



REIMAGINING SOCIAL CHANGE

# Northeast Region (N.E.)

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 11<sup>th</sup> 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 11<sup>th</sup> 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.

# Northeast summary

Northeast is a **small, low-population, region with a diverse population** (e.g., Hispanic and Native American) that holds fewer four year and above degrees than the state as a whole. Minority high school students in the region have **large achievement gaps** leading to lower regional and district graduation rates for those students. Given the projected employment mix, the region can **work to attract new businesses that would require a higher skilled workforce**.

## Demographics

- N.E. is a rural region of Nebraska with **8% of the state's population**. It is home to one of the largest Native American populations in the state
- N.E.'s rural nature and employment mix results in a population that has **35% fewer four year and above degrees** than the state average

## K-12

- N.E. hosts **approximately 8% of all the high school students** in Nebraska
- N.E.'s largest districts (Norfolk PS and South Sioux City Community Schools) have **large white and Hispanic student populations**. Additionally, Thurston County is home to over **1/3<sup>rd</sup> of the Native American students in the state**
- The region's largest districts have significant **Math achievement gaps between white and Hispanic students** where Hispanic students are a little less than twice as likely to test below passing on the 11<sup>th</sup> Grade Math NeSA than white students
- Despite testing poorly on the 11th Grade Math NeSA, minority students **still graduate from the largest districts at a high rate** (75%+ graduation rates)

## Postsecondary education (PSE)

- N.E.'s two postsecondary institutions, N.E. Community College (NECC) and Wayne State College, serve the full suite of students in the region
- NECC **serves traditional two-year degrees seekers** as can be seen through the above average number of students who complete an Associate Degree and not transfer
- Wayne State serves **primarily older, nontraditional students** who tend to work in educational services upon graduation

## Labor market

- Following in line with the current levels of regional educational attainment, only **14% of jobs in 2022 are projected to require a four year and above degree**
- The **projected fastest growing industries are truck drivers and meat cutters**

