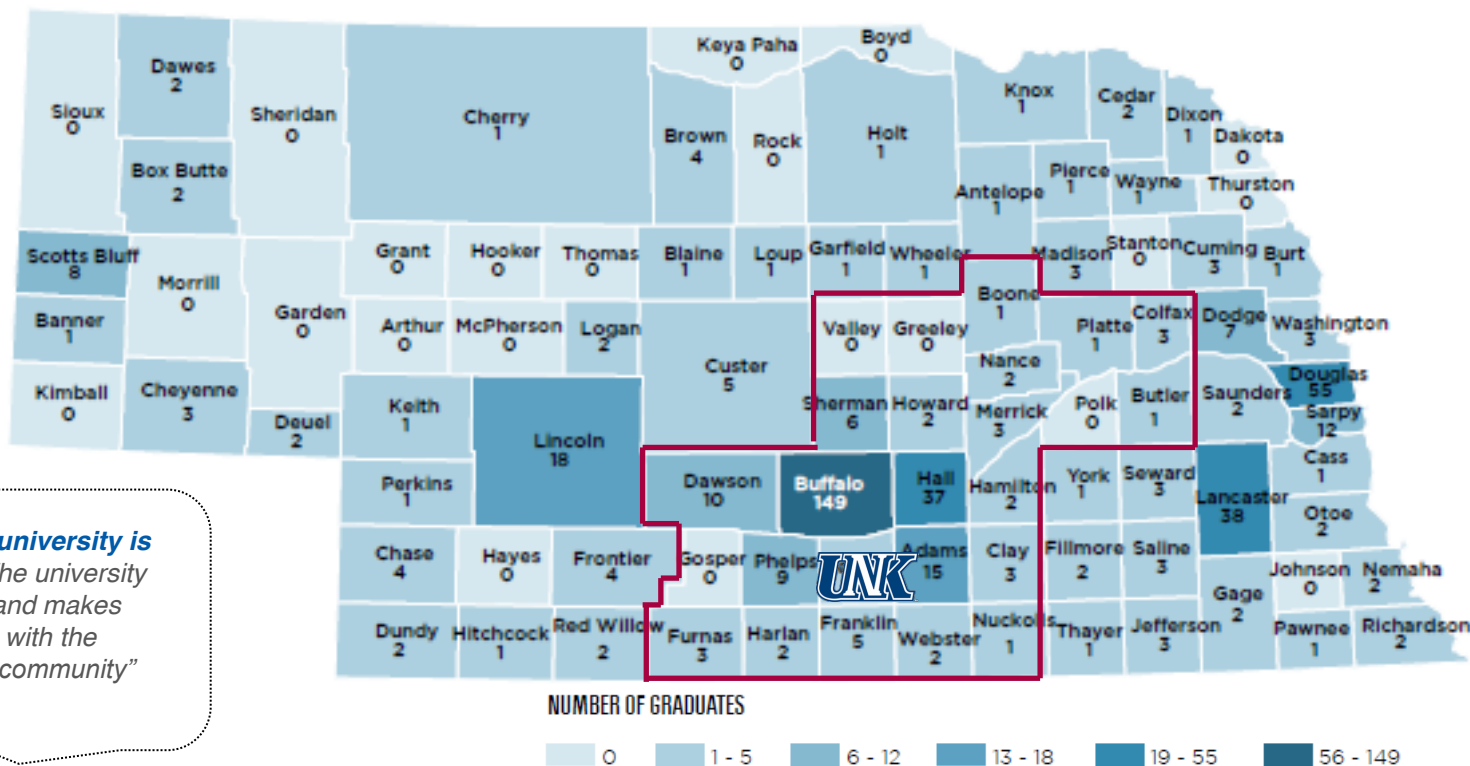
- The educational services industry employed the most UNK graduates at **43.7% of UNK graduates found working in Nebraska**
- Almost **43% of all school Superintendents** and nearly **30% of all Principals** in Nebraska are UNK graduates. Moreover, **20% of all certified staff in schools and ESUs** across Nebraska have at least one degree from UNK

