

## Postsecondary Education As A Critical Step toward Meaningful Employment: Vocational Rehabilitation's Role

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### Introduction

Postsecondary education, which can be acquired in many different settings today, opens up a world of opportunities for high school graduates. Although the nature of the transition from secondary education to work or further education has been described as chaotic (National Institute on Postsecondary Education, 2000) and there is great variation and a general increase in the cost of educational programs (National Center for Educational Statistics (NCES), 2000), labor force trends and the increased enrollment in postsecondary education demonstrate that students see further education as an important step toward career success.

Over the last ten years, many more people have been completing college (NCES, 2000). Between 1987- 88 and 1997- 98, the number of students being awarded Bachelor's and Associate's degrees rose by 19% and 28%, with the number receiving advanced degrees rising even more sharply (Master's by 44% and Doctorates by 32%). Also, the number of first-professional degrees was 11 percent higher in 1997- 98 than it was in 1987- 88. However, the cost of postsecondary education has increased concurrently. For the 1999- 2000 academic year, annual prices for undergraduate tuition and room and board were estimated to be \$7,302 at public colleges and \$20,277 at private colleges. Between 1989- 90 and 1999- 2000, prices at public colleges have risen by 22 percent, and prices at private colleges have increased by 27 percent, after adjustment for inflation.

Evidence from several national sources confirms that a postsecondary education is worth the rising cost. It allows students to develop marketable skills they cannot normally acquire otherwise. Strictly in terms of income, any type of postsecondary education—whether it has the academic focus of a liberal arts education, a direction toward a challenging technical career or a combination of both types of learning—can prepare a student to enter into professions with

salaries reaching \$40,000 to \$50,000 per year (NCES, 2000). By contrast, students who begin working directly after high school graduation are at a disadvantage, especially if they work full-time and are not in a postsecondary program. Typical earnings for those not participating in any form of postsecondary education are about \$22,000 to \$31,000 per year.

For people with disabilities, the importance of enrolling in and completing a postsecondary educational program is magnified in relation to employment outcomes and earnings. The National Longitudinal Transition Study indicates that people with disabilities participate in postsecondary education in smaller numbers and frequently do not complete these programs. This leads to low participation in competitive employment and much lower earnings than people without disabilities (Stodden and Dowrick, 2001). For people with disabilities who participate in postsecondary education, there is a 50.4% labor force participation rate for those who have completed at least four years of college (Getzel, Stodden and Briel, 1999). In fact, Stodden (1998) presents information indicating a stronger positive correlation between disability and employment and level of education than the trend for the general population. People with disabilities with even less than four years of postsecondary education are employed at double the rate of those with just a high school diploma (Getzel, Stodden and Briel, 1999). These findings show that access to the opportunities afforded by a postsecondary education makes an enormous difference in the employability of people with disabilities. The state Vocational Rehabilitation (VR) system can be a good source of support for individuals with disabilities looking for higher education. This brief will focus on people who have received education supports from VR agencies over time and their rehabilitation outcomes.

The data for this brief have been compiled from the Rehabilitation Services Administration (RSA) national data collection system, the RSA-911 database. This

database contains demographic and employment information on each individual whose case was closed by state VR agencies each year (referred to as closures), across the nation. Closures can be separated into 3 general categories:

1. The person attained a rehabilitation goal, successful closure/rehabilitated. This does not have to be an employment-related goal. Categories for work status are: competitive labor market, extended employment (formerly sheltered workshop), self-employed, business enterprise program, homemaker, and unpaid family worker.
2. Determination was made that the person would not become employed through VR services (unsuccessful closure/not rehabilitated) or
3. The person was found not eligible for services (unsuccessful closure/not accepted for services).