# Demographics

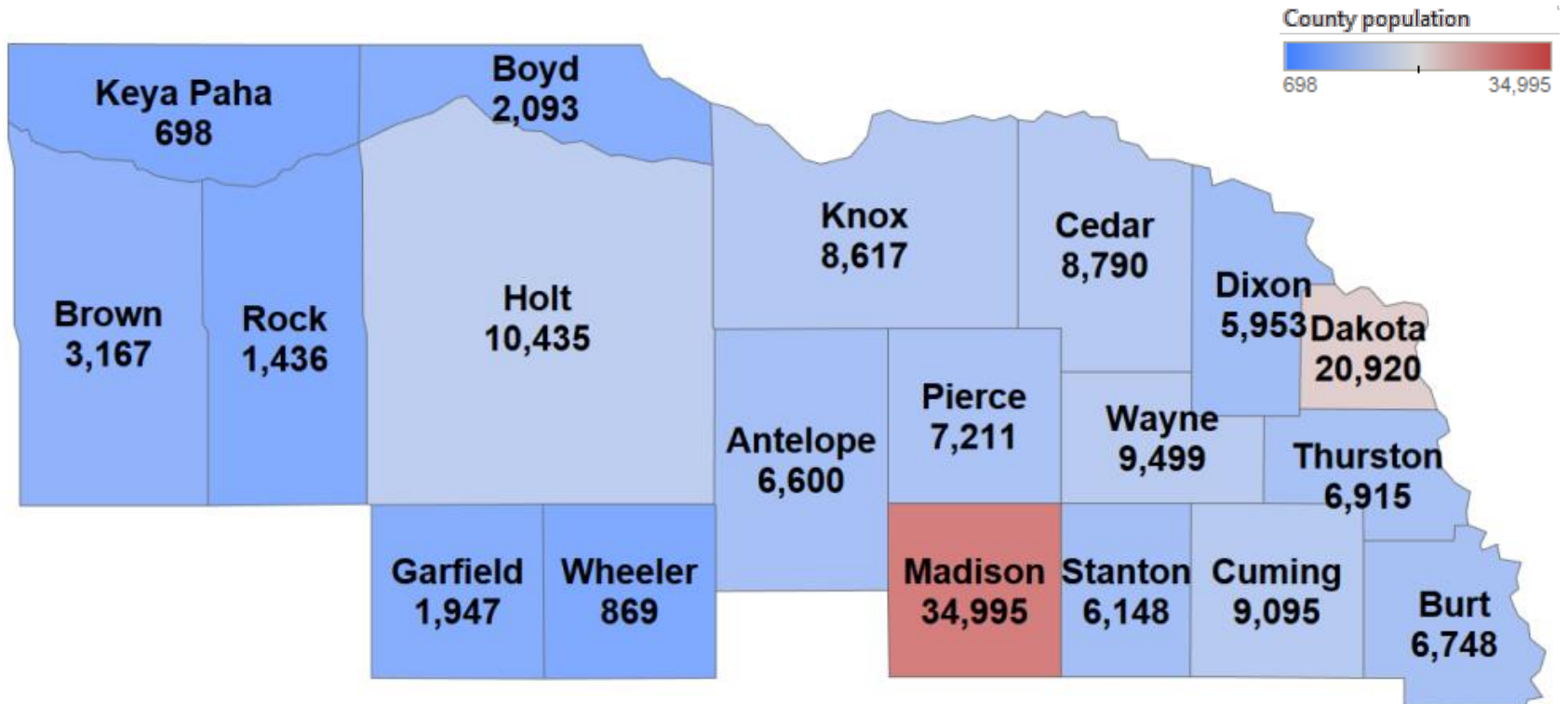
RURAL AND DIVERSE REGION WITH LOWER DEGREES OF HIGHER EDUCATIONAL ATTAINMENT

# N.E. is a rural region characterized by a few pockets of denser settlement



The region represents **8% of the state's population**

*Population by County*

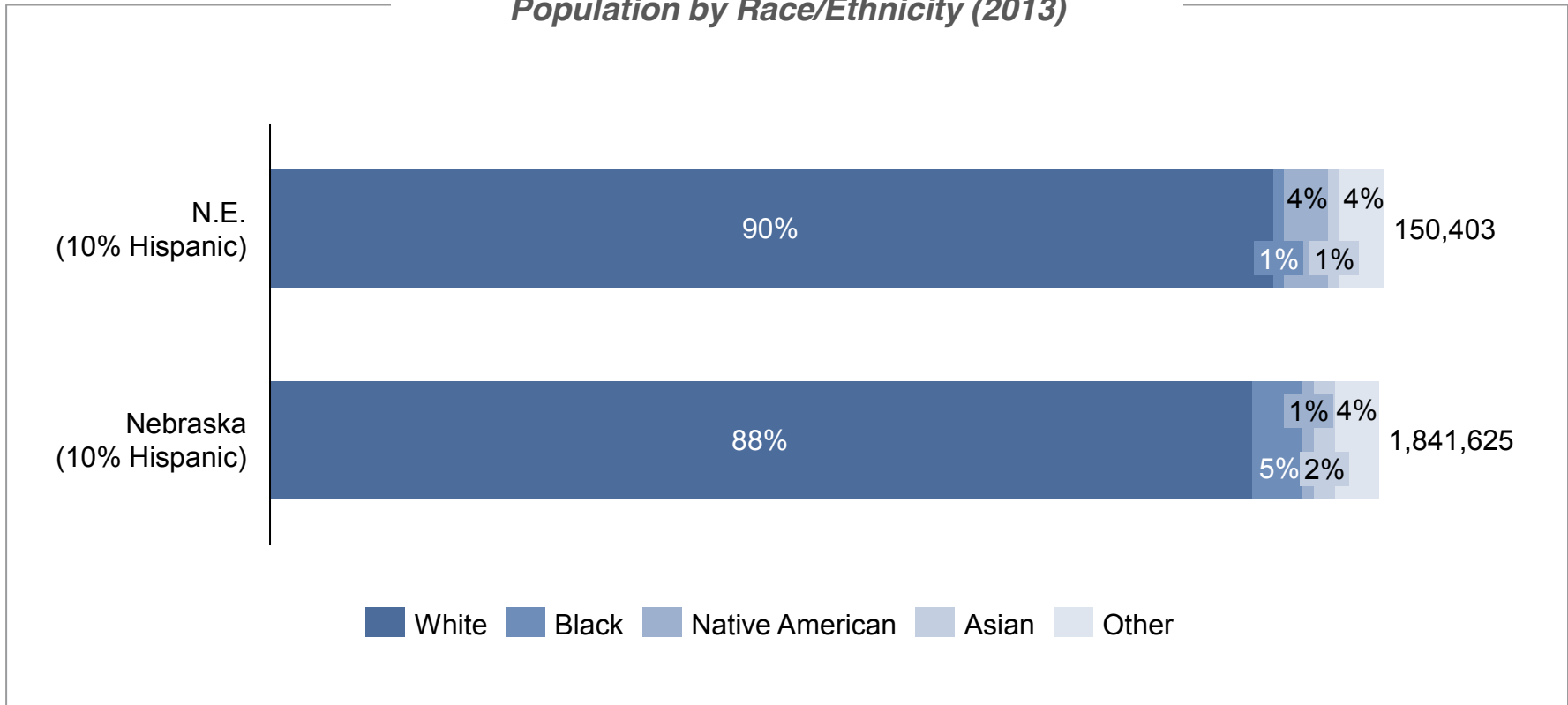


# The N.E. population is primarily concentrated in Madison and Dakota County and is predominately white



- N.E. is **90% white** and is home to over 37% of all Native American populations living in Nebraska
- Most of the minority populations living in N.E. reside in **Madison (home to Norfolk) and Dakota (home to S. Sioux City) counties**; specifically a majority of the **Native American populations residing** in N.E. live in Thurston County