Top 5 Industries of Employed Graduates

Industry	% Working in Industry in NE	Average Annual Earnings
Educational Services	44%	\$41,076
Retail Trade	11%	\$22,511
Health Care	9%	\$25,328
Public Administration	5%	\$30,680
Professional, Scientific, & Technical Services	5%	\$34,368

UNK is closely integrated with local employers leading to a number of graduates remaining in the region

Graduate Employment by County



“Kearney is thriving! **The university is an engine in Kearney.** The university works well with the town and makes sure that they are aligned with the workforce needs for their community”
– Community leader

“The university is really well integrated with the community. We have two major employers here and **we work very closely with them to make sure our curriculum is aligned to their needs.** They hire basically as many students as we can churn out” – PSE educator






Key Takeaways

- Many UNK graduates **stay and work in the Central region**, within close proximity to the university
- For all groups about whom economic data is disclosable, **minorities earning master’s degrees** were the group least apt to be found working in Nebraska

Labor Market

MISMATCH BETWEEN THE TALENT PIPELINE AND LABOR MARKET NEEDS

As one of only three metropolitan areas in Nebraska, Grand Island is the epicenter of Central’s labor market

Grand Island MSA Major Employers	Service	Employees
JBS 	Meat processing	3,500
Chief Industries, Inc. (GI location) 	Manufacturing	1,641
CHI Health St. Francis 	Healthcare	1,300
Grand Island Public Schools 	Education	1,050
Case New Holland Industrial 	Manufacturing	914

Source: American Community Survey, Grand Island Area Economic Development Corporation, Grand Island Chamber of Commerce
 *MSA=Metropolitan Statistical Area, a U.S. Census Bureau classification for major population hubs and their surrounding communities
 Note: Due to data availability, this analysis used the Grand Island MSA as a proxy for the region

The primary industries of employment in Grand Island are education and health and manufacturing

Category	Nebraska	Grand Island MSA (2014)
Labor force participation	Nebraska: 84%	Grand Island: 71.4%
Unemployment rate	Nebraska: 3.1%	Grand Island: 3.2%
Major industries (% workforce in industry)	<ol style="list-style-type: none"> 1. Education and health care: 24% 2. Retail trade: 12% 3. Manufacturing: 11% 4. Professional services: 8% 	<ol style="list-style-type: none"> 1. Education and health care: 21% 2. Manufacturing: 19% 3. Retail trade: 13% 4. Accommodation and food service: 7% 5. Construction: 7%
Median earnings by educational attainment (aged 25 and over)	<ul style="list-style-type: none"> • <i>Median earnings: \$34,236</i> • HS diploma: \$27,605 • Some college or AA: \$32,210 • Bachelor's: \$43,503 	<ul style="list-style-type: none"> • <i>Median earnings: \$30,529</i> • HS diploma: \$28,227 • Some college or AA: \$30,135 • Bachelors: \$40,667

Source: American Community Survey, Grand Island Area Economic Development Corporation, Grand Island Chamber of Commerce, Bureau of Labor Statistics

*MSA=Metropolitan Statistical Area, a U.S. Census Bureau classification for major population hubs and their surrounding communities

