

Economic Challenges of Today's Modern College Students

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Introduction

Today's students are working either full-time or part-time to complete their education as compared to their predecessors from earlier times. This brings up interesting perspectives on the campus' workload as to how Student Affairs, Financial Aid, and the Advising office can keep up with these students and the outside of campus work that they do to earn a living and to get their educational degree at the same time. Need-based grant aid, then, offers low- and moderate-income students the best means of reducing work and loan burden. Need-based aid is an essential resource that enables students to achieve academically, persist, transfer to a four-year institution, and complete a bachelor's degree. Students must be informed of the need to apply for aid and must be educated on the benefits of fully utilizing all available need-based aid in order to fulfill their educational goals.

Need to work or get buried in debt with school loans?

Students then must either work or borrow to cover the costs of their education. While there has been an increase in borrowing among community college students in recent years, any low-income and minority students are loan averse (AACC 2008; Price 2004). Work then, remains the only option these students envision. And a substantial portion of community college students work a significant number of hours, many at or over 30 hours per week. This is an overarching trend for students of all dependency statuses and income levels.

However, this study is primarily focused on trends among low-income students. For example, among full-time community college students in the lowest income category of \$0-9,999, the percentage of students who work 30 hours a week or more includes 28 percent of dependent students, 30 percent of independent students with dependents, and 29 percent of independent students without dependents. Most students in this income category, regardless of dependency status, would likely be eligible for a Pell Grant (CCSSE 2008).

Community college students seeking to transfer to a four-year institution, who are presumably on the path to a bachelor's degree, also work a significant amount. For example, the percentage of full-time students who seek to transfer to a four-year institution and who work 30 hours a week or more includes 26 percent of dependent students, 37 percent of independent students without dependents, and 40 percent of independent students with dependents (NCES n.d.). These data illustrate that many community college students are working a significant amount while attending school full-time.

The federal need analysis formula is structured such that students, who work, including those who work to pay for college and living expenses, are penalized the following year based on the amount of their earnings. This reduction in aid eligibility is known as the "work penalty." The income protection allowance (IPA) enables a portion of student income to be shielded from consideration as income in the federal need analysis formula; however, any amount above the

IPA is, in effect, taxed at a rate of 50 percent in the EFC formula for dependent students and independents without dependents. This often results in working students being ineligible for federal grant aid. Reduced grant aid requires students to work more. Students who suffer from the “work penalty” become either less eligible or completely ineligible for grant aid. With less aid or no aid available, these students face higher educational costs. Since many low-income students do not want to borrow to cover additional costs, the result is that they must work even more hours in order to pay for their education.

This “catch-22” in which students find themselves working to pay for school, becoming ineligible for grant aid due to work, and working more to compensate for lack of aid is a vicious cycle that can hinder students’ persistence and threaten their chances of degree completion. Because community colleges serve such a high percentage of low-income students, it is important that these students have the same opportunity to persist, transfer, and obtain a bachelor’s degree as those students who begin at a four-year institution.

Recent research suggests that there are many community college students who do not apply for federal financial aid. In fact, community college students fail to complete financial aid applications at a higher rate than those who attend four-year institutions. In the 2003-04 academic year, 55 percent of all students who attended community colleges either full- or part-time did not complete the FAFSA, while only 37 percent of students at four-year institutions did not complete it (King 2006). More detailed analysis shows that, among full-time community college students during the 2003-04 academic years, approximately 38 percent did not apply for aid (NCES n.d.). Among full-time community college students seeking to transfer, nearly 40 percent did not apply for aid (NCES n.d.). Understanding that community colleges serve so many missions, narrowing the scope to these specific populations provide a clearer picture of whether students who intend to transfer are taking advantage of available aid.

What do advisors need to know and do?

Today's context for higher education presents student affairs with many challenges. Among these are new technologies, changing student demographics, demands for greater accountability, and concern about the increasing cost of higher education. Today's students must cobble together a financial aid package which is complex, difficult to access, and more dependent upon loans and work than ever before, in order to stay enrolled (Lock, 2005, p. 377). Our response to these challenges will shape our role in higher education.

In order to support working students, Student Affairs should understand the learning and support needs of working students. They must acknowledge the prevalence of student employment and how to connect students’ workplace and academic. Giving students the opportunity for meaningful one-on-one interactions with their professors is also critical to fostering a supportive campus culture, and such interactions may be particularly beneficial to working students; through one-on-one interactions, professors and administrators can promote adult working students’ sense of belonging and validate their presence on campus, thus encouraging their academic success (Perna, 2010).

From an advising point of view, there is no one cure for all students who are full time workers and students. Each case is different and is dealt with individually. Usually if a student comes in with concerns about struggling with their academics, they are asked the following questions: how many courses they are currently enrolled in, how many hours they study, and if there are other factors that come into play. Once those are figured out, it is important for the student to determine what their priorities are and how to go about managing them. Once their priority list is set, the student could see which are out of

their control and what activities could be eliminated. The main goal is to help the student be academically successful.

For advisors to use their advising skills in a way to reach out to these students that need to work more and to attend classes regularly. More and more students will have to weigh out their decisions to keep working or go to school to learn a skill so that they can get better jobs in the future. Advisors should brush up on their skills as we all have seen in the past, that today's students work more while attending school and need to re-focus their objectives towards these new breed of students and not only work on the traditional student, but more towards the non-traditional student.

By using different advising skills, more advisors need to be cross-trained in Student Affairs' functions and Financial Aid procedures to help these working students feel at ease with their work, on both ends, and know that if they were to visit their advisor, that person can help them in more than one way. To be able to get answers from one person and not have to go out of their way or even take time off of work to speak with someone else that may be able to help them.

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