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## FROM COLLEGE ACCESS TO COMPLETION: STATE AND FEDERAL POLICY LEVERS

by Lisa Quay

The Warren Institute is a multidisciplinary, collaborative venture to produce research, research-based policy prescriptions, and curricular innovation on issues of racial and ethnic justice in California and the nation.

The Civil Rights Research Roundtable on Education is an initiative of the Warren Institute that convenes an ongoing learning community composed of leading national civil rights organizations to discuss the latest educational research and evidence-based practices related to civil rights goals in education.

This research brief focuses on the current state of postsecondary credential completion in America, with a particular emphasis on the crisis of attrition among traditionally underrepresented groups attending two- and four-year institutions: specifically, low-income students, students of color, and non-traditional students. These students are substantially less likely to enroll in higher education, and if they do matriculate, they are far less likely to emerge with a degree. The brief examines the causes of the current low rates of college completion and discusses some of the ways in which the federal government and the states are addressing the problem and the work that is yet to be done.

One key education metric shows little evidence of a gap between students of color and their non-Hispanic white peers: the percent of high school students who report that they plan to go to college. Indeed, according to data collected by the U.S. Department of Education, the difference between the percentage of African American 12<sup>th</sup> graders who plan to go to college (86 percent) and their white peers (88 percent) is a mere two percentage points.<sup>1</sup> The same is true of Asian/Pacific Islanders (91 percent) and Latinos (80 percent). Most students are getting the message—postsecondary education is crucial for ensuring future economic security.

Nevertheless, the sobering reality is that out of every 100 9<sup>th</sup> graders nationwide, just over 40 will enter college directly after high school, under 30 will still be enrolled in their second year, and fewer than 20 will graduate from a two- or four-year college within 150 percent of the normal completion time.<sup>2</sup> Not only are the overall college completion rates worryingly low, however, there is also clear evidence of a vast gap between different groups of students: for example, in 2007, 70 percent of non-Hispanic white students who completed high school enrolled that fall in a two- or four-year college, in contrast to 56 and 61 percent of their African American and Latino peers.<sup>3</sup>

1. K. HAYCOCK, M. LYNCH, AND J. ENGLE, *Opportunity Adrift: Our Flagship Universities are Straying from their Public Mission*, The Education Trust, (2009).

2. G. DAVIES, *Setting a Public Agenda for Higher Education in the States: Lessons Learned from the National Collaborative for Higher Education Policy*, (2006).

3. S. AUD, W. HUSSAR, M. PLANTY, T. SNYDER, K. BIANCO, M. FOX, L. FROHLICH, J. KEMP, AND L. DRAKE, "Indicator 20: Immediate Transition to College," *The Condition of Education 2010*, U.S. Department of Education, National Center for Education Statistics, NCES 2010-028, (2010).

Of those non-Hispanic white students who enroll in a four-year institution seeking a bachelor's degree, 60 percent will graduate within six years, compared with 40 and 49 percent of African American and Latino students, respectively.<sup>4</sup> To date, much of the emphasis in the field has been placed on expanding access to college, with far less attention paid to postsecondary completion. This research brief examines the available research and evidence to paint a picture of college completion in America and shed light on both the major causes of and promising policy solutions to the enormous mismatch observed between aspirations and actuality—particularly among low-income students, students of color, and non-traditional students.

## WHAT THE RESEARCH SAYS ABOUT COLLEGE COMPLETION

The headline in American higher education is one of increasing access, with the portion of 18- to 24-year olds enrolled in higher education growing from 33 percent in 1983 to 42 percent in 2006.<sup>5</sup> Total enrollment figures between 1965 and 2005 grew nearly 300 percent, from nearly six million students to over 17 million.<sup>6</sup> Twelfth graders from all racial/ethnic groups attend today at higher rates, with double-digit increases in enrollment for Asian/Pacific Islanders, African Americans, whites, and Latinos since the 1970s. This improved access, however, has not been met with commensurate increases in degree completion. High school graduation rates have increased and more students enter higher education each year, yet roughly the same proportion of students makes it to graduation as did in the 1970s.<sup>7</sup> In addition to providing a more detailed view of college completion nationwide, recent research has illuminated some of the key causes

of the persistently high attrition rates, particularly among specific subgroups.

