



January 11, 2021

The Honorable Connie Bernardy, Chair
Higher Education and Career Readiness Policy and Finance
563 State Office Building
100 Rev. Dr. Martin Luther King Jr. Boulevard
St. Paul, Minnesota 55155

Dear Representative Bernardy:

Enclosed is the latest report detailing the state's progress in meeting Minnesota's educational attainment goal as required by *Minnesota Statute* 135A.012. By law, updates occur on October 15 of each fiscal year. Information on enrollments and tuition and fee changes were provided by public and private institutions.

2020 Estimates

Current estimates show that 63.0% of Minnesotans aged 25-44 years completed a postsecondary credential. This percentage increased slightly as compared to 2015 (57.5%), the first year after the goal was established.

Approximately 8.3% of Minnesotans hold a postsecondary certificate and 54.8% hold an associate degree or higher credential.

Estimates by Race

White Minnesotans still have the highest attainment at 68.8%, while American Indian and Hispanic communities share the lowest attainment percentage at 27.5% and 28.7%, respectively. Black Minnesotans have an attainment rate of 37.3%. Asians (64.4%) and multiracial Minnesotans (57.6%) have attainment rates over the 50 percent benchmarks.

Credentials Needed to Meet the Goal

In order to reach the 70% educational attainment goal set by the Legislature, Minnesota will need an additional 100,700 new postsecondary credentials by 2025. Of those credentials, 86% must be earned by students of color or American Indian students.

The report can be viewed online at http://www.ohe.state.mn.us/sPages/educ_attain_goal_2025.cfm. Feel free to contact me or the report authors if you have questions or would like more information.

Sincerely,

Dennis W. Olson
Commissioner

Enclosure

cc: Rep. Michelle Christensen, Vice Chair
Rep. Sondra Erickson
Rep. Michael Howard
Rep. Jon Koznick
Rep. Shane Mekeland
Rep. Julie Sandstede
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**Educating for the Future
2020 Update**
November 2020

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About the Minnesota Office of Higher Education

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. The agency also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, finance and trends.

The Minnesota State Grant Program is the largest financial aid program administered by the Office of Higher Education, awarding more than \$207 million in need-based grants to Minnesota residents attending accredited institutions in Minnesota. The agency oversees tuition reciprocity programs, a student loan program, Minnesota's 529 College Savings Plan, licensing and early college awareness programs for youth.

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Executive Summary

In 2015, the Minnesota Legislature enacted a state postsecondary educational attainment goal that 70% of Minnesota adults (age 25 to 44) will have attained a postsecondary certificate or degree by 2025 (Minn. Laws 2015 Chapter 69 Article 3 Sec. 6). Most importantly, the law also sets 30% and 50% educational attainment benchmarks for all races and ethnicities. Educational attainment refers to the highest level of education an individual completes. The U.S. Census measures educational attainment of a population as a percentage or count of the population that holds a postsecondary credential (certificate, associate degree, diploma, bachelor's degree, master's degree, graduate certificate, and doctoral or professional degree).

Current estimates show that 63.0% of Minnesotans aged 25-44 years completed a postsecondary credential (Figure 1). This percentage increased slightly as compared to 2015 estimates (57.5%).

- White Minnesotans still have the highest attainment at 68.8%, while American Indian and Hispanic communities share the lowest attainment percentage at 27.5% and 28.7%, respectively. Black Minnesotans have an attainment rate of 37.3%. Asians (64.9%) and multiracial Minnesotans (57.6%) have attainment rates over the 50 percent benchmarks.
- Approximately 13.1% of persons age 25-44 have a certificate as their highest credential earned. For American Indians, however, 34.1% of college completers have a certificate as their highest degree credential. Black (19.2%) and Hispanic (15.7%) race groups also have a higher than average proportion of individuals with a certificate as their highest credential. Asians (6.8%) have a lower proportion of certificates as the highest credential earned. This shows the stratification by race in program of study chosen.

In order to reach the 70% educational attainment goal set by the Legislature, Minnesota will need an additional 100,700 persons age 25-44 to complete a postsecondary credential by 2025.

- In order to reach the 70% goal by each race and ethnicity group, 6,300 credentials must be earned by American Indians, 5,000 by Asians, 34,200 by Blacks, 3,900 by multiracial individuals, 37,600 by Hispanic, and 12,800 by whites¹. In total, persons of color or indigenous persons must earn 86% of the 100,700 additional postsecondary credentials.

Attainment rates for the basic race categories hide large disparities within racial groups, for example:

- The overall Black attainment rate for an associate degree or higher credential is 30.1%. However, Black Liberians have an attainment rate of 40.0% compared to Black Somalis, who have an attainment rate of 17.9%.

¹ Also includes 800 credentials by persons of unknown race/ethnicity.

- Hispanic Salvadorans in Minnesota have an attainment rate of 10.7%, while Hispanic Puerto Ricans have an attainment rate for associate degree or higher credential of 40.0%. The Hispanic overall attainment is 24.1%.
- Although Asian Minnesotans have an overall associate degree or higher attainment rate of 60.5%, Burmese Minnesotans have an attainment rate of 5.4% compared to Indian Minnesotans have an attainment rate of 91.2%. Laotians (31.6%), Hmong (38.7%), and Cambodians (48.1%) Minnesotans all have attainment rates under the 50 percent benchmark. On the other hand, Vietnamese (55.6%), Filipino (66.0%), Koreans (66.7%), Chinese (76.0%), and all other Asian ethnicities (71.8%) have attainment rates above the 50% benchmark.