*Population by Race/Ethnicity (2013)*

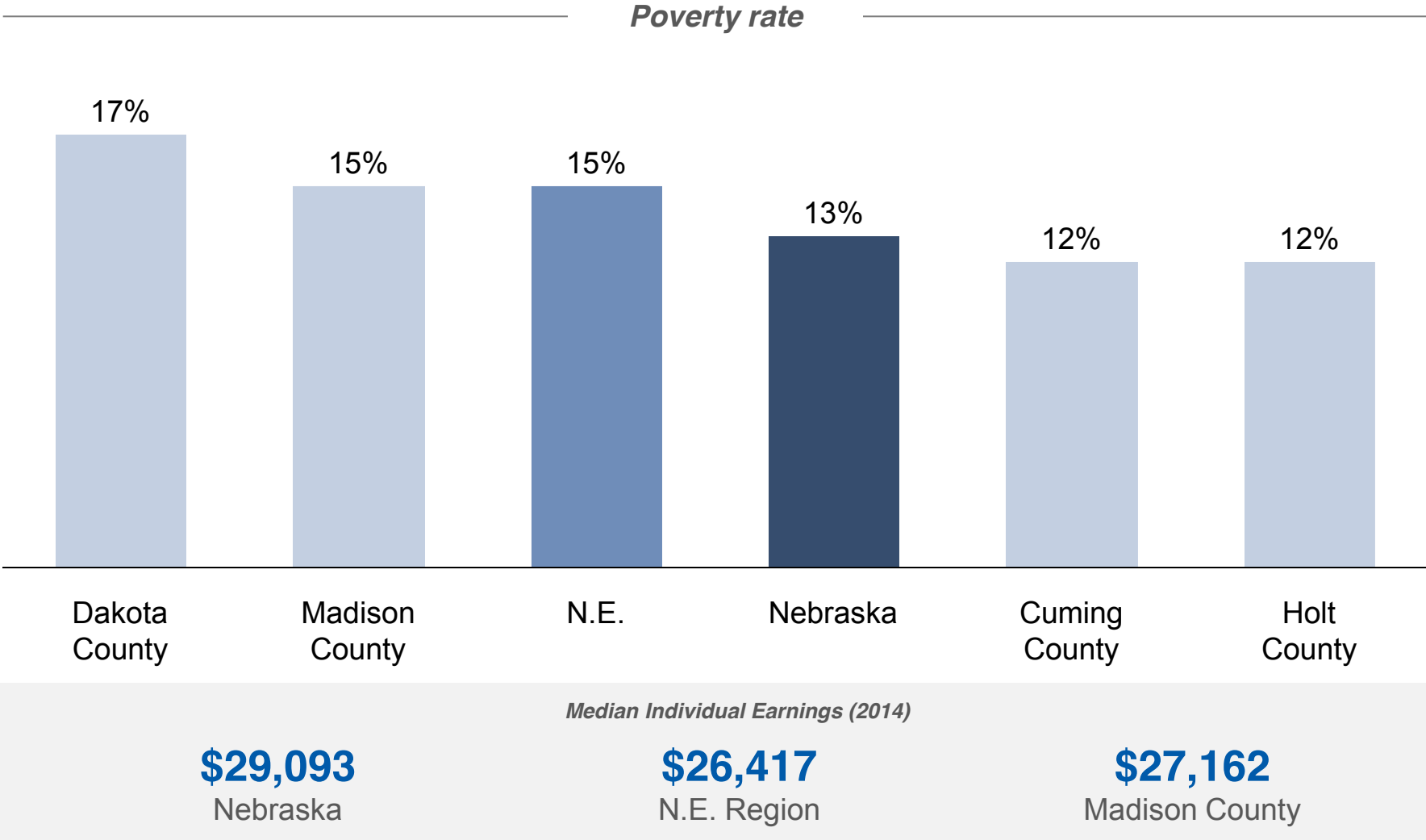


White Black Native American Asian Other

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

# N.E. has higher poverty rates than the state average and earnings that fall below the average

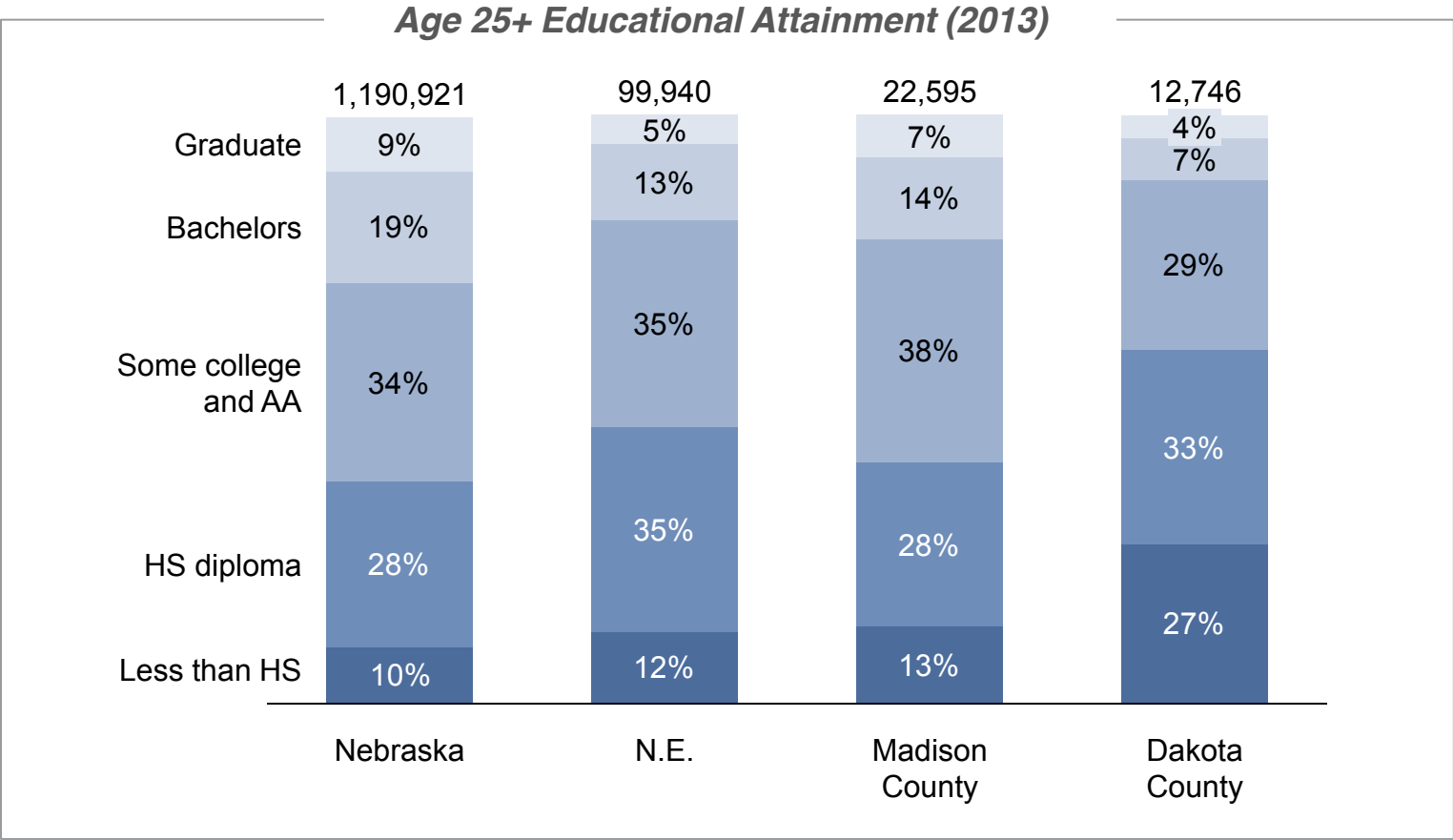




# N.E.'s rural nature and employment mix results in a population that has far fewer four year and above degrees than average



N.E.'s rural geography and primary industries of employment result in lower levels of **educational attainment than the average**



# K-12 Education

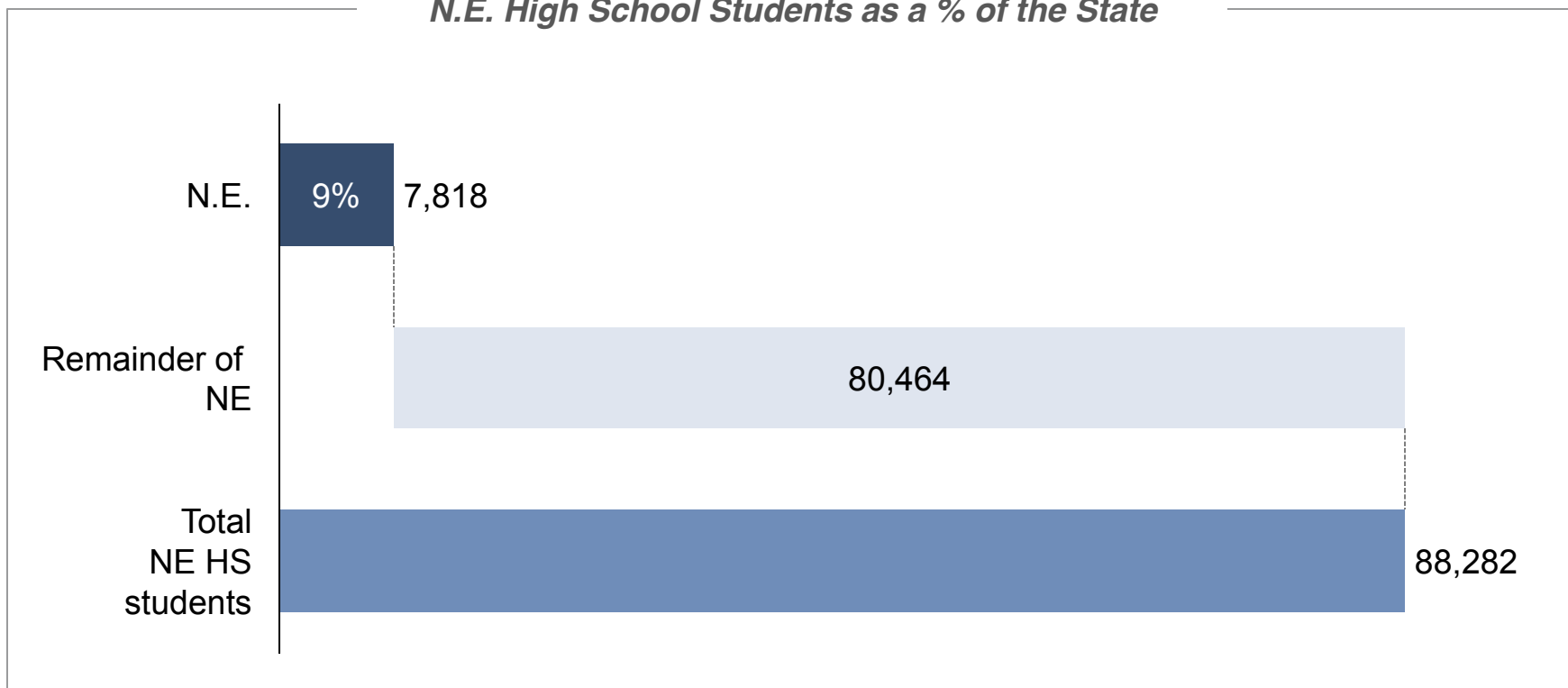
MINORITY AND LOW INCOME STUDENTS FACE LARGE  
ACHIEVEMENT GAPS

# Nine percent of all high school students in Nebraska reside in N.E.



- Norfolk Public Schools (NPS) and South Sioux City Community Schools (SSCCS) are the **largest schools districts in the region**
- Combined, both districts hold 32% of high school students in the region and are home to **3% of all high school students in the state**