## Outcomes

Overall, American students drop out of higher education at alarming rates. According to the latest U.S. Department of Education (ED) statistics, 57 percent of full-time, first-time bachelor's degree-seeking students who enrolled in four-year institutions in 2002 eventually completed a bachelor's degree within six years.<sup>8</sup> Rates are even worse at two-year institutions—barely 30 percent of students who enrolled in 2005 completed a degree within three years.<sup>9</sup> Amazingly, these dismal rates have stayed relatively constant for the past few decades. According to analyses by ED, postsecondary enrollment rates for the 12<sup>th</sup> graders in 1972, 1982, and 1992 were 60, 65, and 75 percent, respectively, but subsequent bachelor's degree attainment rates remained constant at 66, 66, and 67 percent over the same years.<sup>10</sup>

The picture is bleaker for students of color, low-income students, and non-traditional students (e.g., those students who delay entry into higher education, are financially independent from their parents, work full time, or are single parents). Looking at 8<sup>th</sup> graders in 1988, nearly three in four of the highest achieving students from high-income families eventually completed at least a bachelor's degree within eight years of high school graduation, compared with fewer than one in three of equally high performing students from low-income families (a degree completion rate that is almost identical to that of high-income students in the *lowest* achievement quartile).<sup>11</sup> Students of color are also at a severe disadvantage: while 67 and 60 percent of Asian American/Pacific Islander and white students who enroll in four-year

4. L. KNAPP, J. KELLY-REID, AND S. GINDER, *Enrollment in Postsecondary Institutions, Fall 2008; Graduation Rates, 2002 and 2005 Cohorts; and Financial Statistics, Fiscal Year 2008*, U.S. Department of Education, National Center for Education Statistics, NCES 2010-152, (2010).

5. VANDERBILT UNIVERSITY, *Making the Connections: Making Improvements in College Completion*, (2009a).

6. T. SNYDER, S. DILLOW, AND C. HOFFMAN, "Table 180: Total fall enrollment in degree-granting institutions, by control and type of institution: 1963 through 2005," *Digest of Education Statistics 2007*, U.S. Department of Education, National Center for Education Statistics, NCES 2008-022, (2008).

7. J. WIRT, S. CHOY, P. ROONEY, W. HUSSAR, S. PROVASNIK, AND G. HAMPDEN-THOMPSON, "Indicator 22: Postsecondary Participation and Attainment among Traditional-Age Students," *The Condition of Education 2005*, National Center for Education Statistics, U.S. Department of Education, NCES 2005-094, (2005).

8. KNAPP, KELLY-REID, AND GINDER (2010).

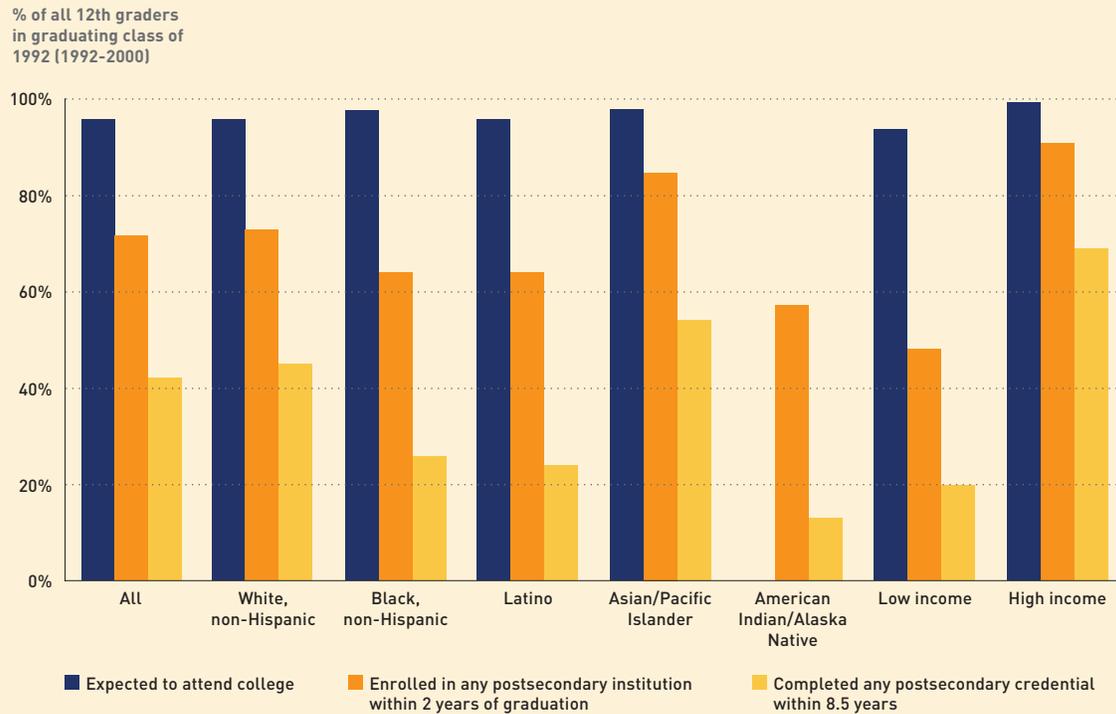
9. Ibid.

10. Bachelor's degree completion rates are reported at age 30 for 12<sup>th</sup> graders in 1972 and 1982 and at age 26 for those in 1992. Rates based on those who had attended a four-year institution and completed at least 10 credits. L. HORN AND R. BERGER, *College Persistence on the Rise? Changes in 5-year Degree Completion and Postsecondary Persistence Rates between 1995 and 2000*, U.S. Department of Education, National Center for Education Statistics, NCES 2005-156, (2005). T. BROCK, "Young Adults and Higher Education: Barriers and Breakthroughs to Success," *Future of Children*, 20 (1), (2010).