In summary, Minnesota is making steady progress towards the 70% educational attainment goal, but attainment gaps persist among people of color and American Indians. As the state is increasingly becoming more diverse, the need for more Minnesotans to become career-ready is also increasing. Unfortunately, many American Indian, Black, Asian, and Hispanic Minnesotans are not earning credentials. Showing attainment rates by basic race groups hides differences within each group that are important. In order for Minnesota to maintain economic growth and ensure continued prosperity, the state and its colleges should engage communities of color and American Indian communities in postsecondary education.

Minnesota's Attainment Goal

In 2015, the Minnesota Legislature enacted a state postsecondary educational attainment goal that 70% of Minnesota adults (age 25 to 44) will have attained a postsecondary certificate or degree by 2025 (*Minn. Laws 2015 Chapter 69 Article 3 Sec. 6*). Most importantly, the law also sets 30% and 50% educational attainment benchmarks for all races and ethnicities. The report uses data obtained from the American Community Survey and analyzed by the Minnesota Demographic Center, with supplemental data provided by the Minnesota Office of Higher Education and Minnesota State Colleges and Universities, to create state-level estimates of postsecondary attainment.

What is Educational Attainment?

Educational attainment refers to the highest level of education an individual completes. Educational attainment of a population is the percentage or count of the population that holds a postsecondary credential (certificate, associate degree, diploma, bachelor's degree, master's degree, graduate certificate, and doctoral or professional degree). The population sampled for measuring educational attainment can vary widely depending on the source. In Minnesota, educational attainment estimates for measuring progress towards the state's attainment goal are limited to persons aged 25-44 years. The Legislature chose this age group because age 25-44 is the primary age range at which individuals have completed or are pursuing education or training. The population reported by other sources, for example the U.S. Census Bureau, uses the population aged 25-64 years.

Why does Educational Attainment Matter?

Greater educational attainment correlates with increased earnings, lower unemployment, better health, and other social and economic benefits. The ability of Minnesota workers to live in and raise their families in the state relies on their ability to find employment at a family-sustaining wage to cover the costs of housing, food, transportation, and childcare. These data underscore the need for measures of employment success beyond simply finding a job. Employment success and overall economic success require that Minnesotans enter the workforce and find continued ways to advance their careers to ensure they achieve a family-sustaining wage. Given that Minnesota's communities of color and indigenous populations fall behind whites on numerous economic outcomes, ensuring the path to family-sustaining wages for our communities of color and indigenous communities represents a moral imperative for the state.

Methodology for Estimating Attainment

Minnesota uses the 1-year American Community Survey (ACS) sample for the most recent 5-year period (2014-2018) to create the attainment estimates and are referenced in the report as “2020 estimates”. Currently, the ACS does not include data on how many adults have sub-baccalaureate certificates as their highest level of education. The Census category “some college, no degree” is a catch-all category that includes individuals who are currently enrolled in college and have not finished, individuals who attended college and did not complete their education, and individuals who earned a postsecondary credential below an associate degree. To reach an estimate of the number of certificates awarded, we used student data provided by Minnesota State Colleges and Universities and the Office of Higher Education between 1990 and 2019, broken down by the age of the certificate holders to separate out certificate holders from the some college, no degree cohort within ACS. The size of each certificate cohort changes over time based on four factors:

- The mortality of the certificate holders,
- The migration of certificate holders into and out of the state,
- The advancement of certificate holders to higher levels of educational attainment, and
- The progression of the cohort into and out of the 25 to 44 age group — the age group specified in Minnesota’s educational attainment goal.

Migration and educational advancement beyond a certificate have greater relative impacts on the number of certificate holders than mortality. “Certificates” for the purpose of the educational attainment goal refers to a postsecondary award, certificate, or diploma at a level less than a baccalaureate degree, which is not an associate degree. This includes “awards”, “certificates”, or “diplomas” depending on the naming convention used by a specific institution. It does not include awards conferred by an entity other than a postsecondary institution, such as an industry certificate awarded by a company.

Using the Data

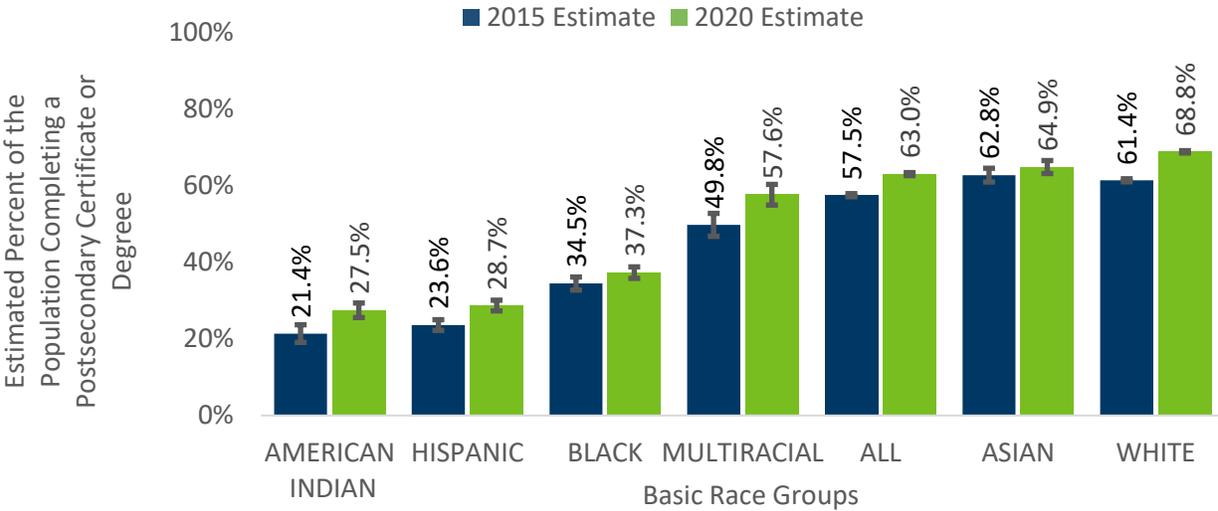
Population estimates shown in this have been rounded to the nearest 100 or whole tenth of one percent. Parts may not add to total due to rounding. These estimates contain sampling and other sources of error, not shown here. Percentages for individuals self-identifying as "other" race are not calculated.