The RSA data have been used to examine participation in postsecondary education by VR clients (Gilmore, Schuster, Zafft, & Hart, 2000). In 1997, 35% of people closed from VR services were found to have participated in postsecondary education. VR provided postsecondary education services to 21% of people closed in 1997 and 14.5% of people already had some postsecondary education when beginning to receive services. The VR postsecondary education participation rate is comparable with the Blackorby & Wagner, (1996) statistic that 37% of students with disabilities participate in postsecondary education (from the National Longitudinal Transition Study (NLTS). Both these participation rates are lower than the NCES National Education Longitudinal Study of 1988, (NELS) which found that 63% of eighth graders in 1988 with disabilities went on to some form of postsecondary education by 1994. In spite of the differences between these rates, they all demonstrate the lower participation rate for people with disabilities in postsecondary education when compared with students who do not report having disabilities. The NELS reports that 72% of 8th graders in 1988, who did not report having a disability, entered some type of postsecondary education by 1994.

The scope of the RSA data is somewhat limited on the specific nature of education services received. Information such as amount of education received and completion data is not collected. However, as these services represent a large expenditure for RSA, items regarding education attainment at both application and closure are now being collected and will be available in future data sets.

## Results

All inferences are based on repeated measures analysis of variance using data from fiscal years 88, 91, 93, 95, and 98 aggregated to the state level. The data for this brief are specifically for successful closures into the competitive labor market. The definitions for postsecondary education services are as follows:

### College/University Training

Included is all academic training on a level higher than a secondary education. Clients attending full- or part-time, or evening courses conducted by a university, college, junior college, or a college-level extension school would be recorded as receiving this type of training. Academic training in an elementary or high school is recorded under miscellaneous training.

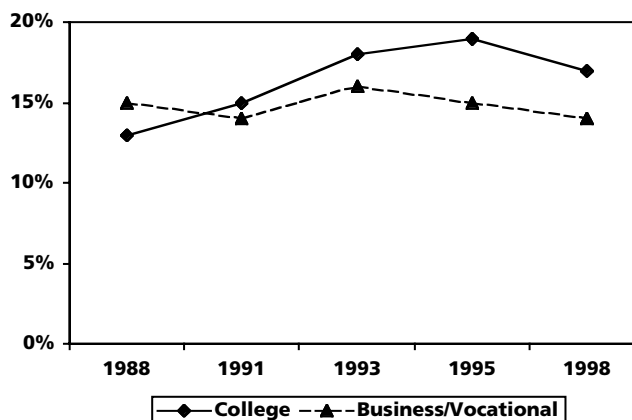
### Business & Vocational Training

A non-collegiate postsecondary education option. Included is training in (a) a business/commercial school or college and (b) a vocational/trade school. Training in the business/commercial school or college would prepare the client for work in areas of office practice, typing, word processing, bookkeeping, accounting, data processing, etc. Training in the vocational/trade school would generally prepare the client for occupations such as welding, woodworking, TV repair, electrical wiring, auto mechanics, drafting, cosmetology, barbering, etc. (Any school offering a baccalaureate degree in business or related fields should be included under college/university).

**Figure 1 shows participation in postsecondary settings has not changed significantly over time.**

- The percentage of closures receiving College/University services rose slightly from 13% in 1988 to 17% in 1998, peaking at 19% in 95.
- The percentage of closures receiving Business/Vocational training remained constant over time at 15% on average.

**Figure 1: Percentages of cases receiving service.**

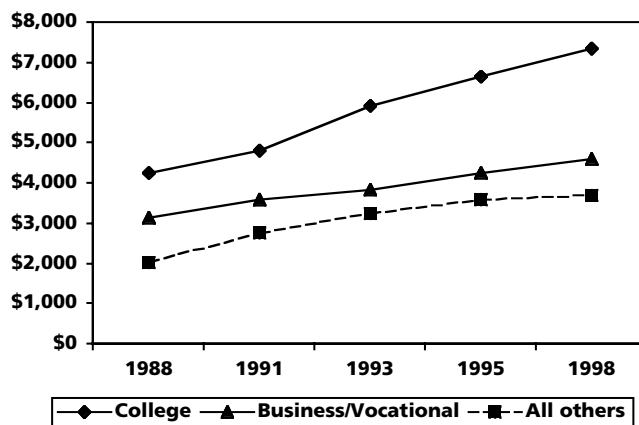


**Figure 2 shows the change over time in the costs of closures using the different postsecondary education services.**

Clearly there has been a large increase in costs over time. However, closure costs have not exceeded the rate of inflation, as measured by Consumer Price Index (CPI) data. The average cost of closures, (not including those receiving education services) exceeded inflation by about 1%. Cost for closures receiving college/university services rose by 6%, after adjusting for inflation, and for closures receiving Business/Vocational education services, cost actually rose less than the rate of inflation.

