

Are We **Reconnecting** the Workforce?

*A Program Evaluation on Michigan **Reconnect***

Karolyn Davis, MSU MPP Program, davisk81@msu.edu

Executive Summary

Currently, only 44% of the Michigan workforce has an associate degree or higher, placing Michigan 37th in the nation for higher education attainment¹. This is concerning since it has been estimated that by 2025, 60% of all jobs in the US will require some sort of higher education, while LEO has said 75% of jobs in Michigan will require a college education “soon”^{2 3}.

To fix this shortfall, the state established the Sixty by 30 initiative, with the goal that 60% of the workforce will have a credential by 2030. One program the state started to reach this goal is Michigan Reconnect, which allows any Michigander 25 or older (the eligibility age is temporally lowered to 21 until November 2024) without a college degree to go to any public community college or tribal college with tuition and mandatory fees covered up to the in-district rate⁴.

There is an added layer in Michigan's education attainment shortfall: who has a degree varies widely by race, and those who are Black, Hispanic, or AIAN are most at risk of being left behind with attainment rates of 30% or less as Figure 3 shows¹.

Using available data, this evaluation considers the effectiveness of Reconnect while also keeping the racial disparities in attainment in mind. This is because closing the disparity is a goal in the new Michigan Statewide Workforce Plan, and closing the disparity is the fastest way to increase attainment overall and hit 60% and 75%.

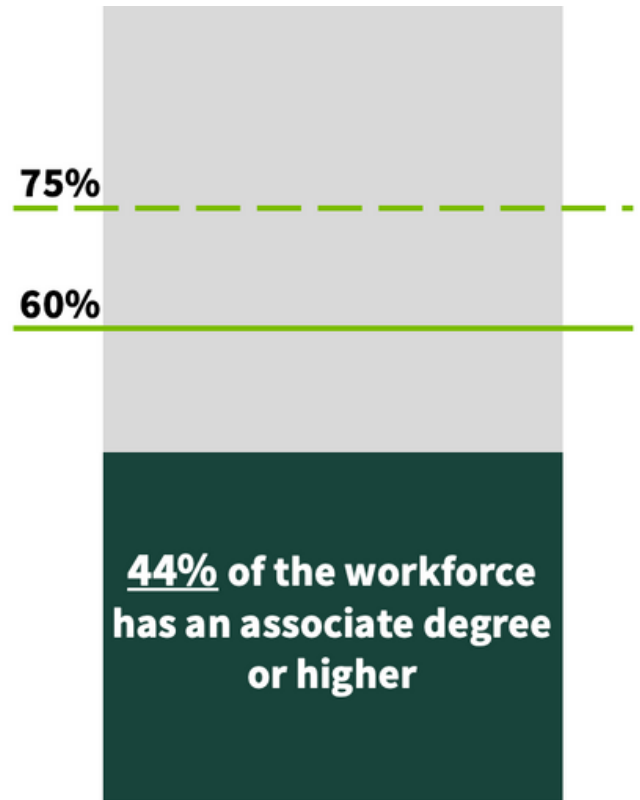
Recommendations based on findings:

1. Field survey to Reconnect applicants, students, community college, and state administrators
2. Cover out-of-district tuition for those without an in-district college
3. Hire more state workers to provide support and manage Reconnect
4. Automatically apply Reconnect to students' financial aid package based on FAFSA data

The Finish Line: How Many Michiganders Need a Degree?

Last year, 110,00 people in Michigan graduated with a post-secondary degree. If these graduation rates maintain, it will take 7.5 more years to reach 60% attainment, and almost 13 years to reach 75% attainment as seen in Figure 2. Clearly, we are not on track to meet Sixty by 30 and doesn't begin addressing the racial disparities⁵.

Figure 1



Source: Lumina Foundation.

Figure 2

7.5 Years 13 Years



The Racial Disparity in Michigan's Higher Education Attainment Gap

Black, Latinx, and AIAN* Michiganders are Disproportionately Falling Behind



*AIAN: American Indian/Alaskan Native

Source: Lumina Foundation. Short-term credentials and certifications not included as data are not disaggregated by race/ethnicity

Millions Eligible, Millions Spent, Little Program Support

Because of Reconnect, 4.1 million Michiganders can go to 31 different institutions. However, this has come at a cost: last year, the State spent \$40 million on tuition and fee disbursements for 33,000 students and allocated an additional \$70 million to lower the eligibility age from 25 years old to 21 years old, for one year⁶.

The State is also poised to further expand Reconnect to all high school graduates, creating the “Michigan Guarantee,” which would cost an estimated \$94 million⁷. Despite this, the State employs just 10 Navigators or state workers who provide support to all applicants, students, and community colleges⁶.