*N.E. High School Students as a % of the State*

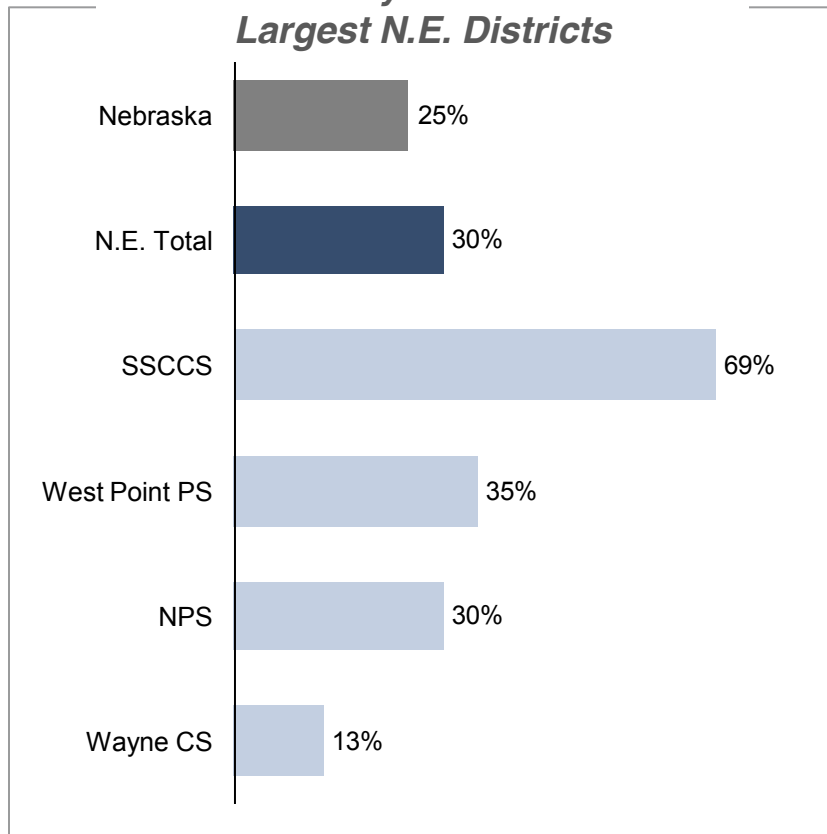


# The N.E. region is home to large Hispanic and Native American student populations

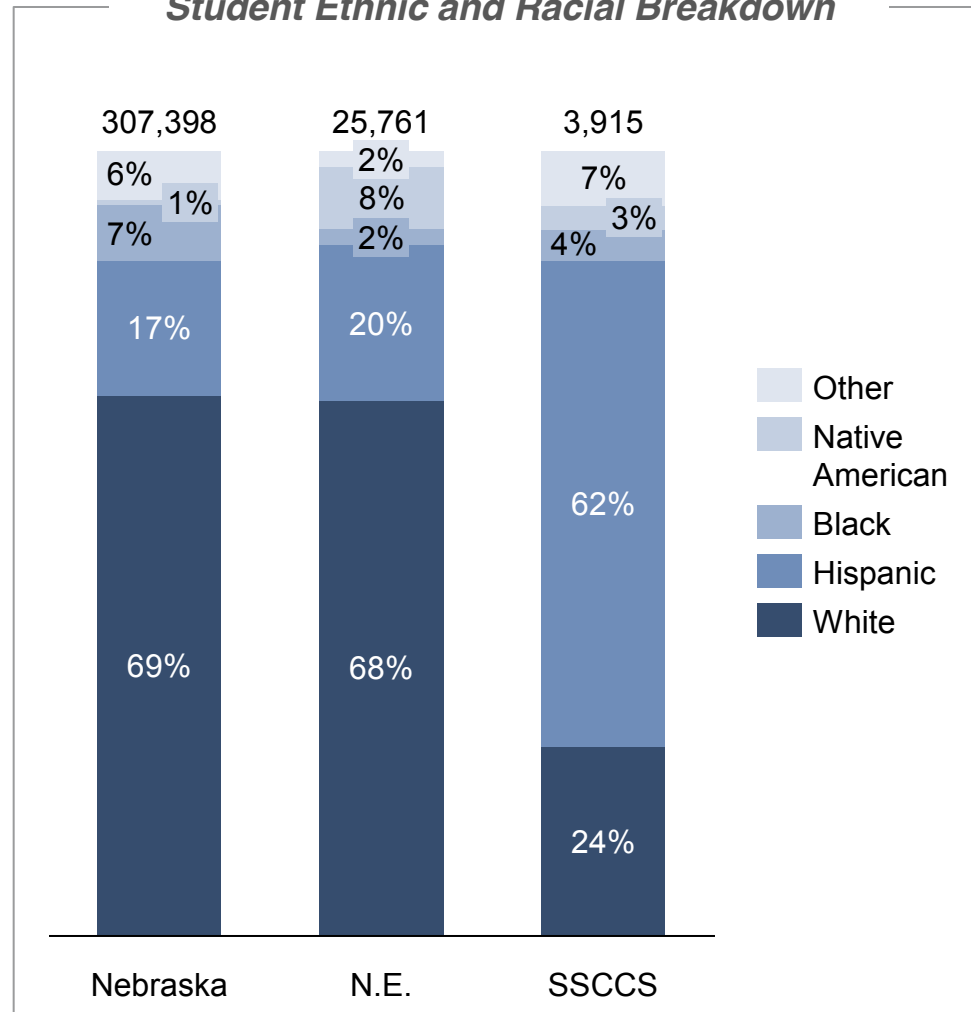


Overall, N.E.'s K-12 student population is ethnically diverse with large **Hispanic (20%)** student populations

**% of Minority Students in the Largest N.E. Districts**



**Student Ethnic and Racial Breakdown**



- Other
- Native American
- Black
- Hispanic
- White

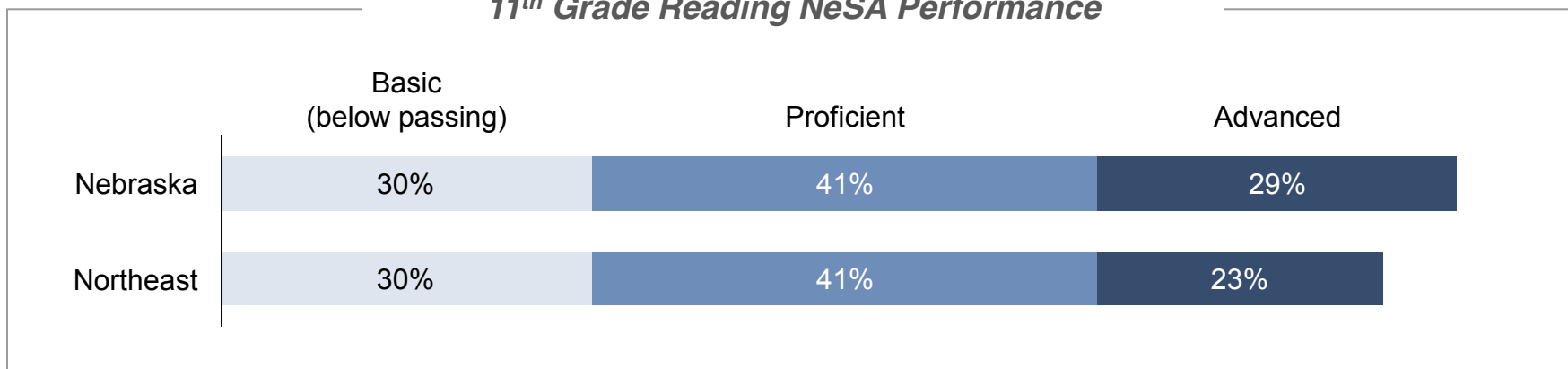
Source: Nebraska Department of Education

Note: Minority counts do not include "Other" category, Native Hawaiian was removed due to low numbers

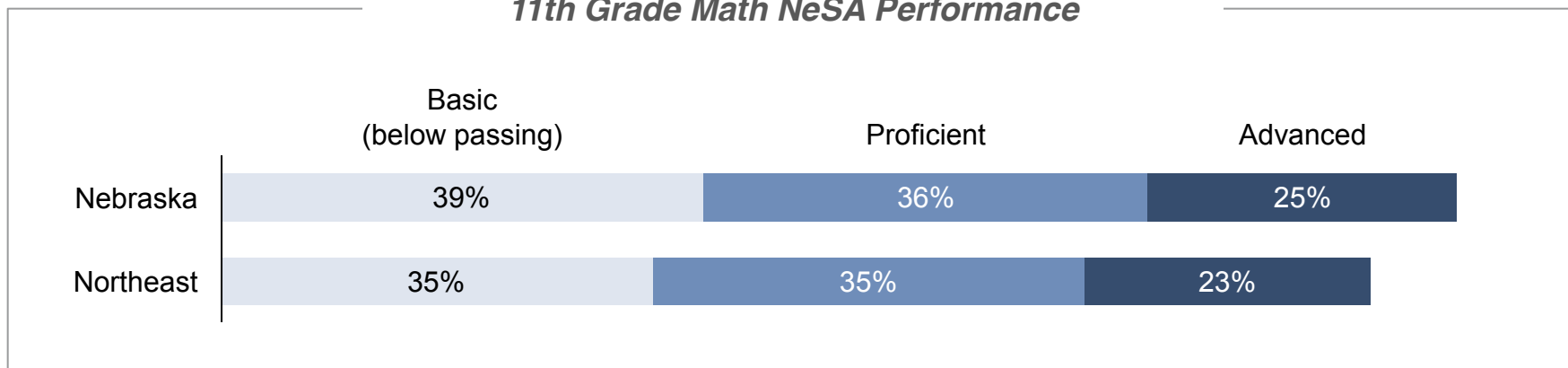
# Overall N.E. students perform close to average on the 11<sup>th</sup> Grade Math and Reading NeSA

N.E. students **test at a similar level to the state's 11th grade NeSA average**, with a slightly smaller population testing below passing in Math

### 11<sup>th</sup> Grade Reading NeSA Performance



### 11<sup>th</sup> Grade Math NeSA Performance



Source: 2014-2015 State of the Schools Report

All regional performance data are weighted averages of county level data.