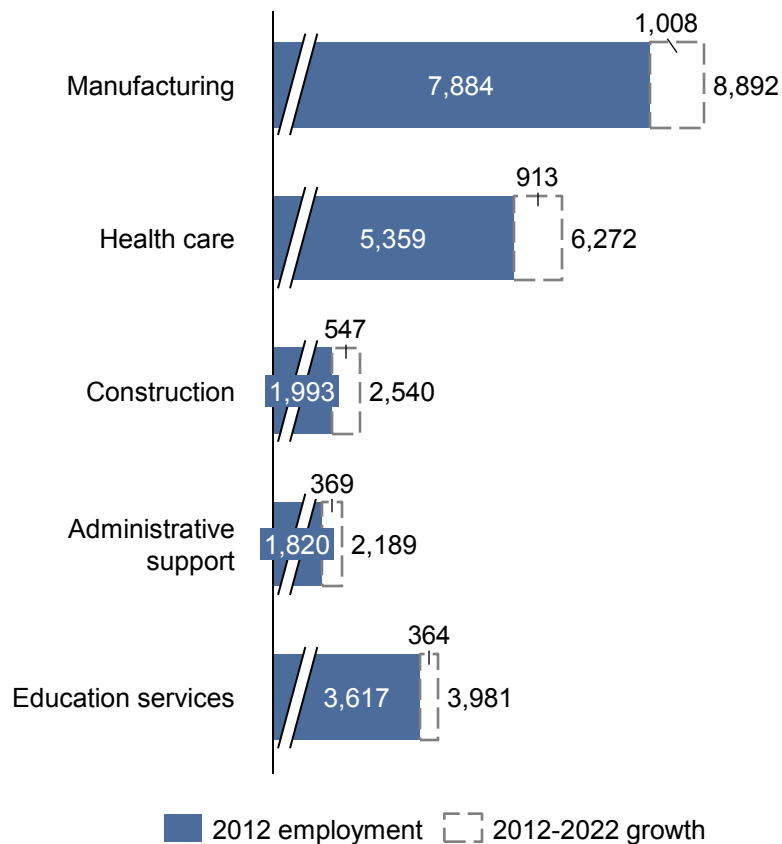
Note: Due to data availability, this analysis used the Grand Island as a proxy for the region. All city or MSA unemployment data is from December 2014 measure

Grand Island's future occupations are projected to be mainly low to middle skill

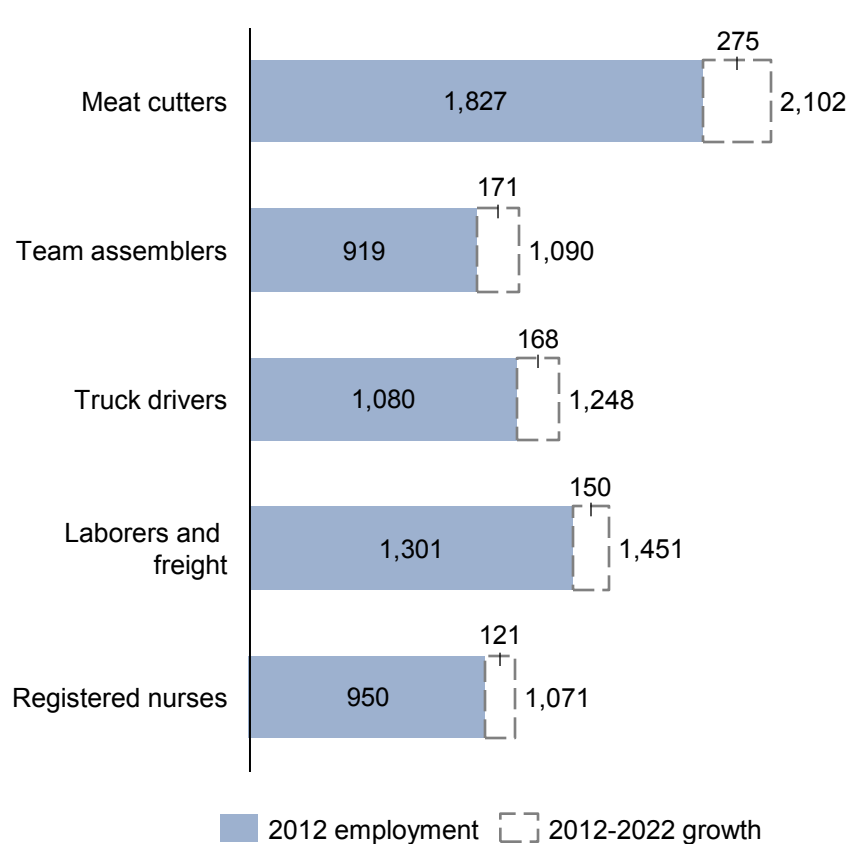


Grand Island's future jobs will be in the **healthcare, administration, and education industries**. The primary occupations will primarily be in **low skill jobs**