Opening Doors for Low Income Michiganders

Reconnect benefits many people, practically those who would not be able to complete higher education otherwise due to the high cost of tuition². In 2020, the average cost of in-district community college tuition and fees for full-time enrollment was about \$4,500 per year⁸. Considering five years after graduation the median income for Michiganders with only a high school diploma is \$27,500, this cost of tuition is unattainable for many⁹.

Looking specifically at those who complete their degree or certificate with the help of the Reconnect grant, higher levels of education are associated with higher levels of income, lower levels of poverty, unemployment, and usage of social services². One year after graduation, the median annual salary in Michigan for those with an associate degree is \$35,700, and \$46,800 five years after graduation⁹.

Median Annual Income 5 Years After Graduation:
\$27,500
 with a HS Diploma
\$46,800
 with an Associate Degree

Converting Reconnect Applicants to Community College Students

Applying for Reconnect is relatively easy, if someone meets the requirements for the program (Michigan resident for one year, 25 years or older, and no completed college degree), they'll be able to successfully submit the application online and qualify instantly for the program¹⁰.

Reconnect applicants still need to apply and enroll in a community college, and they choose what college they plan to take classes at on their Reconnect application. This means that people can apply (and qualify) for Reconnect, but not follow through and take classes. The program Navigators reach out to those who apply but don't enroll in classes and offer them assistance and connections to resources⁶. For this evaluation, it is assumed that all Reconnect applicants who have yet to enroll in classes receive the same level of support from these navigators.

With this assumption, I calculated the conversion rate, or the Reconnect application to class enrollment rate at the college level. Overall, it's low; only 35.21% of those who have applied and qualified for Reconnect enroll in college. The conversion rate is even lower at colleges with a higher proportion of minority students. Looking at the five colleges* with the highest proportion of minority students, the conversion rate drops to 31.83%^{6 11}.

While this may not seem like a huge difference, there are a few things to pay close attention to. Firstly, among the five colleges, Washtenaw Community College appears to be an outlier, with the highest conversion rate of almost 43% compared to the other four colleges. When excluding Washtenaw, the average conversion rate of the other four colleges drops to 29.97%^{6 11}.

Wayne County Community College District (WCCCD) is also an outlier. WCCCD is the only community college where a majority of its students are minorities. The Reconnect conversion rate at WCCCD is 20.4%, 15 percentage points below the state average, and is by far the lowest conversion rate in the state^{6 11}.

What This Mean: High Price Tag with Little Enrollment

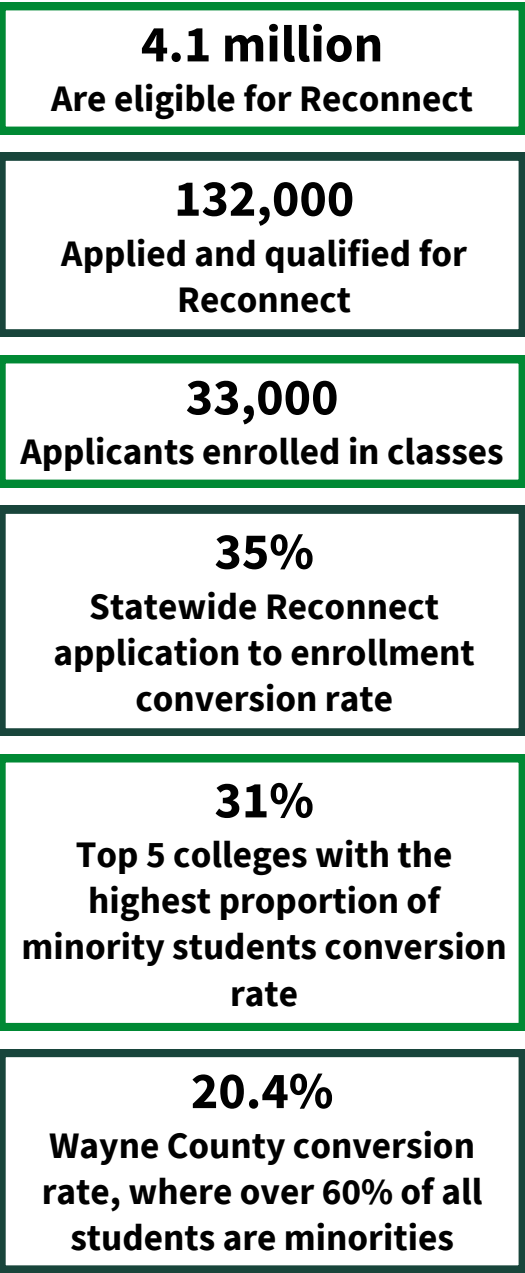
To reiterate, this means we have spent \$40 million on tuition and allocated an additional \$70 million to lower the eligibility age so more people could use Reconnect, for 65% of applicants to not go to college⁶.