Current Educational Attainment Estimates

Current estimates show that 63.0% of Minnesotans aged 25-44 years completed a postsecondary credential (Figure 1). This percentage increased as compared to 2015 estimates (57.5%). White Minnesotans have the highest attainment at 68.8%. American Indian and Hispanic Minnesotans have the lowest attainment at 27.5% and 28.7%, respectively (Figure 1). Both American Indian and Hispanic Minnesotans have attainment rates lower than the 30 percent benchmark established in Minnesota law. Black Minnesotans have an attainment rate of 37.3%. Asian (64.9%) and multiracial (57.6%) Minnesotans have attainment rates over the 50 percent benchmarks. Figure 2 shows the estimated counts of persons age 25-44 with a certificate or higher credential in Minnesota.

In order to reach the 70% educational attainment goal, Minnesota will need an additional 100,700 persons age 25-44 to complete a postsecondary credential by 2025 (Figure 3). In total, persons of color or indigenous persons must earn 86% of the 100,700 additional postsecondary credentials. Of the needed credentials, 6,300 credentials awarded to American Indians, 5,000 to Asians, 34,200 to Blacks, 3,900 to multiracial individuals, 37,600 to Hispanic, and 12,800 to whites.²

Figure 1: Percentage of the Population Age 25-44 with a Certificate or Higher Credential Minnesota, 2015 and 2020 Estimates by Basic Race Groups

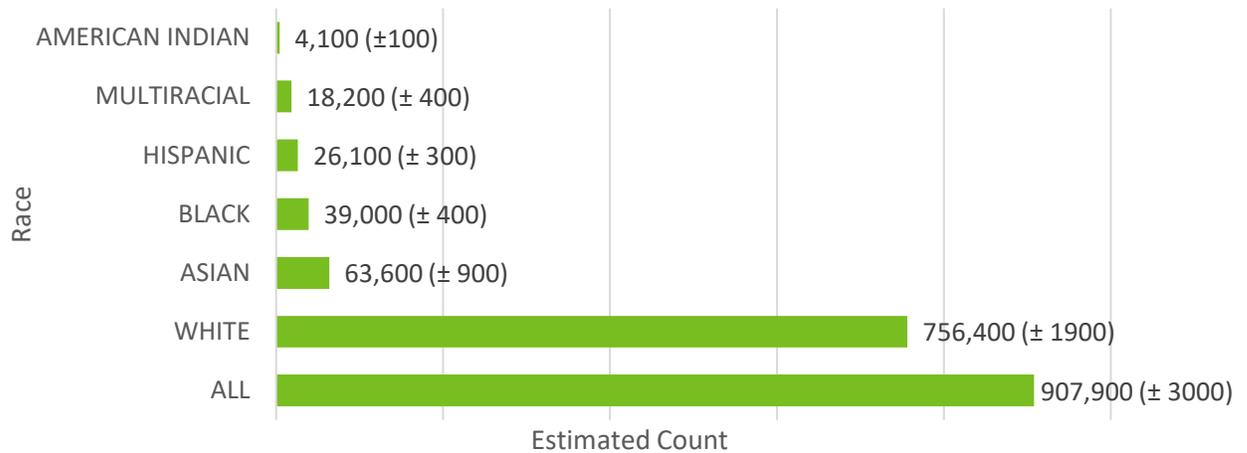


Source: IPUMS Microdata version of U.S. Census Bureau American Community Survey (2008-2012, 2014-2018), with certificate data provided by the Office of Higher Education and Minnesota State Colleges and Universities, and with tabulations and analysis completed by the Minnesota Demographic Center. Holders of certificates as their highest postsecondary award were estimated using a cohort analysis method applied to administrative data on

² Also includes 800 credentials by persons of unknown race/ethnicity.