- Cost for all closures (not including those receiving postsecondary education services) rose from \$2,018 in 1988 to \$3,689 in 1998
- Cost for closure receiving college service rose from \$4,227 in 1988 to \$7,315 in 1998.
- Cost for closures receiving Business/Vocational services rose from \$3,133 in 1988 to \$4,159 in 1998

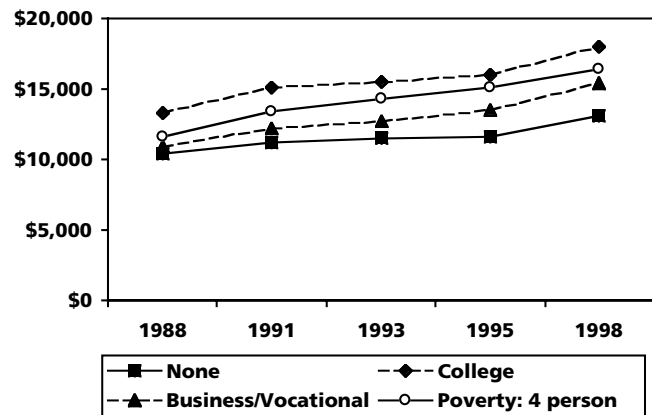
**Figure 2: Average Cost per Case**



**Figure 3 shows earnings for people receiving postsecondary education services are consistently higher over time than for those not receiving such services.** (Yearly earnings are estimated from weekly earnings at closures.)

- People who received college services consistently earned above poverty level incomes (family of four).
- People who received Business/Vocational services consistently earned below poverty level.
- People not receiving any postsecondary education services earned less than those who received any type of postsecondary education services.

**Figure 3: Average earnings by type of education service Compared with National Poverty Standards**



### Implications

The Information Age has arrived, with an array of technical advances leading to greater employment options and growing prosperity for the vast majority of the population. A postsecondary education is the increasingly important means by which people may benefit from these expanded employment options. However, if this benefit is to spread to people with disabilities, they too must have access to postsecondary education options. Therefore, it is important to note that the participation rate in postsecondary education for individuals with disabilities has not increased as much as the rate for the general population. It is also important to note the simultaneous increase in the need for a postsecondary education in order to secure meaningful employment, along with the ever-increasing disparity in employability and earning potential between those with, and those without, a postsecondary education. As a result, it is critical to determine the barriers preventing access to a postsecondary education for individuals with disabilities.

Data from the NCES show that postsecondary education improves earnings for people with disabilities. The data from RSA also show higher earnings for people who receive postsecondary education services. Earnings are still much lower than for the general population, however people who received college/university training did have income above federal poverty standards. Also, when looking at reliance on federal income supports people who received postsecondary education services were less likely to be receiving Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) income supports.

The data reviewed in this brief reveal that the cost of providing postsecondary education has not grown disproportionately to the increases in cost for other closures. Although the cost of educational services is higher, the higher earnings suggest an interesting implication under the new Ticket to Work incentives. Under the ticket a VR agency can receive payment for up to 60 months for a SSI or SSDI recipient who earns enough such that they no longer receive Social Security Administration payments. The earnings at closure for people receiving postsecondary education services appear to be high enough to meet this criteria. The cutoff point for SSI recipients is about \$1150/month or about \$13,200/year. Both groups of people receiving postsecondary education services had projected incomes well above this level, as noted on **Figure 3**.

Another important implication is for people with disabilities receiving Temporary Aid for Needy Families (TANF) supports. In order to reduce their rolls, TANF agencies need to be able to rely on VR agencies to find jobs for people with disabilities that produce high enough incomes so that they no longer need TANF supports. There are state by state differences in exemptions and asset levels for TANF eligibility, however these data suggest that people receiving a postsecondary education obtain higher earnings and therefore are less likely to need TANF supports.

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