The state is poised to blindly expand a program that has not been proven to meaningfully increase enrollment among those who are most interested in the program, those who have applied, particularly at our most diverse colleges.

**Five Colleges: Wayne County Community College District, Oakland Community College, Mott Community College, Washtenaw Community College, and Schoolcraft Community College*

Reconnect Conversion Rates

(from Academic Year 2021-2022)



Reconnect Utilization Among Adult Community College Students

Next that will be looked at is the racial/ethnic breakdown of Reconnect students and the percentage of each race/ethnic group that was 25 or older for the 2021-2022 academic year. This is all summarized in Table 1. The first column reports total enrollment at Michigan community colleges disaggregated by race, with the percentage of total enrollment each race makes up in parenthesis. The following column reports the number of community college students 25 years or older, with the percent reporting the proportion of those enrolled are 25 or older for students of each race. The final column reports the number of Reconnect students by race, with the following percentage reporting the percentage of those 25 or older who are Reconnect students.

For the 2021-2022 academic year, 238,832 people were enrolled in community college. 89,833 of them, or 37.6%, were 25 years or older¹². One of the most startling statistics is for Black students, where over 50% of them are 25 or older. The same can be said for AIAN students, where almost 50% of those students are 25 or older¹². For the rest of the race categories, anywhere from 31% to 45% of students are 25 or older¹².

Table 1

Despite a considerable adult student population at community colleges, only about 36.5% (32,789) of those over the age of 25 were Reconnect students^{6 12}. For no racial category is there a majority of students 25 or older receiving a Reconnect grant^{6 12}.

The two racial groups that have the largest proportion of adult students also receiving a Reconnect grant are Black and Hispanic. For both categories, about 42% of adult students received a Reconnect grant^{6 12}. AIAN adult students have one of the lowest proportions, as only 20.7% of AIAN students 25 or older received a Reconnect grant^{6 12}. This could be misleading, as many of them could instead be utilizing the Michigan Indian Tuition Waiver.

Race/Ethnicity	Enrolled	Age 25 or Older	Reconnect Students
Total	238,832 (100%)	89,833 (37.6%)	32,789 (36.5%)
White	138,517 (58%)	46,045 (33.2%)	18,296 (39.74%)
Black	34,723 (14.5%)	18,337 (52.8%)	7,738 (42.2%)
Latinx	13,643 (5.7%)	4,632 (34.0%)	1,967 (42.47%)
AIAN	1,914 (0.8%)	952 (49.7%)	197 (20.69%)
Asian	7,774 (3.3%)	2,081 (26.8%)	426 (20.47%)
Other	33,199 (13.9%)	14,910 (44.9%)	3,082 (20.67%)

Some of this may seem hopeful- Black and Hispanic adult students, who have some of the lowest rates of higher education attainment, are utilizing Reconnect at the highest rates. But 42% shouldn't queue sighs of relief. Overall, only 36.5% of adults 25 or older are getting a Reconnect grant, meaning a majority of students who most likely qualify for Reconnect are not utilizing it. While not all students over the age of 25 may qualify for the Reconnect grant (namely, having a college degree or certificate), there is nothing to suggest at all that the over 57,000 students 25 or older who did not receive a Reconnect grant did not qualify for the program.

The proportion of Reconnect students who are minorities is also important to consider. While Black and Hispanic adult students may utilize Reconnect at the highest rates, they still make up only 23.6% and 6% of the 33,000 Reconnect students respectively⁶. This makes sense, considering the four most diverse community colleges in Michigan have lower Reconnect application to enrollment conversion, as discussed above.

In summation, a majority of adult students are not receiving a Reconnect grant. While Black and Hispanic adult students may be utilizing Reconnect at the highest rates, the majority of Reconnect students are white, further adding to the evidence that Reconnect is not working to close the current racial disparity in higher education attainment.

Recommendations Based on Findings and Evidence

Overall, this evaluation looks at the current progress of Reconnect while paying special attention to racial disparities, given the current racial gap in higher education attainment. I have shown how unrealistic it is to assume that we can reach our Sixty by 30 goal or the 75% “soon” benchmark without focusing on increasing attainment among adult minorities. After making that point, I then moved on to looking into how Reconnect is currently affecting these disparities. While the data are not perfect, I believe I have been able to make a multi-pronged approach to showcase that even with the data I do have, Reconnect is not solving racial disparities in attainment, and it’s unlikely that it will without changes to the program aimed directly at increasing applications and enrollment of minorities.