11. M.A. FOX, B.A. CONNOLLY, T.D. SNYDER, "Table 21: Percentage distribution of 1988 eighth-graders' educational attainment by 2000, by eighth-grade mathematics achievement and selected student characteristics: 2000," *Youth Indicators 2005: Trends in the Well-Being of American Youth*, NCES 2005-050, (2005).

The *National Education Longitudinal Study of 1988* tracked 8<sup>th</sup> graders in 1988 through high school and postsecondary education until 2000. It provides a unique longitudinal view of the postsecondary expectations, enrollment, and attainment of a cohort of students, as illustrated in Figure 1.

**FIGURE 1 | College expectations, enrollment, and completion among the high school class of 1992**



**Note:** Expectations data for American Indian/Alaska Native students are included in the “All” category, but were not reported separately. Postsecondary completion rates for all 12<sup>th</sup> graders in the graduating class of 1992 were calculated using data on the percent of all 12<sup>th</sup> graders enrolled in any postsecondary institution and the percent of 12<sup>th</sup> graders who were “likely postsecondary participants” who graduated with any credential within 8.5 years

**Sources:** U.S. Department of Education, National Center for Education Statistics: *Access to Postsecondary Education for the 1992 High School Graduates* (NCES 98-105, Table 8); *The Condition of Education 1997* (NCES 97-988, Table 9-1); *Postsecondary Attainment, Attendance, Curriculum, and Performance: Selected Results From the NELS:88/2000 Postsecondary Education Transcript Study (PETS), 2000* (NCES 2003-394, Table 1)

institutions complete four-year degrees, respectively, just 38 percent of American Indian and Alaska Native students, 40 percent of African American students, and 49 percent of Latino students do the same.<sup>12</sup> Non-traditional students fare even worse. Just 21 percent of students who are financially independent from their parents and who start in a four-year institution complete a bachelor’s degree, compared with 62 percent of their dependent peers.<sup>13</sup> These gaps are less pronounced at two-year institutions, but nonetheless persist:

nearly one-third of Asian/Pacific Islander and white students complete degrees, compared with 26 to 29 percent of American Indian, Alaska Native, African American, and Latino students.<sup>14</sup> Again, independent students fare worst—at two-year institutions, just 12 percent complete an associate’s degree.<sup>15</sup>

Substantial variation in degree completion rates exists across the states, institutional types, and individual institutions, as well. At four-year institutions, statewide average

12. KNAPP, KELLY-REID, AND GINDER (2010).

13. T. SNYDER, S. DILLOW, AND C. HOFFMAN, “Table 329, Percentage distribution of enrollment and completion status of first-time postsecondary students starting during the 1995–96 academic year, by type of institution and other student

characteristics: 2001,” *Digest of Education Statistics 2008*, U.S. Department of Education, National Center for Education Statistics, NCES 2009-020, (2009).

14. KNAPP, KELLY-REID, AND GINDER (2010).

15. SNYDER, DILLOW, AND HOFFMAN, Table 329, (2009).

graduation rates in 2006 varied from a low of around 25 percent in Arkansas to a high of 68 percent in Delaware.<sup>16</sup> An earlier analysis of the entire K-12 to higher education pipeline by the National Center for Public Policy and Higher Education found that of 100 entering 9<sup>th</sup> graders, the number of students who graduated in 2002 from two- or four-year institutions within 150 percent of the normal time (three and six years, respectively) varied from a low of 10 in Nevada and New Mexico to a high of 29 in Massachusetts.<sup>17</sup>

Different types of institutions report varying success in promoting college completion, as well. Among bachelor's degree granting institutions, more selective institutions are far more likely to graduate students within six years than those that are less selective or "open access." The same is true when comparing graduation rates between four-year public, private not-for-profit, and private for-profit institutions, which have six-year graduation rates of 55, 65, and 22 percent respectively. These disparities hold across all racial/ethnic groups, and are particularly notable given the high enrollment by students of color in private for-profit institutions.<sup>18</sup>

Researchers also observe substantial differences in degree completion rates across individual institutions. Recent analysis by researchers at Vanderbilt University revealed that graduation rates at public institutions vary enormously even within the same state; for example, in Virginia, 92 percent of students graduate in six years from the best performing public institutions compared with just 30 percent at the lowest performing public institutions.<sup>19</sup> This cross-institutional variation is particularly wide with regard to students of color: of the 1,050 four-year institutions that reported graduation rate data to ED on the first-time, full-time freshman cohort in 2000, 103 schools had a six-year African American graduation rate of 60-69 percent, but

an equal number also had a 10-19 percent African American graduation rate.<sup>20</sup> Notably, Hispanic-Serving Institutions (HSI) and Historically Black Colleges and Universities (HBCU) do not appear to achieve higher graduation rates for Latino and African American students.<sup>21</sup>

## Causes

Researchers have identified a number of underlying causes that appear to be responsible for these poor completion outcomes and the wide gaps across student subgroups. Specifically, high schools are not adequately preparing students academically to succeed in college, particularly low-income students and students of color; these students have a harder time making the transition to higher education and enroll in college at lower rates than their white, better off peers; and institutional issues at the postsecondary level inhibit their successful progress toward degrees.