Projected Fastest Growing Industry by Employment (2022)
Grand Island



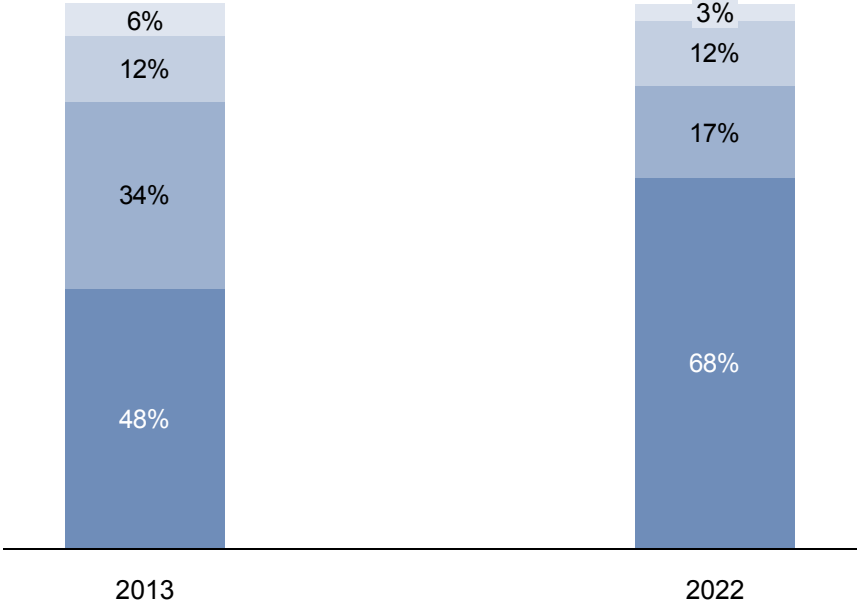
Projected Fastest Growing Occupations by Employment* (2022)
Grand Island



Additionally, many of these future occupations will only require some college and below

Given the projected labor market needs, Grand Island has the potential to **increase the number of employers who will require certificate and four year and above degree holders**

2013 Age 25+ Educational Attainment:
Grand Island MSA



2022 Long-term Occupation Projections by Educational Attainment Needs:
Grand Island MSA

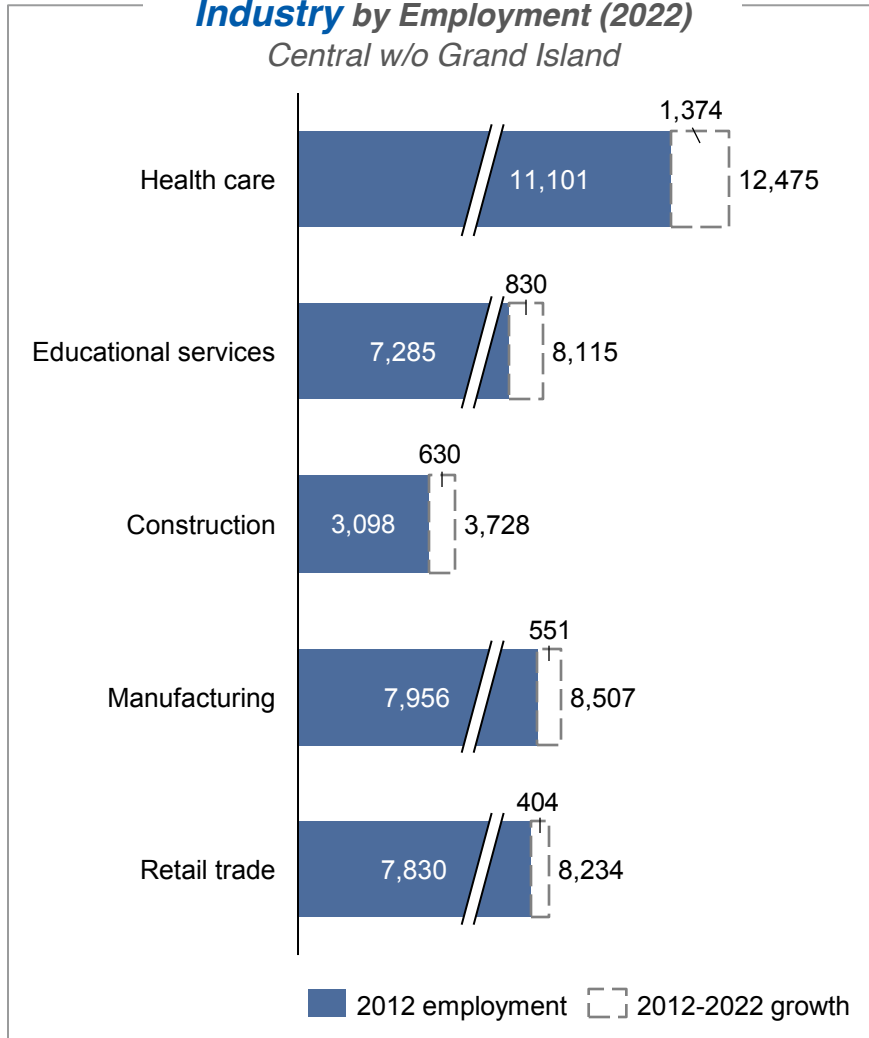
*“The Career Pathways Institute is geared toward **giving students a taste of the skills needed for industry**...There’s less insistence on 4-year and master’s degrees”*
– Business leader