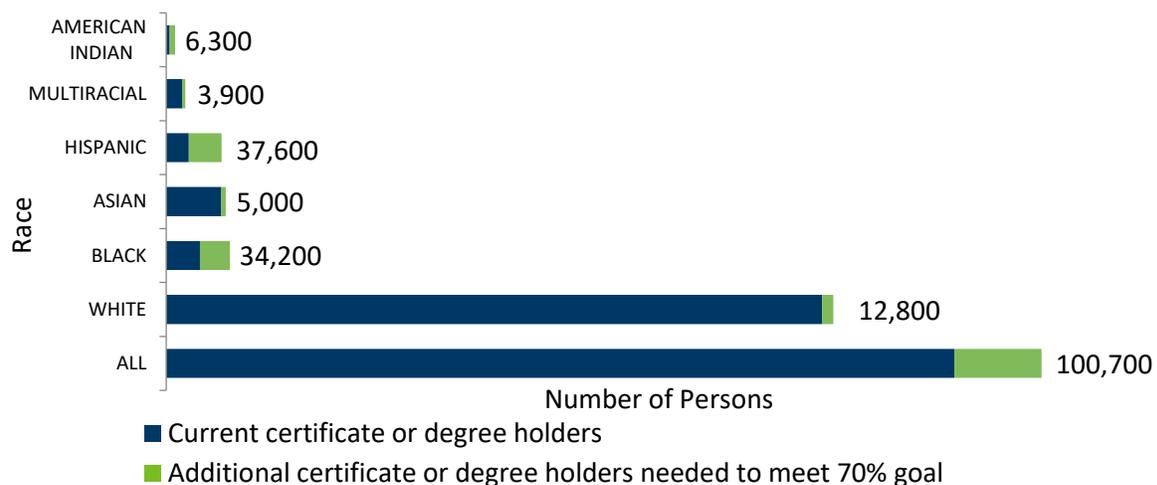
certificates awarded (supplied by the Minnesota State Colleges and Universities system and the Minnesota Office of Higher Education) and produced by the Minnesota State Demographic Center.

Figure 2: Estimated Count of Persons Age 25-44 with a Certificate or Higher Credential, Minnesota, 2020 Estimates by Basic Race Groups



Note: Above graph does not show or account for margins of error. Source: IPUMS microdata version of U.S. Census Bureau 2014-2018 American Community Survey for Associate's or Higher Degree, with tabulations by the Minnesota State Demographic Center. Holders of certificates as their highest postsecondary award were estimated using a cohort analysis method applied to administrative data on certificates awarded (supplied by the Minnesota State Colleges and Universities system and the Minnesota Office of Higher Education) and produced by the Minnesota State Demographic Center.

Figure 3: Persons with a Certificate or Higher Credential and Number Needed to Reach 70% Goal Minnesota, Ages 25-44, Basic Race Groups, 2020 Estimates



Note: Above graph does not show or account for margins of error. Source: IPUMS microdata version of U.S. Census Bureau 2014-2018 American Community Survey for Associate's or Higher Degree, with tabulations by the MN State

Demographic Center. Holders of certificates as their highest postsecondary award were estimated using a cohort analysis method applied to administrative data on certificates awarded (supplied by the Minnesota State Colleges and Universities system and the Minnesota Office of Higher Education) and produced by the MN State Demographic Center.

Certificate versus Degree Attainment

The estimates for 2020 in Figure 1 include the combined certificate estimates and the associate degree or higher estimates. Approximately one in every eight persons age 25-44 (13.1%) completed a certificate as their highest credential. For American Indians, however, one in three persons (34.1%) have a certificate as their highest degree credential as shown in Table 1. American Indians in Minnesota have the highest rate of certificate completion as their highest credential compared to all other groups. Blacks (19.2%) and Hispanics (15.7%) also have a higher than average rate of certificate completion as their highest credential. Asians (6.8%) have the lowest rate of certificate completion as the highest credential earned. This difference in certificate completion indicates that American Indian, Hispanic, and Black Minnesotans are pursuing short-term credentials at a higher rate as compared to Asian, White and multiracial Minnesotans.

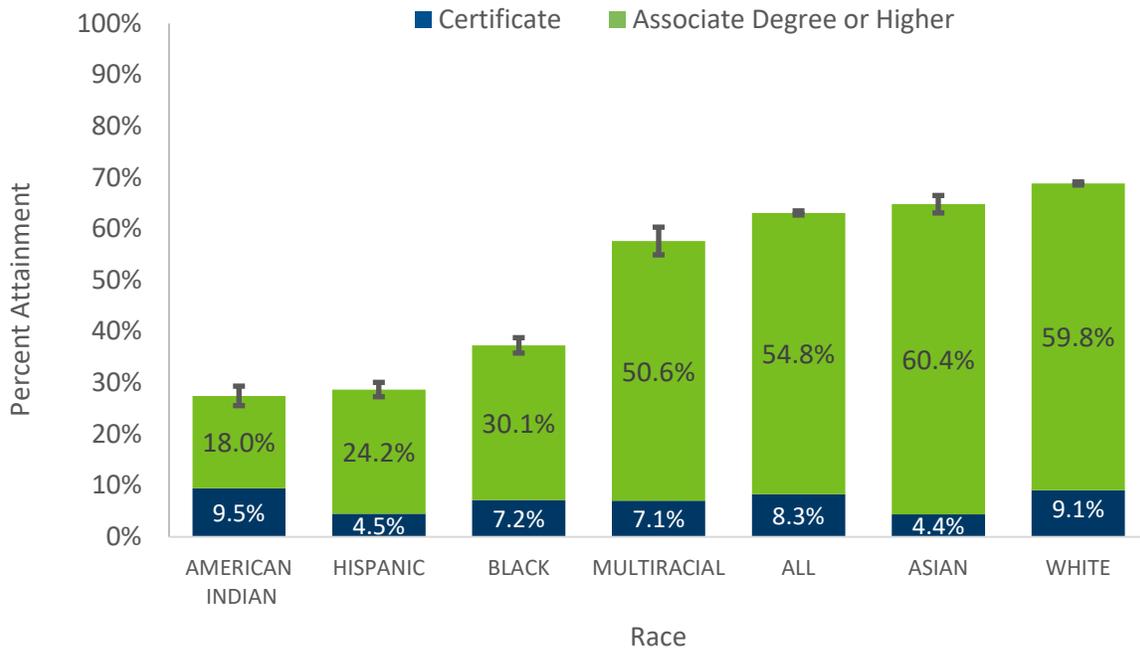
The overall attainment rate of persons with an associate degree or higher is 54.8% (Figure 4). Asian Minnesotans have the highest rate of associate degree or higher attainment at 60.4%. Whites are close behind at 59.8%. The attainment rates for associate degree or higher for the remaining basic race groups are: multiracial (50.6%), Black (30.1%), Hispanic (24.2%), and American Indian (18.0%).