### Lack of academic preparation in K-12

Perhaps the most common explanation of low college completion rates is the lack of adequate academic preparation during K-12. Academic preparation in secondary school – defined as both the intensity and quality of curriculum and academic performance – is the largest predictor of subsequent bachelor's degree attainment.<sup>22</sup> A widely cited analysis by Jay Greene and Marcus Winters of the Manhattan Institute suggests that only 34 percent of all students in the class of 2002 left high school prepared to succeed at four-year colleges on the basis of course-taking and proficiency. While poor academic preparation is clearly pervasive across all groups, low-income students and students of color are particularly vulnerable. According to the Greene and Winters

16. VANDERBILT UNIVERSITY. *State Policy and College Completion: What's the Connection?*, (2009b).

17. NATIONAL CENTER FOR PUBLIC POLICY AND HIGHER EDUCATION, *The Educational Pipeline: Big Investment, Big Returns*, (2004).

18. T. SNYDER AND S. DILLOW, "Table 331, Graduation rates of first-time post-secondary students who started as full-time degree-seeking students, by sex, race/ethnicity, time between starting and graduating, and level and control of institution where student started: Selected cohort entry years, 1996 through 2004," *Digest of Education Statistics 2009*, U.S. Department of Education, National Center for Education Statistics, (2010). KNAPP, KELLY-REID, AND GINDER (2010).

19. VANDERBILT UNIVERSITY (2009b).

20. K. CAREY, *Graduation Rate Watch: Making Minority Success a Priority*, Education Sector, (2008).

21. Overall, HSIs lag non-HSIs with regard to both white and Latino graduation rates; however, they graduate Latino students at approximately the same rate as non-HSIs within comparable selectivity levels. A. KELLY, M. SCHNEIDER, K. CAREY, *Rising to the Challenge: Hispanic College Graduation Rates as a National Priority*, American Enterprise Institute, (2010). According to a recent analysis by the Associated Press, African American six-year graduation rates at HBCUs (37 percent) are a few points lower than the national average, driven in large part by the low graduation rates among African American men enrolled at HBCUs. J. POPE, *Men struggling to finish at black colleges*, Associated Press, (March 28, 2009).

22. C. ADELMAN, *Answers in the Toolbox: Academic Intensity, Attendance Patterns and Bachelor's Degree Attainment*, U.S. Department of Education, (1999).

analysis, just 23 percent of African American students, 20 percent of Latino students, and 14 percent of American Indian students leave high school college-ready.<sup>23</sup> While disturbing, such disparities are unsurprising, since students of color (like low-income students) are more likely to attend lower-resourced schools, with fewer qualified, experienced, and effective teachers and fewer high-quality advanced academic courses.

This dearth of academic preparation is made clear when students enroll in higher education. Twenty-eight percent of entering freshman in public two- and four-year institutions enroll in at least one remedial reading, writing, or math course. Community colleges, which feature open-access admissions policies, bear the largest burden in terms of remediation—almost 60 percent of their enrollees require at least one year of pre-collegiate or remedial coursework (compared with 25 percent of students in four-year institutions). Students of color are overrepresented in remedial education; for example, African American students are almost twice as likely as their non-Hispanic white peers to enroll in at least one remedial course.<sup>24</sup>

#### Lower enrollment rates among low-income students, students of color, and non-traditional students

Observers often report that students of color make up a significantly larger portion of the population of students attending college now than in the 1970s; however, these statistics mask the fact that enrollment rates have largely grown by similar margins across all racial/ethnic groups over the past few decades.<sup>25</sup> While 72 percent of white students who completed high school in 2008 enrolled in a two- or four-year college that fall, just 56 and 61 percent of African American and Latino students did so, respectively.<sup>26</sup> The disparities are even starker by income: 82 percent of those students whose families were in the highest income quintile

enrolled in college, compared with 57 percent of those whose families were in the lowest income quintile.<sup>27</sup> Non-traditional students are also making up a growing share of college goers, but still enroll at lower rates than their traditional peers.<sup>28</sup> These differences hold true even when controlling for prior academic performance—74 percent of the highest performing 8<sup>th</sup> grade students in math in 1988 who came from the lowest socioeconomic quartile enrolled in college within eight years of their scheduled high school graduation rate, compared with 91 percent of similarly high performing 8<sup>th</sup> graders who came from the middle economic quartiles and 99 percent of those from the highest economic quartile.<sup>29</sup> Research suggests that low-income students, students of color, and non-traditional students are less likely to enroll in college because of several factors, including: the high cost of college and insufficient aid; not taking the steps necessary to enroll in college (e.g., taking the SAT or ACT, applying to college or for financial aid); a high opportunity cost of enrolling in college in terms of foregone wages; a lack of transparency around financial aid issues; and mixed messages about academic preparation.<sup>30</sup>