*“We’re **losing high-paying jobs, despite the growth in jobs overall**. Our median household income has declined”*
– Business leader

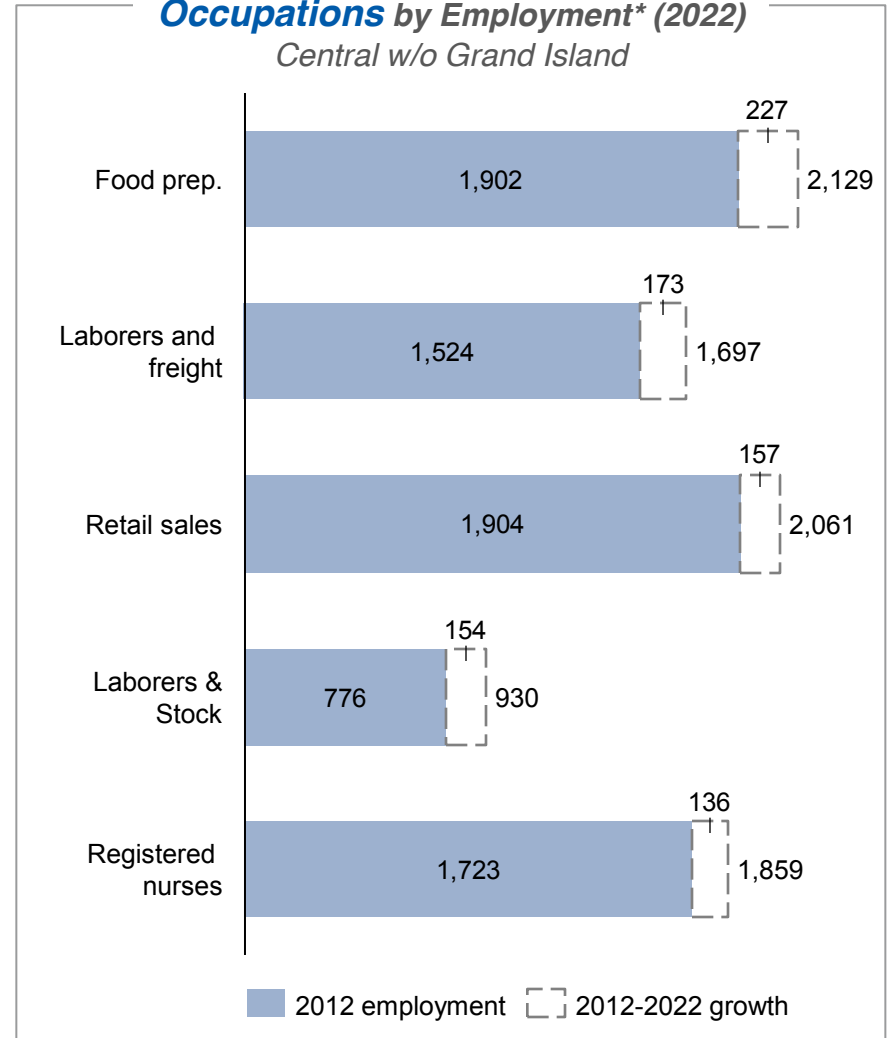
■ HS or below ■ Some college and AA ■ Bachelors ■ Graduate