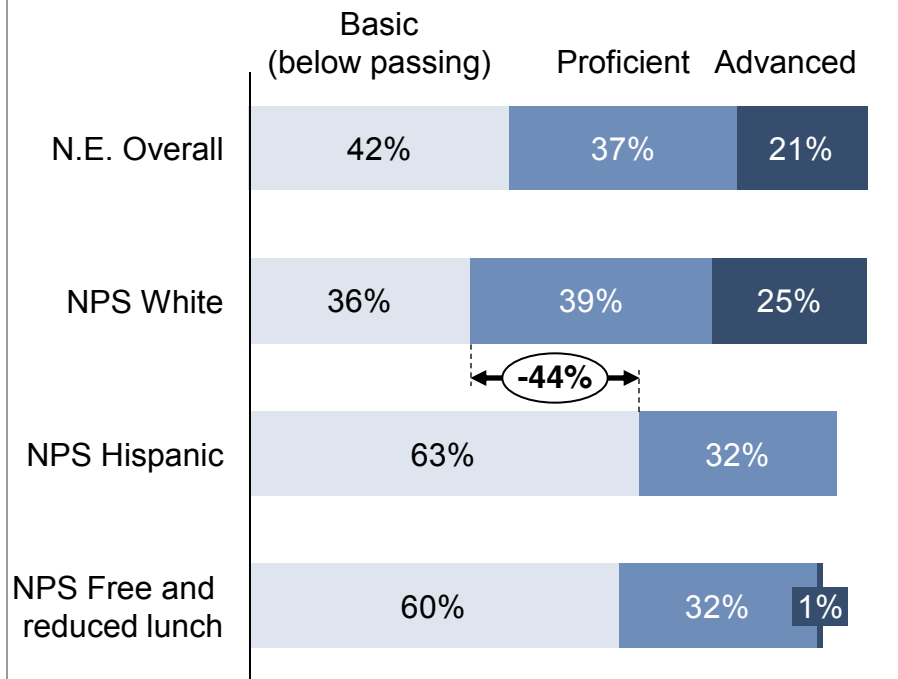
Due to gaps in reporting regional NeSA scores will not add up to 100%. Please refer to regional presentation for additional insights.

# NPS and SSCCS have a significant Math achievement gap between white and Hispanic students

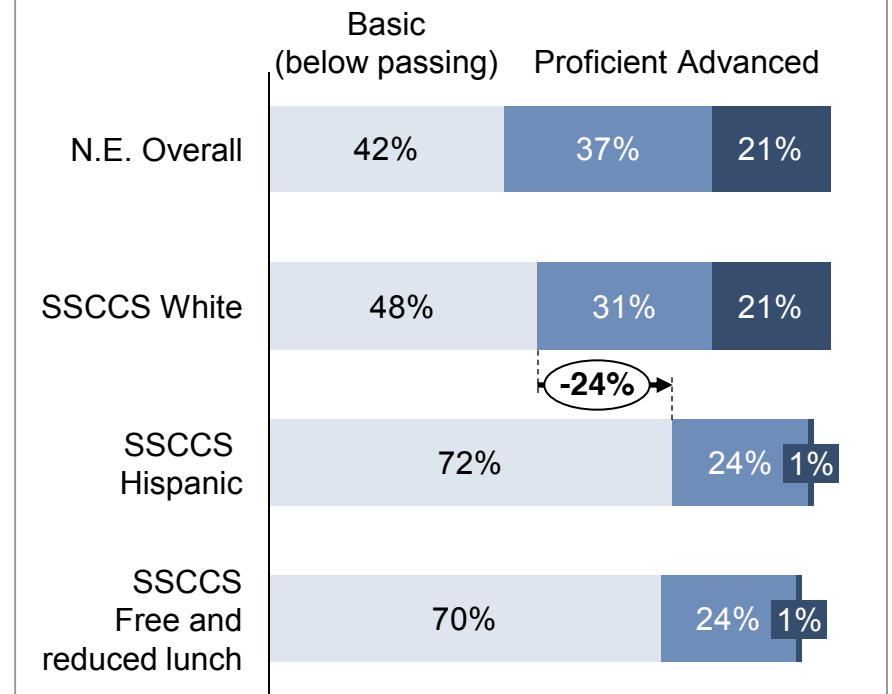


Hispanic and low-income students at NPS and SSCCS are **more likely to test “below passing”** on the Math NeSA than their white peers

**11<sup>th</sup> Grade Math NeSA Performance in NPS**



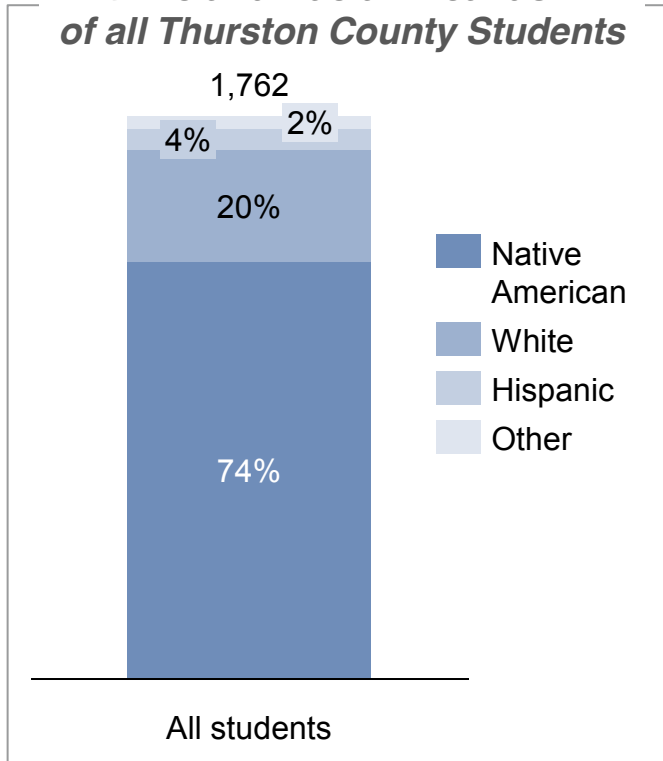
**11<sup>th</sup> Grade Math NeSA Performance in SSCCS**



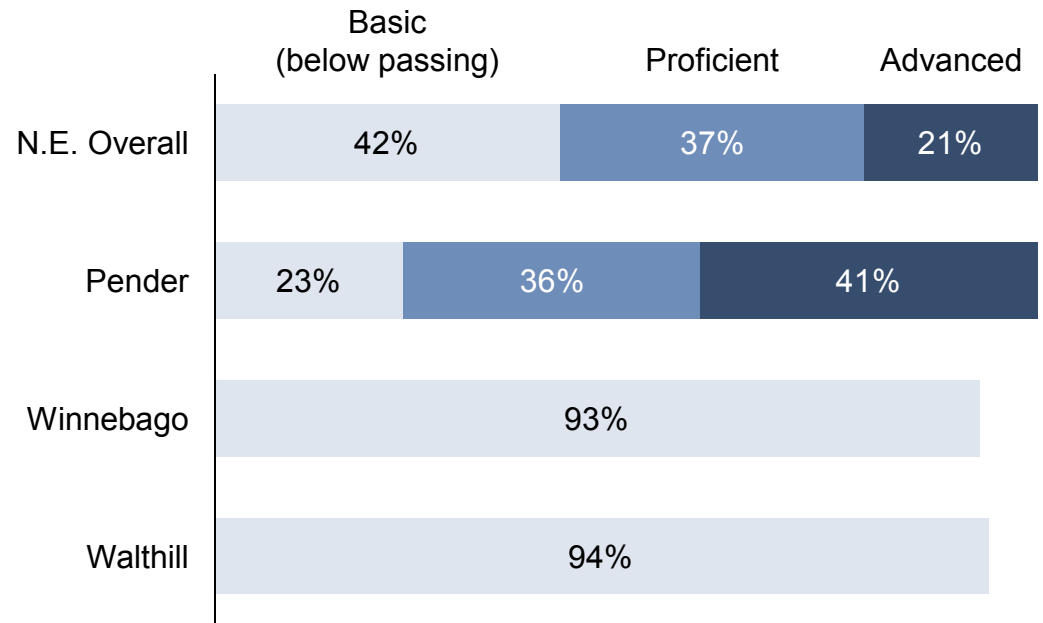
# Native American populations in N.E. face even more pronounced achievement gaps

- Thurston County holds the **majority of Native American students in the region (74%)** and 1/3<sup>rd</sup> of the **Native American students in the state (34%)**
- Of schools in Thurston County, Pender is primarily comprised of white students (92%) while **Walthill and Winnebago have high concentrations of Native American students (87% and 95%, respectively)**