**Table 1: Certificates Earned as a Percent of Total Credentials Earned
Persons Age 25-44, Minnesota, 2020 Estimates by Basic Race Group**

Basic Race Group	Certificate Holders	Associate or Higher Degree Holders	Total Persons with Credential	Certificates Earned as a Percent of Total Credentials
AMERICAN INDIAN	1,400	2,700	4,100	34.1%
HISPANIC	4,100	22,000	26,100	15.7%
BLACK	7,500	31,500	39,000	19.2%
MULTIRACIAL	2,200	16,000	18,200	12.1%
ALL	119,300	789,300	908,600	13.1%
ASIAN	4,300	59,300	63,600	6.8%
WHITE	99,800	656,600	756,400	13.2%

Note: Above table does not show or account for margins of error. Source: IPUMS microdata version of U.S. Census Bureau 2014-2018 American Community Survey for Associate's or Higher Degree, with tabulations by the MN State Demographic Center. Holders of certificates as their highest postsecondary award were estimated using a cohort analysis method applied to administrative data on certificates awarded (supplied by the Minnesota State Colleges and Universities system and the Minnesota Office of Higher Education) and produced by the MN State Demographic Center.

Figure 4: Percentage of Population Age 25-44 with a Certificate or Higher Credential, Minnesota, 2020 Estimates by Basic Race Groups



Note: Numbers in Figure 4 may not add to the totals in Figure 1 due to rounding. Source: IPUMS microdata version of U.S. Census Bureau 2014-2018 American Community Survey for Associate's or Higher Degree, with tabulations by the Minnesota State Demographic Center. Holders of certificates as their highest postsecondary award were estimated using a cohort analysis method applied to administrative data on certificates awarded (supplied by the Minnesota State Colleges and Universities system and the Minnesota Office of Higher Education) and produced by the Minnesota State Demographic Center.

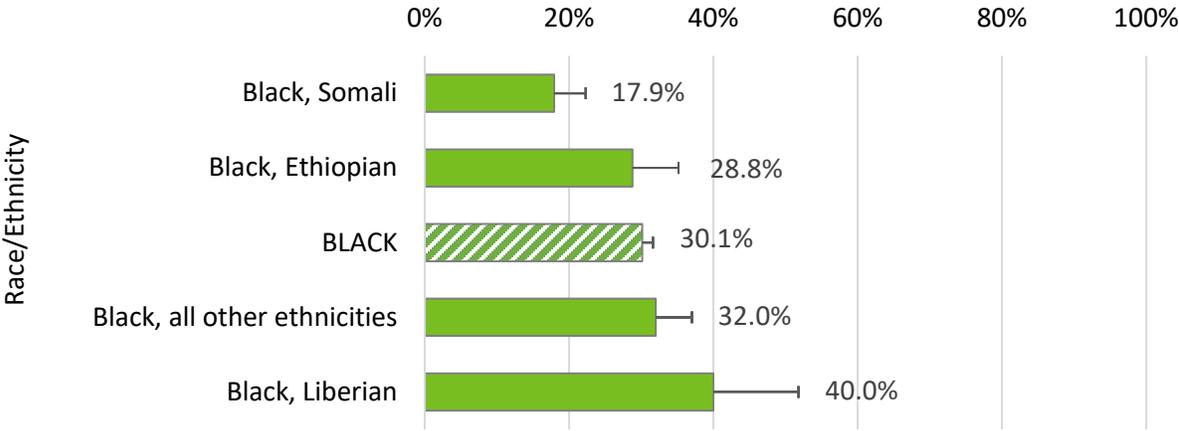
Associate or Higher Degree Attainment by Detailed Race/Ethnicity Groups

The previous figures shown in this report used basic race categories. The Minnesota Demographic Center, using American Community Survey data, is able to disaggregate attainment numbers by detailed ethnic groups for individuals attaining an associate degree or higher credential. Disaggregated data by detailed race/ethnicity groups is not available for certificate estimates. Basic race categories mask the complexity of educational attainment within race/ethnicity groups. For this reason, it is critical to talk about educational attainment in the context of disaggregated race/ethnicity groups as shown in Figures 5, 6, and 7 as opposed to basic race categories.

Black

Figure 5 disaggregates the Black basic race category into more detailed race/ethnic groups. As shown, the overall Black attainment rate for associate degree or higher credential is 30.1%. However, by looking at the detailed racial/ethnic categories, we can see that Black Liberians have an attainment rate of 40.0%, compared to Black Somalis, who have an attainment rate of 17.9%. The difference between these two groups demonstrates that there are substantial gaps in attainment within basic race categories.