#### Policy and institutional barriers

Research suggests that a number of policy and institutional barriers at the higher education level impede the persistence and success of students, particularly low-income students, students of color, and non-traditional students. Such issues include: a lack of coordination and cooperation between K-12 and higher education; the provision of inconsistent and unproven remediation to students who enter higher education academically underprepared; persistently increasing costs of college attendance coupled with trends in federal, state, and institutional student aid that have disproportionately hurt low-income students; and few incentives (and in many cases, actual disincentives) for

23. Note: the college readiness rate of American Indian students in the class of 2002 was not included in the 2005 article; the figure cited is for the class of 2001 from a related 2003 publication by J. GREENE AND G. FORSTER. J. GREENE AND M. WINTERS, *Public High School Graduation and College-Readiness Rates: 1991-2002*, Manhattan Institute, (2005). ACT also provides national rates of college readiness in English, reading, math, and science. In 2009, 23 percent of ACT-tested high school graduates were college ready in all four subjects. ACT, *The Condition of College Readiness 2009*, (2009).

24. T. GREENE, *Developmental Education Toolkit*, Community College Bridges to Opportunity Initiative, (2008).

25. WIRT ET AL (2005).

26. Note, African American and Latino rates are three-year moving averages due to unreliable estimates as a result of small sample sizes. AUD ET AL (2010).

27. Ibid. Note, low-income rate is a three-year moving average.

28. See example, BROCK (2010).

29. S. BAUM AND J. MA, *Education Pays: the Benefits of Higher Education for Individuals and Society*, College Board, (2007).

30. R.D. HAHN AND D. PRICE, *Promise Lost: College-Qualified Students Who Don't Enroll in College*, Institute for Higher Education Policy, (2008).

institutions to carry students who require additional supports from enrollment to graduation.

First, there exists a general lack of coordination and cooperation between K-12 and higher education, which is perhaps best underscored by the current discussions around common “college- and career-ready” standards. One of the many criticisms of current state academic standards for K-12 is that they are not aligned with what is truly required to succeed in college. The primary reason for this disconnect is two-fold. On the one hand, higher education was largely absent from the table when the K-12 system established its course content standards; on the other hand, colleges and universities have failed to be transparent around what they expect of students, once admitted. As a result, high schools are left to guess at what skills and knowledge are most important to teach—and to what extent students must master these concepts in order to succeed at the next level. Other facets of the K-12 and higher education divide include: independent governance and finance structures, a lack of inter-level organizational relationships across the systems, and disputes over what skills and knowledge are most important to be assessed.<sup>31</sup>

Second, while efforts to provide remediation are critical, the field has underinvested in the research and development of effective remediation programs. One commentator characterized the available research on remediation as “sporadic, underfunded, and inconclusive.”<sup>32</sup> The quality of remedial education conducted by higher education appears to be widely variable and few institutions evaluate the effectiveness of their remedial programs.<sup>33</sup> Furthermore, remediation standards vary substantially by institutions, even those with similar missions and student populations.<sup>34</sup> Many students who require remediation also have other unmet needs that must be addressed in order to enable their educational progress, including child care, evening classes, and support services.<sup>35</sup>

Third, federal and state funding of grant-based student aid has not kept pace with increases in the cost of attending college and the latest trends in student aid practices increasingly disadvantage low-income students compared to their middle- and upper-income peers. The total cost of attending college includes tuition and fees and all other expenses related to enrollment, including books and supplies, room and board, transportation, and other personal living expenses. Student aid can include any combination of federal, state, and institutional grants (need-based or merit-based), loans, and work-study; however, grants are the only type of student aid that actually reduces the out-of-pocket expense (often called the “net price”) of college to students and families. Regardless of whether or not they are subsidized by the federal government, loans defer but do not reduce the net price of college attendance. Thus, the “true” net price to families can be calculated by subtracting the amount of grants from the total cost of attendance. According to ED figures, increases in federal, state, and institutional grants have not kept pace with the rising net price of attendance to families, and the rate of growth in the net price seems to be accelerating. To make up the difference, students appear to be working more hours, reducing their course loads (delaying degree completion), attending less expensive colleges, and, most frequently, taking out more loans.<sup>36</sup> Between 1989 and 2000, the net price of attending two- and four-year public institutions increased from \$6,700 to \$7,500 and from \$8,900 to \$10,500, respectively. However, between 2000 and 2003 alone, these figures increased to \$7,900 and \$11,200.<sup>37</sup> For a low-income family earning \$20,000 a year, these amounts represent about 40 to 60 percent of their annual income.