The rest of Central's occupational growth will predominately be in low and middle skill jobs

Projected Fastest Growing Industry by Employment (2022)
Central w/o Grand Island

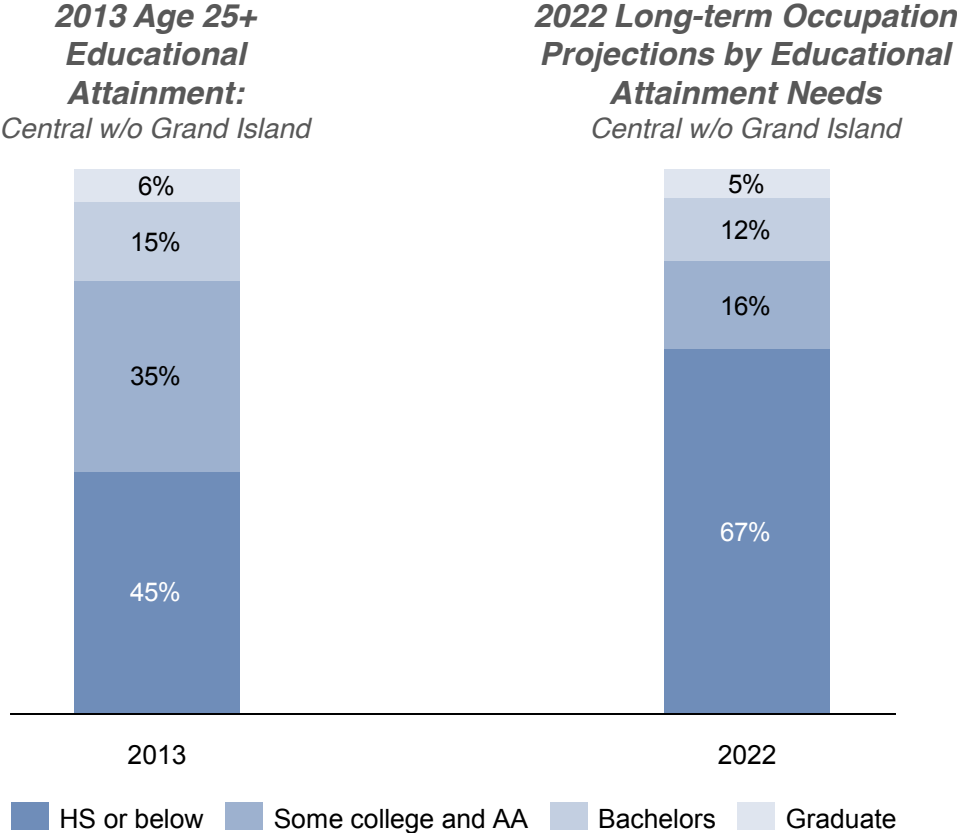


Projected Fastest Growing Occupations by Employment* (2022)
Central w/o Grand Island



A majority of future occupations in Central outside of Grand Island are projected to require some college and below

Central, outside of Grand Island, also has the potential to **increase the number of employers who will require certificate and four year and above degree holders**



*“The high school (CTE) program has become a **picking ground for manufacturing companies**”
– Business leader*

Appendix

Methodology

Research

To compile this report, FSG collected **data from a variety of sources**:

- Interviews with over **50 key stakeholders** (see slide 50 for detailed list):
 - Representatives of each of the six highlighted regions
 - Experts in K-12 education, postsecondary, labor market, and state policy, as well as community leaders
- **Secondary research and data collection**
 - Statewide education and labor data
 - National education and labor data