Figure 5: Black Educational Attainment for Associate Degree or Higher Disaggregated by Detailed Race/Ethnicity Groups, 2020 Estimates

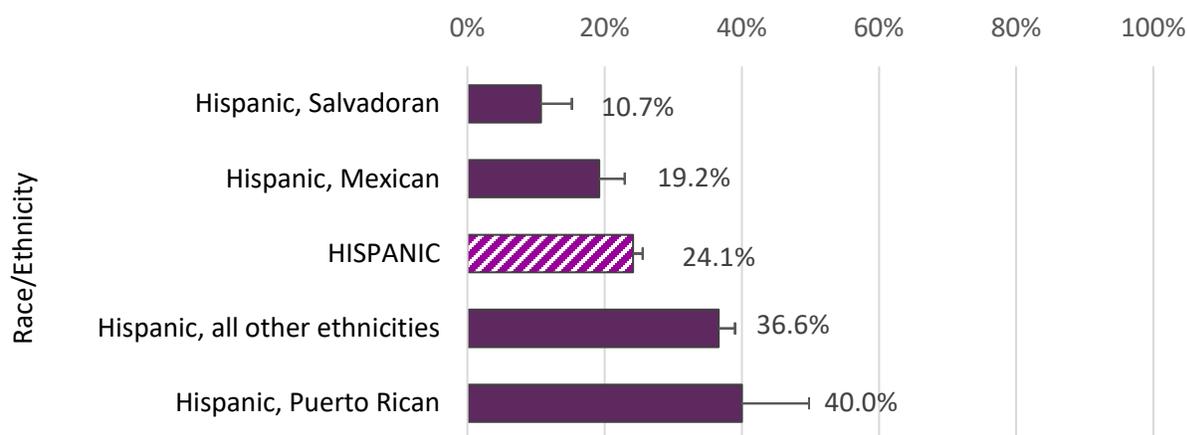


Note: Above graph does not show or account for margins of error. Source: IPUMS Microdata version of U.S. Census Bureau 2014-2018 American Community Survey with tabulations and analysis completed by the Minnesota Demographic Center.

Hispanic

Another example of the diversity within groups is the Hispanic basic race category. Figure 6 shows that Hispanic Salvadorans in Minnesota have an attainment rate of 10.7%, while Hispanic Puerto Ricans have an attainment rate for associate degree or higher credential of 40.0%. The Hispanic overall attainment is 24.1%.

Figure 6: Hispanic Educational Attainment for Associate Degree or Higher Disaggregated by Detailed Race/Ethnicity Groups, 2020 Estimates