Unsurprisingly, then, the amount of need-based aid provided per student is the single most important financial variable influencing college enrollment.<sup>38</sup> Both need-based and non-need based grants also appear to increase the

31. M. KIRST AND A. VENEZIA, *Bridging the Great Divide Between Secondary Schools and Postsecondary Education*, (2004). NATIONAL CENTER FOR PUBLIC POLICY AND HIGHER EDUCATION, *States, Schools, and Colleges: Policies to Improve Student Readiness for College and Strengthen Coordination between Schools and Colleges*, (2009).

32. J. MERISOTIS AND R. PHIPPS, “Remedial Education in Colleges and Universities: What’s Really Going On?,” *The Review of Higher Education*, 24 (1), (2000).

33. K. CAREY, *A Matter of Degrees: Improving Graduation Rates in Four-Year Colleges and Universities*, The Education Trust, (2004). MERISOTIS AND PHIPPS (2000).

34. MERISOTIS AND PHIPPS (2000).

35. BRIDGES TO OPPORTUNITY INITIATIVE, *Bridges to Opportunity for Underprepared Adults: a State Policy Guide for Community College Leaders*, (2008).

36. NATIONAL CENTER FOR PUBLIC POLICY IN HIGHER EDUCATION, *Losing Ground*, (2002).

37. All figures in constant 1999 dollars. S. CHOY, *Paying for College: Changes Between 1990 and 2000 for Full-Time Dependent Undergraduates*, U.S. Department of Education, National Center for Education Statistics, NCES 2004-075, (2004). L. BERKNER AND C. CHANG WEI, *Student Financing of Undergraduate Education: 2003–04, with a Special Analysis of the Net Price of Attendance and Federal Education Tax Benefits*, U.S. Department of Education, National Center for Education Statistics, NCES 2006-186, (2006).

38. E. ST. JOHN, C. CHUNG, G. MUSOBA, A. SIMMONS, O. WOODEN, AND J. MENDEZ, *Expanding College Access: The Impact of State Finance Strategies*, The Lumina Foundation for Education, (2004).

likelihood that students will attend four-year institutions (rather than community colleges) and that they will persist in and complete college.<sup>39</sup> A number of critics, however, charge that most current grant programs are not optimally structured to promote timely college completion.<sup>40</sup> Research has also found that low-income students are more price-sensitive and responsive to grants (in terms of both enrollment and persistence) than are middle-income students, and are also reluctant to take out loans.<sup>41</sup> These findings are particularly concerning to advocates, given the marked trend among both states and institutions, in particular, to increasingly invest more in merit-based grants than in need-based grants.<sup>42</sup> In addition, tuition tax credits and deductions and the federal and state education savings programs have been used in recent years to subsidize college costs, but the benefits of these programs accrue “almost exclusively” to middle- and upper-income families.<sup>43</sup>

Finally, few incentives exist to drive institutions to focus on degree completion, particularly with regard to students who need the most support. Most public higher education institutions are funded by states on the basis of fall enrollment counts, rather than outcomes (e.g., persistence or degree completion). Indeed, the vast majority (some estimates suggest 90 percent or more) of state funds allocated to higher education are dedicated to operating support and provided through these enrollment-based formulas.<sup>44</sup> As a result, institutions have little reason to focus on promoting successful outcomes for students—rather, it behooves them to get more and more students in the door and keep them enrolled just through the enrollment census date. As such, current state funding formulas prioritize access over college readiness or successful degree completion. In addition, institutions are less likely to commit the necessary resources to encourage completion among “at-risk” students, many of whom are low-income, students of color, and/or non-traditional because these students require additional, more expensive supports to get them to graduation.

Few incentives exist to drive institutions to focus on degree completion, particularly with regard to students who need the most support.

While enrollment numbers drive funding, institutions may calculate that it would be cheaper to enroll additional first year students (who are also perceived as cheaper than older students) than to commit the resources needed to get a student who requires more support to continue to enroll from their sophomore to junior year.<sup>45</sup>

#### WHAT WE ARE STILL LEARNING: STATE AND FEDERAL ROLES

The federal government and some states are beginning to take promising steps toward addressing the crisis of college attrition, particularly among students of color, low-income students, and non-traditional students. Despite these efforts, however, there remains much to be done and a great deal of uncertainty about which policy levers will produce the greatest effect.

#### Improving academic preparation

The federal government and the states are currently engaged in a number of efforts targeted at improving the K-12 system’s ability to produce high school graduates who are ready to succeed in college. Given the states’ large influence on education matters, ED is trying to leverage the unprecedented amount of competitive grant funding contained in the *American Reinvestment and Recovery Act of 2009* to encourage states to take immediate action on four key fronts in K-12: adopting “college- and career-ready” standards;

39. D. DEMMING AND S. DYNARSKI, *Into College, Out of Poverty? Policies to Increase the Postsecondary Attainment of the Poor*, National Bureau of Economic Research Working Paper, (2009).