**Ethnic and Racial Breakdown of all Thurston County Students**



**11<sup>th</sup> Grade Math NeSA Performance in large Thurston County Districts**



Source: Nebraska Department of Education

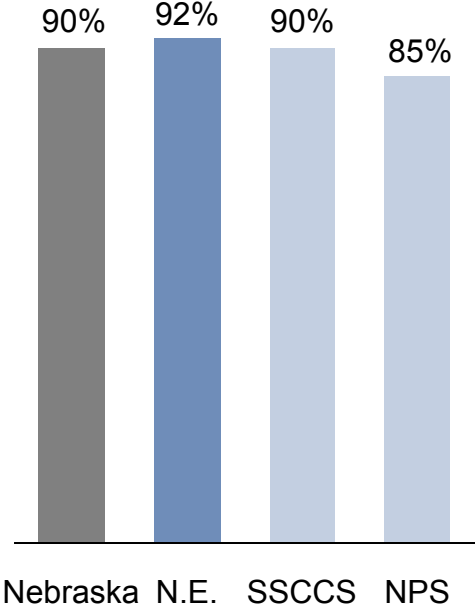
Note: Umo N Ho N Ho Nation Public Schools was omitted due to lack of available data for NeSA scores. Due to gaps in reporting, district NeSA scores will not add up to 100%.

# Despite minority students at the largest districts testing poorly on the 11<sup>th</sup> Grade Math NeSA, they still graduate at a high rate



At NPS, minority students **graduate 10% points below the rate of their white peers**

**Weighted Graduation Rate**



	<i>NPS</i>		<i>SSCCS</i>			
	Proficient or above on 11 <sup>th</sup> Grade Math NeSA	vs	Graduation rate	Proficient or above on 11 <sup>th</sup> Grade Math NeSA	vs	Graduation rate
White	64%	vs	89%	79%	vs	94%
Hispanic	32%	vs	79%	25%	vs	89%
Free and reduced lunch	33%	vs	75%	25%	vs	86%





# Postsecondary Education

REGIONAL POSTSECONDARY INSTITUTIONS TRAIN THE  
FUTURE NORTHEAST WORKFORCE

# N.E.'s two postsecondary institutions are Northeast Community College and Wayne State College

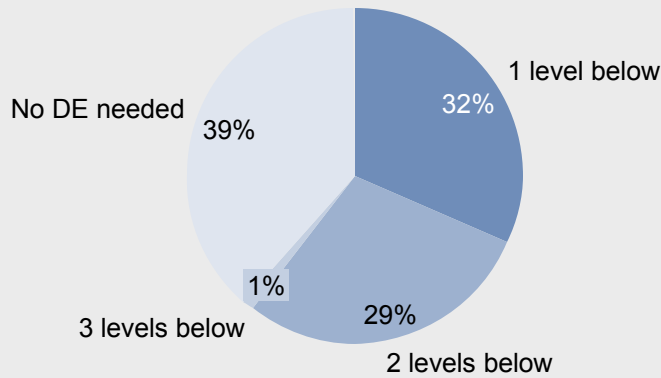
## 2014 Snapshot of N.E. Postsecondary Institutions

CC	Community Colleges: 42,005 total	ST	State Colleges: 7,581 total
			
<b>Enrollment (PT + FT)</b>	5,145 (12% of all community college students)	<b>Enrollment (PT + FT)</b>	2,991 (39% of all state college students)
<b>% minority enrollment</b>	10% (20% community college average)	<b>% minority enrollment</b>	12% (12% state college average)
<b>Retention rate</b>	68% (57% community college average)	<b>Retention rate</b>	62% (62% state college average)
<b>Completion rate (6 year)</b>	43% (26% community college average)	<b>Completion rate (6 year)</b>	46% (41% state college average)

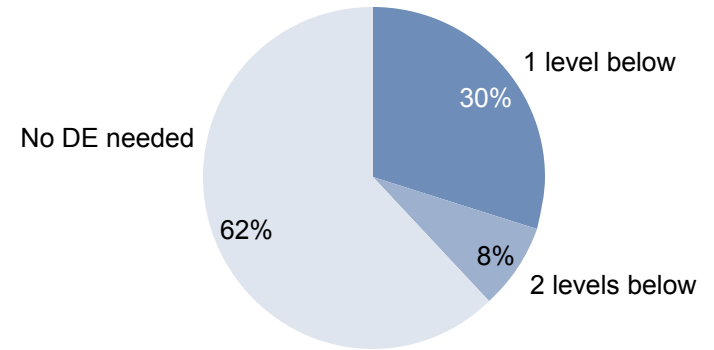
# Over 60% of NECC's first time freshman enroll in Math developmental education courses



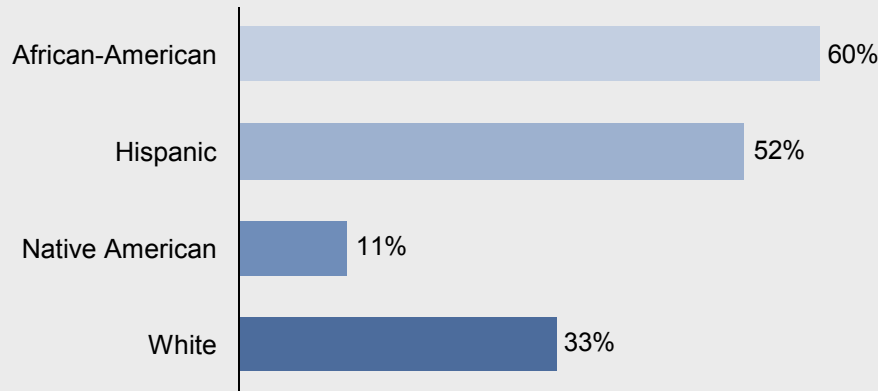
**First-Time Student *Math* DE Enrollment**



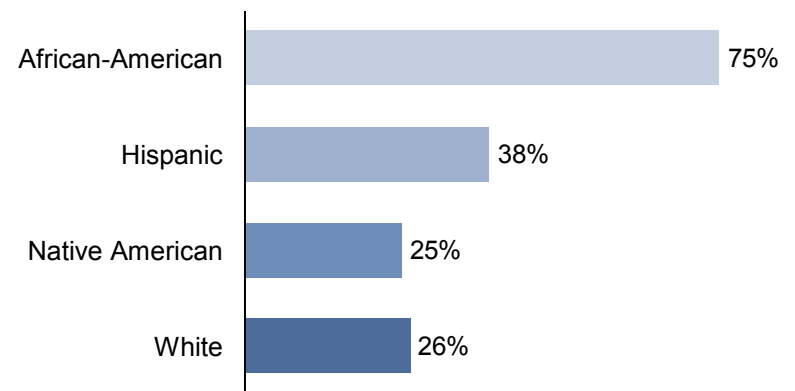
**First-time Student *Reading* DE Enrollment**