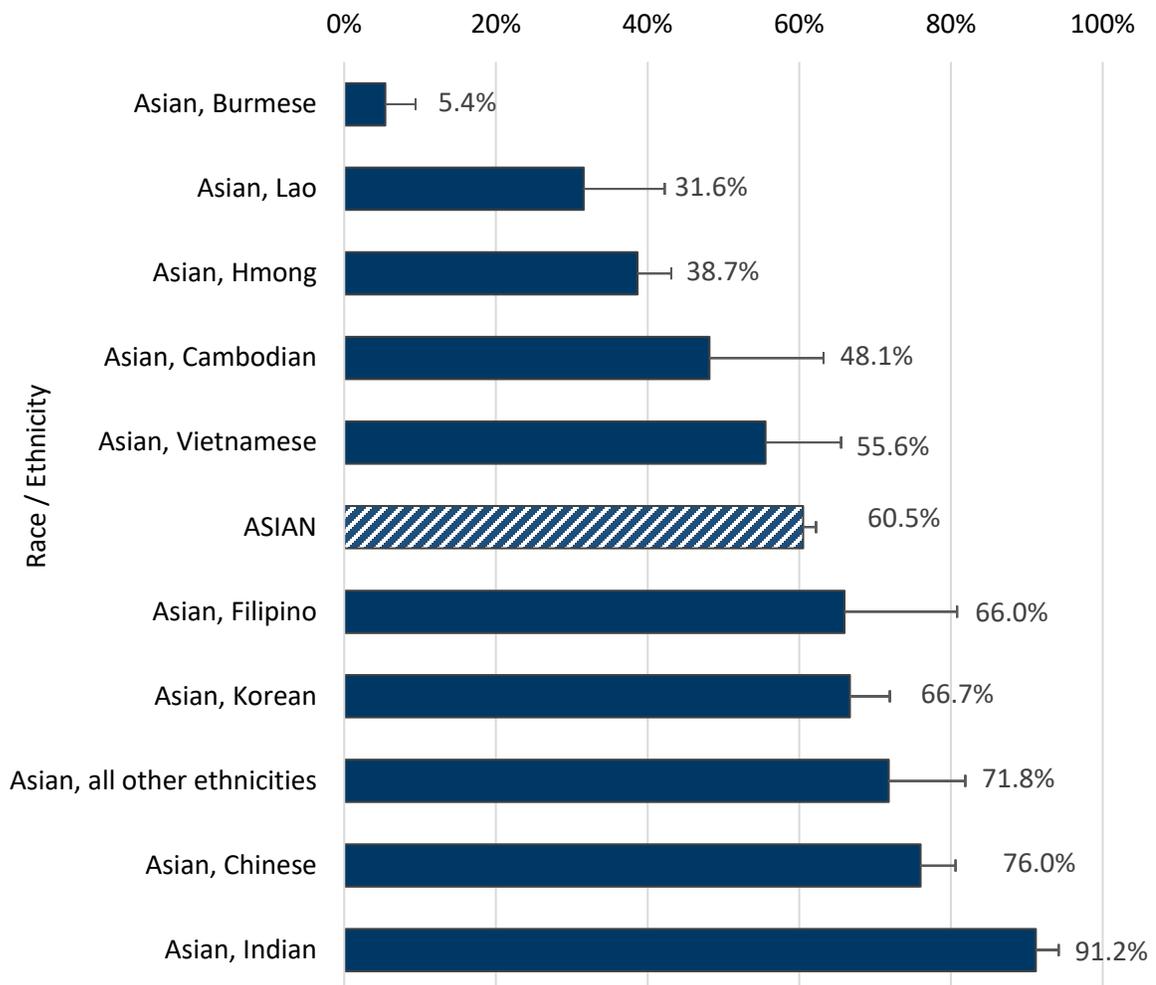


Note: Above graph does not show or account for margins of error. Source: IPUMS Microdata version of U.S. Census Bureau 2014-2018 American Community Survey with tabulations and analysis completed by the Minnesota Demographic Center.

Asian

The Asian basic race category perhaps shows the starkest within-group differences (Figure 7). Asian Minnesotans have an overall associate degree or higher attainment rate of 60.5%. When disaggregated, we see that Burmese have an attainment rate of 5.4%, while Indian Minnesotans have an attainment rate of 91.2%. In addition to Burmese, Laotians (31.6%), Hmong (38.7%), and Cambodians (48.1%) all have attainment rates under the 50 percent benchmark. Vietnamese (55.6%), Filipino (66.0%), Koreans (66.7%), Chinese (76.0%), and all other Asian ethnicities (71.8%) have attainment rates above the 50% benchmark.

Figure 7: Asian Educational Attainment for Associate Degree or Higher Disaggregated by Detailed Race/Ethnicity Groups, 2020 Estimates



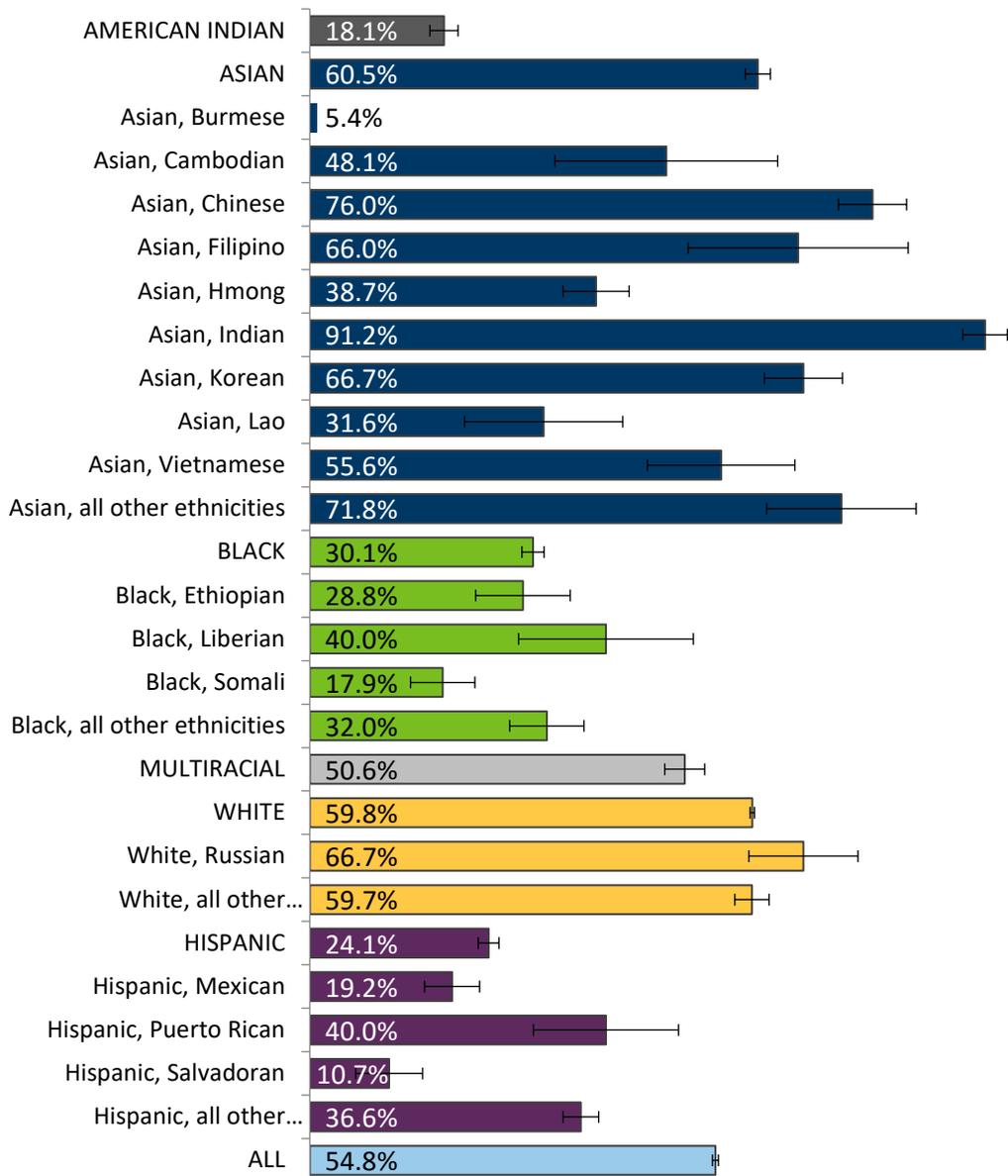
Note: Above graph does not show or account for margins of error. Source: IPUMS Microdata version of U.S. Census Bureau 2014-2018 American Community Survey with tabulations and analysis completed by the Minnesota Demographic Center.