If we are serious about **reconnecting the workforce, the following recommendations should be considered**

1. Field survey to Reconnect applicants, students, community college, and state administrators

While the above evaluation shows that Reconnect has a low application to class enrollment conversion rate and utilization among current adult community college students, there are no clear answers as to why. To better understand what the data tell us, the state should survey Reconnect applicants, students, community college, and state administrators. This will allow us to better understand the barriers people face accessing and using Reconnect, and better tailor the program to meet their needs.

2. Cover out-of-district tuition for those without an in-district college

Currently, Reconnect only covers tuition up to the in-district rate. While the vast majority of Michiganders qualify for in-district tuition at their local community college due to their residency, 20% of Michiganders don’t have an in-district community college. For these Michiganers, Reconnect should cover up to the out-of-district rate at the nearest community college, so that anyone eligible for Reconnect has the opportunity to go to college tuition-free regardless of where they live.

3. Hire more state workers to provide support and manage Reconnect

Reconnect needs increased state support, especially if we keep expanding it. At a minimum, we need one state Navigator per college, and potentially more than one at our largest colleges so they can better handle the increased number of applicants and students. Additionally, we should consider giving this funding directly to the colleges to hire their own Reconnect Navigators so that they are better connected to local resources and provide more individualized support.

4. Automatically apply Reconnect to students' financial aid package based on FAFSA data

Finally, Reconnect should be automatically added to someone's financial aid package based on their FAFSA data, so that anyone who qualifies for Reconnect currently in college receives it, rather than it being a separate application. This would not be a new concept; the Michigan Achievement Scholarship, a scholarship program targeted towards lower-income recent high school graduates, already does this.

These are just a few small additional investment to ensure a large public investment in education is successful

Sources

1. Lumina Foundation. (n. d.). We are Tracking Michigan's Progress. <https://www.luminafoundation.org/stronger-nation/report/#/progress/state/MI>.
2. Abramson, K. (2022, February 11). Michigan Reconnect Must Stay Connected to Student Needs. Citizens Research Council of Michigan. <https://crcmich.org/michigan-reconnect-must-stay-connected-to-student-needs>
3. *Skills to Work*. (n.d.). Retrieved October 6, 2023, from <https://www.michigan.gov/leo/initiatives/skills-to-work>
4. MCL 390.1701 et seq, Michigan Reconnect Grant Recipient Act. Michigan Compiled Law. <http://legislature.mi.gov/doc.aspx?2022-HB-6129>.
5. CEPI a. *College Degree and Certificates Awarded* (2021-2022). <https://www.mischooldata.org/college-degrees-and-certificates-awarded/>
6. Trent, Kim. (2023, June 15) Michigan Reconnect Legislative Report for Fiscal Year 2022. Michigan Department of Labor and Economic Opportunity. https://www.michigan.gov/leo/-/media/Project/Websites/leo/Documents/Public-Information/Legislative-Reports/2023/FY22_Reconnect_Legislative_Report-Final.pdf.
7. Gibbons, L. (2024, April 16). Gov. Gretchen Whitmer proposes \$80.7B budget for a 'Michigan Guarantee' | Bridge Michigan. Bridge Michigan. <https://www.bridgemi.com/michigan-government/whitmer-proposes-807b-budget-michigan-guarantee>
8. Senate Fiscal Agency. (2020, December 9). Michigan Public Community Colleges FY 2020-21 In-District Tuition and Fee Rates. https://www.senate.michigan.gov/sfa/Departments/DataCharts/DCccl_TuitionFees.pdf
9. DTMB Median Annual Income by Education Attainment Level. 2022. <https://www.mischooldata.org/median-annual-wages-by-education-attainment-workforce/>
10. Reconnect Program Guide for Community Colleges (2023). https://www.michigan.gov/reconnect/-/media/Project/Websites/reconnect/Reconnect_Handbook-for-Community-Colleges.pdf
11. CEPI c. *Demographic Enrollment Profile Report* (2022). <https://www.mischooldata.org/community-college-data/>
12. CEPI b. *College Undergraduate Enrollment* (2021-2022). <https://www.mischooldata.org/college-undergraduate-enrollment/>

Appendix 1:
Reconnect Conversion Rates at Top 5 Colleges with Highest Proportion of Minority Students

College	Applicants	Students	Conversion Rate
All Colleges	103,681	32,906	35.21%
Schoolcraft College	5,038	1,814	36.01%
Washtenaw Community College	5,202	2,232	42.91%
Mott Community College	6,245	2,071	33.16%
Oakland Community College	10,986	2,932	26.69%
Wayne County Community College District	12,561	2,563	20.4%
Five Colleges (Average)	40,032	11,612	31.83%