**DE Completion Rate by Student Race/Ethnicity**



**DE Completion Rate by Student Race/Ethnicity**



Source: Northeast Community College

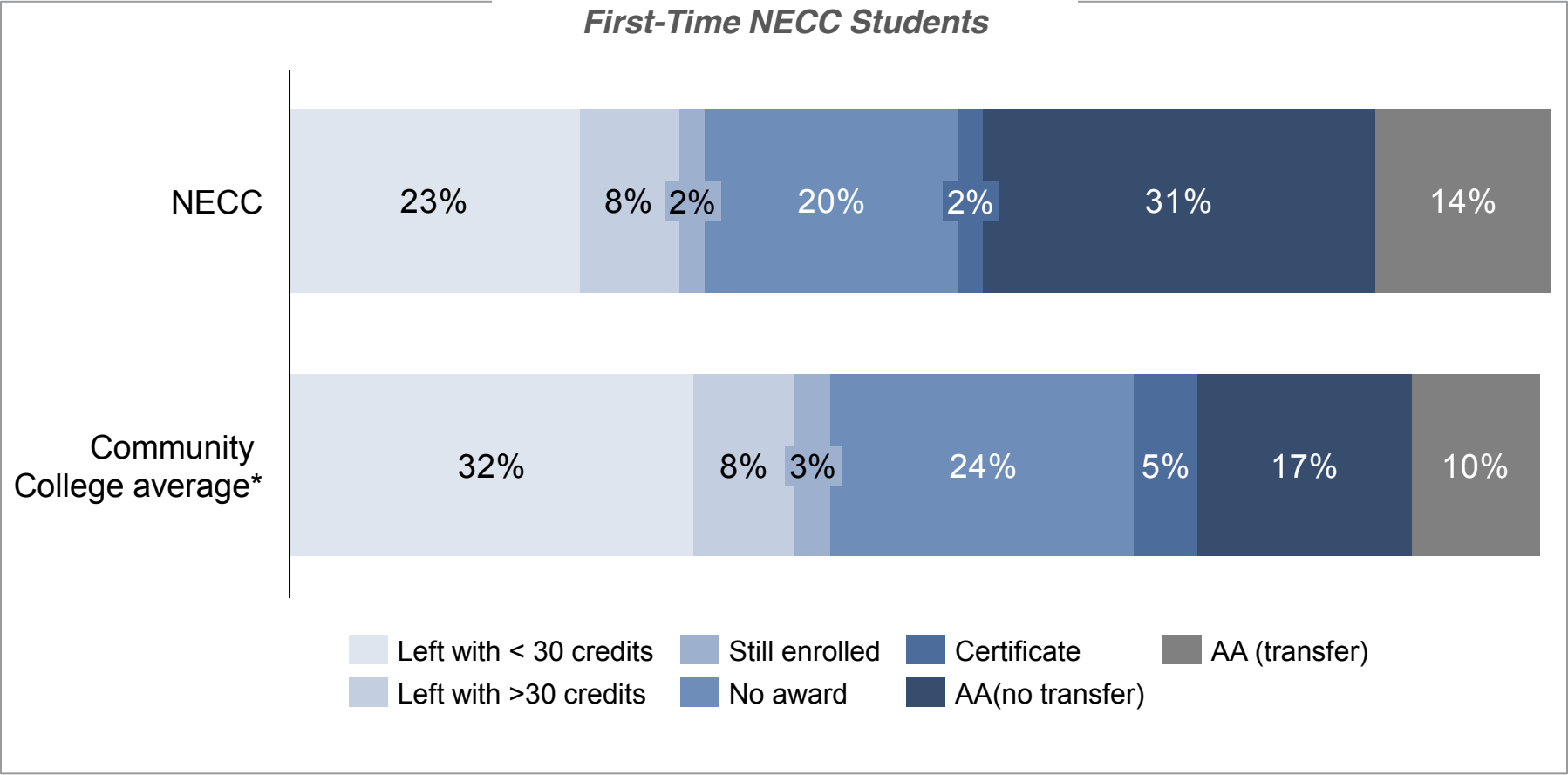
Note: X level(s) below is defined as needing XXX number of classes to be allowed to enroll in college equivalent course

# An above average number of students complete an Associate degree and do not transfer at NECC



NECC has about **double the number of students complete an AA without transferring.** This may potentially be due to the employment mix in the region

*Outcomes after Six Years for First-Time NECC Students*

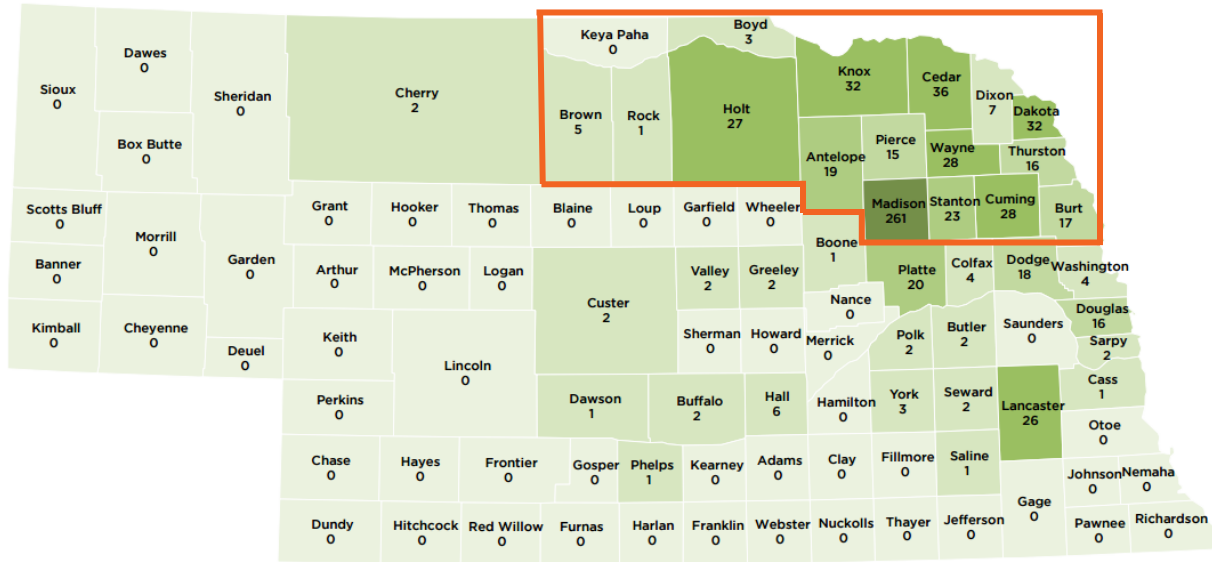


Source: Voluntary Framework of accountability  
 \* Does not include Metro Community College as they do not report to the VFA

# Most NECC graduates who stay in Nebraska, remain in the region and tend to work low wage jobs



**Graduate Employment by County**



## Key insights

- Many NECC graduates **remain in Madison County**
- The **average annual wage** for a NECC graduate working in Nebraska was **\$20,091**
- **12% of NECC graduates were minorities**, this is comparable to the state average of 11.4%
- Over half of NECC minority graduates were **still working in Nebraska**

NUMBER OF GRADUATES



**Top Industries of Employed Graduates**

Industry	% of NECC grads working in industry	Avg. annual earnings*
Health Care	39%	\$18,395
Retail Trade	12%	\$14,239
Manufacturing	7%	\$35,121

Source: NeWorks Graduate Outcomes Study

# Wayne State graduates are primarily older, nontraditional students and tend to work in educational services

- 
- Wayne State College graduates are **primarily older, nontraditional students**; 65% are between the ages 25-34
  - 70% of minority graduates and 68% of white Wayne State graduates were **found to be working in Nebraska**. Of the 68% of Wayne State graduates who work in Nebraska, **23% of them work in Douglas or Madison Counties**






*Top Industries of Employed Wayne State Graduates (2013)*

Industry	% of Wayne State grads working in industry	Avg. annual earnings*
Educational Services	43%	\$42,162
Retail Trade	10%	\$20,127
Health Care	9%	\$26,024

# Labor Market

FEW CURRENT AND FUTURE OCCUPATIONS REQUIRE FOUR YEAR AND ABOVE DEGREES

# The major industries in Norfolk are healthcare, manufacturing, and retail trade

Norfolk Major Employers	Industry	Employees
<b>Faith Regional Health Services</b> 	Healthcare	1,275
<b>Affiliated Food Midwest</b> 	Food Distribution	700
<b>Norfolk Public Schools</b> 	Education	705
<b>Covidien/Medtronic</b> 	Manufacturing	601
<b>Walmart</b> 	Retail	438

Source: American Community Survey, Nebraska Public Power District  
 Note: Due to data availability, this analysis used the Norfolk MSA as a proxy for the region