40. See *example*, BROCK (2010).

41. DEMMING AND DYNARSKI (2009). ST. JOHN ET AL. (2004). BROCK (2010). WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION, *Pathways To and Through College: Linking Policy with Research and Practice*, (2003).

42. Over the past decade, the amount of aid disbursed by states on the basis of need has increased by 60 percent, while the amount of aid awarded without

consideration of financial need has increased by over 200 percent. NATIONAL ASSOCIATION OF STATE STUDENT GRANT AND AID PROGRAMS, *39th Annual Survey Report on State-Sponsored Student Financial Aid, 2007-08*, (2008); cited in HAYCOCK, LYNCH, AND ENGLE (2010).

43. DEMMING AND DYNARSKI (2009).

44. A. HAUPTMAN, *Strategies for Improving Student Success in Postsecondary Education*, Western Interstate Commission for Higher Education, (2007).

45. CAREY (2008).

## Current state funding formulas prioritize access over college readiness or successful degree completion.

building robust longitudinal data systems that track student achievement and attainment and can inform efforts to improve instruction; “recruiting, developing, rewarding, and retaining” effective teachers and principals, particularly in high-need schools and classrooms; and turning around the nation’s lowest-achieving schools.<sup>46</sup> To date, research has raised a number of challenging questions about the Administration’s agenda, including: how higher standards can be successfully implemented in high poverty districts; how districts can achieve a more equitable distribution of effective teachers and principals; how the field can bolster teachers’ effectiveness; and how chronically failing schools can be effectively turned around with existing tools and resources.<sup>47</sup> In addition, substantial questions remain about the field’s ability to remediate and accelerate the large number of middle and high school students who are far below grade level in the current system.

### Encouraging enrollment among low-income students, students of color, and non-traditional students

The federal government and states both have roles to play in encouraging enrollment among low-income students, students of color, and non-traditional students. The most important role the federal government can play relates to financial aid. In addition to increasing need-based grant funds (discussed in the next section), the Obama

Administration has indicated interest in simplifying the federal financial aid application process. Research has shown that simplifying this process, in conjunction with providing additional information and assistance in completing the federal application could substantially increase the number of low-income students who enroll in college and receive financial aid.<sup>48</sup> The federal government also funds a set of student support programs that are designed to help under-represented groups progress from middle school through higher education. One of the best known so-called “TRIO” programs focused on college enrollment is *Upward Bound*, which provides students with academic instruction, tutoring, counseling, mentoring, work-study programs, and cultural enrichment. A recently completed rigorous evaluation of the program found no statistically significant impacts on overall postsecondary enrollment or the likelihood of applying for financial aid, receiving a Pell grant, or earning a bachelor’s or associate’s degree. Importantly, however, the program did appear to increase the likelihood that students who entered the program with low postsecondary expectations completed a degree, license, or certificate.<sup>49</sup> Going forward, the federal government will need to use information from this and other assessments to improve its programs’ effectiveness.

States have many important roles to play as well. Like the federal government, states can provide greater sustained access to need-based aid. States can also provide funding for secondary schools to expand college counseling. In addition, states can remove enrollment barriers for non-traditional students by improving adult basic education programs that prepare students to enroll in postsecondary education and by aligning all of their higher education systems to expand the number of entry points that lead to college. For example, Ohio’s *Shifting Gears* program has recently brought together under one agency the responsibility for universities, community and

46. See: <http://www2.ed.gov/programs/racetothetop/executive-summary.pdf> [Accessed May 2, 2010].

47. See example, E. ALLENSWORTH, T. NOMI, N. MONTGOMERY, AND V.E. LEE, “College Preparatory Curriculum for All: Academic Consequences of Requiring Algebra and English I for Ninth Graders in Chicago,” *Education Evaluation and Policy Analysis*, 31 (4), (2009). B. JACOB, “The Challenges of Staffing Urban Schools with Effective Teachers,” *Future of Children*, 17(1), (2007). M. PODGURSKY AND M. SPRINGER, “Teacher Performance Pay: a Review,” *Journal of Policy Analysis and Management*, 26 (4), (2007). H. HILL, “Learning in the Teacher Workforce,” *Future of Children*, 17 (1), (2006). S. FLEISHMAN AND J. HEPPEN, “Improving Low-Performing High Schools: Searching for

Evidence of Promise,” *Future of Children*, 19 (1), (2009). CENTER FOR RESEARCH ON EDUCATION OUTCOMES, *Multiple Choice: Charter School Performance in 16 States*, Stanford University, (2009).

48. BROCK (2010). E. BETTINGER, B.T. LONG, P. OREOPOULOS, AND L. SANBONMATSU, *The Role of Simplification and Information in College Decisions: Results from the H&R Block FAFSA Experiment*, National Bureau of Economic Research working paper, (2009).