Conclusion

In summary, Minnesota is making steady progress towards the 70% educational attainment goal, but attainment gaps persist among people of color and American Indians. Unfortunately, many American Indian, Black, Asian, and Hispanic Minnesotans are not earning credentials. In order for Minnesota to maintain economic growth and ensure continued prosperity, the state and its colleges should engage communities of color and American Indian communities in postsecondary education. To be successful, the state should reduce its high school dropout rates, and increase postsecondary enrollment among students of color and American Indian students. Colleges should improve persistence and completion of all students, and in particular students of color and American Indians. There should also be a concerted effort to enroll adults with no college experience and re-engage adults with some college but no credential.

Appendix A. Associate Degree or Higher Attainment

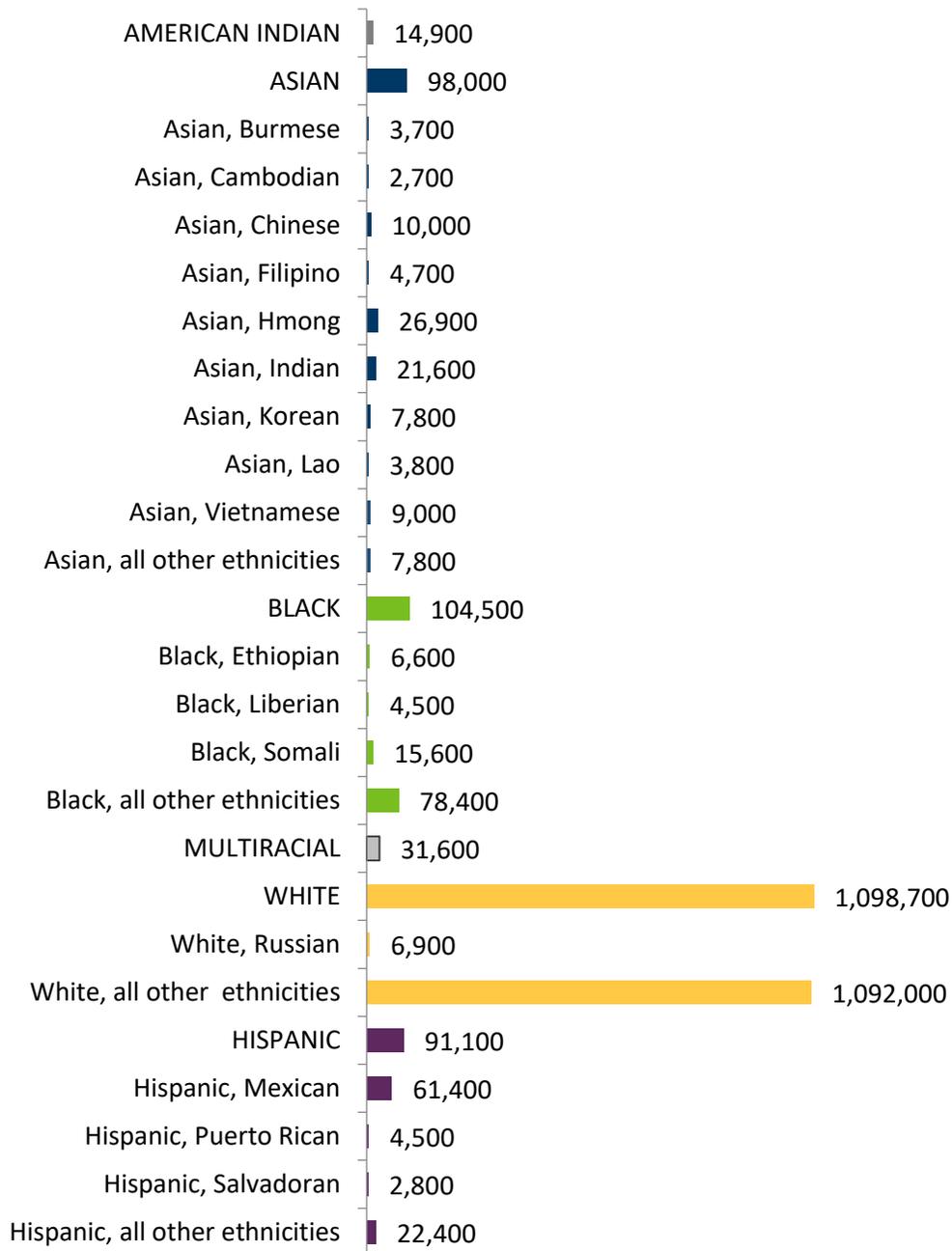
Figure 8: Educational Attainment for Associate Degree or Higher Credential Disaggregated by Detailed Race/Ethnicity Groups, 2020 Estimates



Source: IPUMS Microdata version of U.S. Census Bureau 2014-2018 American Community Survey with tabulations and analysis completed by the Minnesota Demographic Center.

Appendix B. Population Counts

Figure 9: Estimated Count of Persons Age 25-44 with an Associate or Higher Credential Disaggregated by Detailed Race/Ethnicity Groups, 2020 Estimates



Source: IPUMS Microdata version of U.S. Census Bureau 2014-2018 American Community Survey with tabulations and analysis completed by the Minnesota Demographic Center.



2020