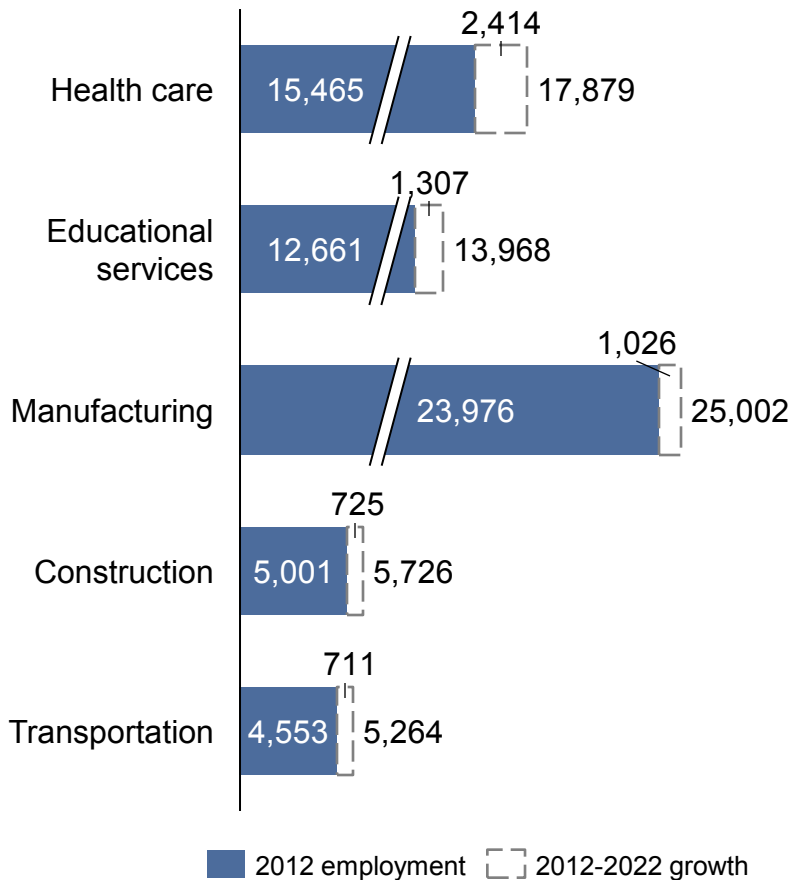


# Norfolk and the region have unemployment rates that fall below the state average

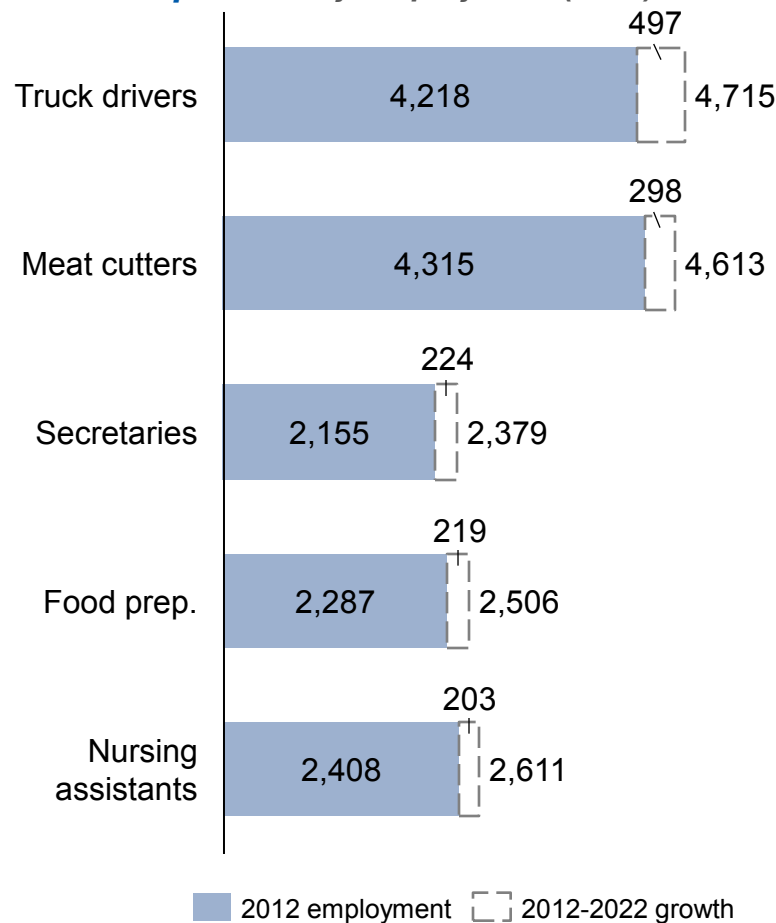
Category	Nebraska	City of Norfolk (2014)
<b>Labor force participation</b>	Nebraska: 84%	Norfolk: 71%
<b>Unemployment rate</b>	Nebraska: 3.1%	Norfolk: 2.5%
<b>Major industries</b> (% of population employed in industry)	<ol style="list-style-type: none"> <li>1. Education and health care: 24%</li> <li>2. Retail trade: 12%</li> <li>3. Manufacturing: 11%</li> <li>4. Professional services: 8%</li> </ol>	<ol style="list-style-type: none"> <li>1. Education and health care: 24%</li> <li>2. Manufacturing: 16%</li> <li>3. Retail trade: 12%</li> <li>4. Accommodation and food service: 9%</li> </ol>
<b>Median earnings by educational attainment</b> (aged 25 and over)	<ul style="list-style-type: none"> <li>• Median earnings: \$34,236</li> <li>• HS diploma: \$27,605</li> <li>• Some college or AA: \$32,210</li> <li>• Bachelor's: \$43,503</li> </ul>	<ul style="list-style-type: none"> <li>• Median earnings: \$30,976</li> <li>• HS diploma: \$27,293</li> <li>• Some college or AA: \$30,322</li> <li>• Bachelor's: \$34,581</li> </ul>

# Future occupations in N.E. will predominately be low and middle skill

**Projected Fastest Growing Industry by Employment (2022)**



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



Source: Nebraska Department of Labor

Note: Employment includes only growth openings

Note: Calculations include the Northeast and Sandhills Economic Development Region

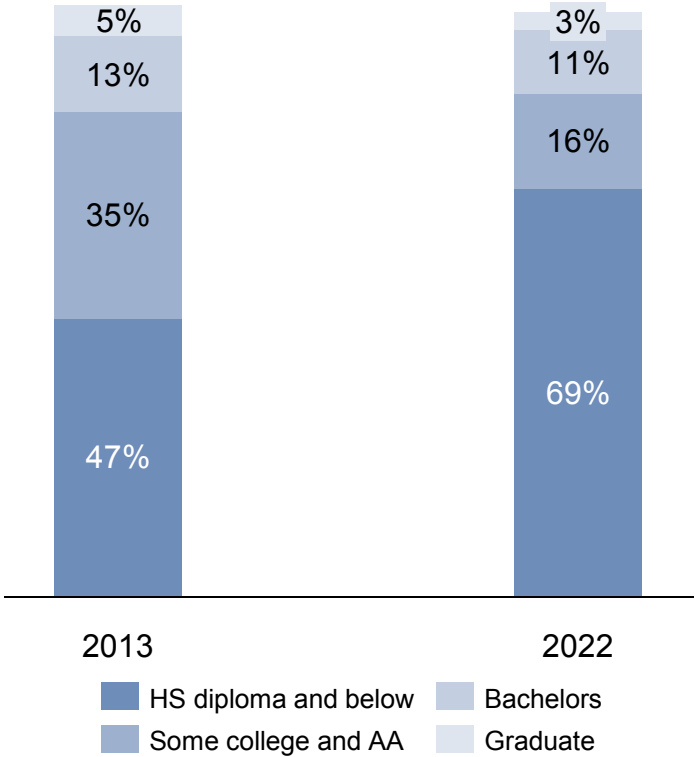
# N.E. has the opportunity to increase the number of jobs that will require an Associates degree and above



In order to ensure future workers in N.E. are employed at their appropriate skill level, the region has the opportunity to **attract new businesses that require a higher skilled workforce**

**2013 Age 25+ Educational Attainment**

**2022 Long-term Occupation Projections by Educational Attainment Needs**



*“I think the CCs can provide a lot of the skilled labor we need, **they are a better alternative to going to the 4 year school**” – Business leader*

Source: Nebraska Department of Labor, FSG interviews, American Community Surveys  
 Note: Calculations include the Northeast and Sandhills Economic Development Region

# 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

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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



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