Regional Breakdown

- The **six community college districts are used as the geographic units of analysis** since each covers a self-contained community, or educational ecosystem, within the state
 - Metro
 - Southeast
 - Northeast
 - Central
 - Mid-plains
 - Western
- The six community college districts correspond to recognized, discrete regions within Nebraska with distinct demographic, geographic, and economic features

Labor Market Data

- Labor projections are based on **NE Works (i.e., Nebraska Department of Labor) data** rather than the Georgetown's Center on Education and the Workforce (CEW) reports. Given the methodology employed, NE Works data likely provides a more accurate estimate
 - **NE Works** makes a determination about the **skill level a given occupation requires** and then builds projections based on the skill required
 - **Georgetown's CEW** starts with the **current representation of workers at each education level in each occupation** and builds its projections from that base
- Both projections are estimates, and actual results will probably be somewhere in the middle. NE Works likely underestimates the PSE credentials and degrees, while CEW likely overstates the projections

Interviewee list

1. Eli Aguilar, AIM
2. John Albin, Nebraska Department of Labor
3. Vinc Aulick, Aulick Industries
4. Richard Baier, Nebraska Bankers Association
5. Barb Bartle, Lincoln Community Foundation
6. Jeff Carstens, Wayne State
7. President Michael Chipps, Northeast Community College
8. Senator Al Davis, Nebraska Legislature
9. David Drozd, Nebraska State Data Center, UNO
10. Paul Eurek, Xpanxion
11. Dr. Vern Fisher, South Sioux City Community Schools
12. Dean Folkers, Nebraska Department of Education
13. Susan Fritz, University of Nebraska Administration
14. Ivan Gilreath, Boys & Girls Club of Omaha
15. Travis Haggard, City of Ogallala
16. Kevin Halle, Wayne State
17. Jon Hansen, Chadron State
18. Senator Burke Harr, Nebraska Legislature
19. Matt Hastings, Nebraska Department of Education
20. Tom Henning, Cash-Wa Distributing
21. Dr. Anne Herman, United Way of the Midlands
22. Brenda Hicks-Sorenson, Former Nebraska Department of Economic Development
23. President Todd Holcomb, Western Nebraska Community College
24. President Paul Illich, Southeast Community College
25. Cindy Johnson, Grand Island Chamber of Commerce
26. Rich Katt, Nebraska Department of Education
27. Chancellor Doug Kristensen, University of Nebraska Kearney
28. Hod Kosman, Platte Valley Companies
29. Phil Kozera, BioNebraska
30. Joel Lemus, Crete Public Schools
31. Dr. Mike Lucas, York Public Schools
32. Steve Martin, Blue Cross Blue Shield of Nebraska
33. Dirk Peterson, Nucor
34. Rawnda Pierce, Twin Cities Development
35. Pat Pope, NPPD
36. Carolina Quezada, Latino Center of the Midlands
37. TR Raimondo, Behlen Mfg. Co.
38. President Ryan Purdy, Mid-Plains Community College
39. Laura Redoutey, Nebraska Hospital Association
40. Dave Rippe, Hasting Economic Development Corp.
41. Darren Robinson, Buffalo County Economic Development Corp.
42. Dr. Ron Rosati, Nebraska College of Technical Agriculture
43. President Randy Schmailzl, Metropolitan Community College
44. Chuck Schroeder, Rural Futures
45. Eric Seacrest, Mid-Nebraska Community Foundation
46. Mark Shepard, Fremont Public Schools
47. Senator Jim Smith, Nebraska Legislature
48. President Greg Smith, Central Community College
49. Charles Snare, Chadron State
50. Senator Kate Sullivan, Nebraska Legislature
51. Juli Thelen, Behlen Mfg. Co.
52. Randy Thelen, Greater Omaha Chamber
53. Dr. Rob Winter, Grand Island Public Schools
54. Eric Zeece, Nebraska Department of Economic Development



REIMAGINING SOCIAL CHANGE