49. N. SEFTOR, A. MAMUN, AND A. SHIRM, *The Impacts of Regular Upward Bound on Postsecondary Outcomes 7-9 Years After Scheduled High School Graduation*, Mathematica, (2009).

technical colleges, adult career and technical training, and adult literacy and basic skills. This program is designed to make it easier for students, especially those who may have dropped out of high school, to re-enter and progress through the system more seamlessly. In addition, Florida's "2 + 2" program enables students to both stay in college by removing barriers to transferring across institutions (e.g., by instituting a statewide course numbering system and transfer agreements between community colleges and four-year institutions) and to enroll in and complete bachelor's degree programs (e.g., by allowing community colleges to grant four-year degrees either independently or in partnership with four-year institutions).

### Aligning federal, state, and institutional policies, practices, and incentives behind college success

Underlying efforts to align federal, state, and institutional policies and practices to encourage college completion is a fundamental shift in the relationship between government and institutions of higher education. While technically under the purview of the state government, higher education has operated with significant autonomy. In addition, states and the federal government act largely independently when it comes to student aid. Alignment requires a reconsideration of these traditional relationships and practices.

### Increasing K-12 coordination and collaboration

To facilitate students' postsecondary success, it is critical that states bridge the historic divide between K-12 and higher education. Improving students' academic preparation and postsecondary transitions will demand a greater effort along three dimensions of reform: aligning expectations, streamlining processes, and connecting systems.

States have begun serious work on aligning expectations across the systems through the *Common Core State Standards Initiative*, which seeks to establish shared college- and career-ready standards; however, higher education must take additional steps. Specifically, postsecondary institutions must be more transparent about the level of skill and knowledge required for students to take credit-bearing courses immediately upon matriculation.

States have made less progress on streamlining processes across the two sectors, particularly in ways that would promote readiness, facilitate transitions between the two, and encourage enrollment among students who may be less likely to enroll in college. One notable exception is

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California State University's (CSU) *Early Assessment Program* (EAP), in which all 11<sup>th</sup> grade students have the opportunity to take a brief supplement to their regular California Standards Test. Based on their results, students are notified as to whether they have met CSU standards (and are thus exempt from taking any additional placement tests upon matriculation). If they do not, there are additional diagnostic assessments available that can help educators and students pinpoint individual strengths and weaknesses, and specially designed 12<sup>th</sup> grade courses that help them improve their reading, writing, and math skills as needed. Notably, the University of California system and California Community Colleges indicated this spring that they, too, will explore adopting the EAP as a common assessment.

States are also making efforts to establish connections across systems within K-12 and higher education. One element of this is connecting data systems across the two sectors in order to improve the ability of states and institutions to track students' progress longitudinally as they move through the education system. A major proponent of this work has been the Data Quality Campaign (DQC), which encourages states to create data systems that connect across elementary, secondary, and higher education. According to DQC's latest state census, 40 percent of states are still unable to match student records between their P-12 and postsecondary data systems; however, some states have made substantial progress on this front, notably Florida. As seen in the *Race to the Top* competition, the federal government can also use its resources to provide additional incentives to states to improve their data systems. In addition, the federal government and universities can provide technical assistance to help states analyze and make optimal use of the data collected in order to inform practices in both K-12 and higher education.

## Improving remediation

Little has been done to date by states and institutions of higher education to improve remedial education on college campuses. Both states and the federal government can invest in efforts to improve the quality and consistency of remediation. States and institutions need to work together to set standards for remediation—both in terms of what constitutes need for remediation and how students are assessed upon enrollment, and what content must be covered as part of remedial coursework. In addition, states can either require or provide incentives to encourage colleges to evaluate and improve upon their existing remediation programs. The federal government can also leverage its research and development resources to contribute to and disseminate these efforts (e.g., providing funding incentives to states to develop a standard remediation assessment that can be used across institutions of all selectivity levels).

## Increasing the amount and effectiveness of need-based grant funding

In addition to improving the financial aid application processes, the states and the federal government must address the role of need-based grants. States in particular need to find politically acceptable and effective ways to meet low-income and non-traditional students' financial needs and to encourage these students' enrollment, persistence, and degree completion. An instructive example is Indiana's *Twenty-first Century Scholars Program*. The program covers four years of undergraduate tuition for low- and moderate-income families and has been found to improve academic preparation, college enrollment, and college persistence among low-income high school students.<sup>50</sup> Studies have also found similar promising results for California's *Cal Grant* program, the *Washington Opportunity Grant* program, and the *D.C. Tuition Assistance Grant* program.<sup>51</sup>

A component of any successful state effort, however, will require attention to how states and colleges can best balance merit-based and need-based aid to advance completion. Restructuring need-based grants is particularly important to student persistence. One promising approach

is the “performance-based scholarship,” which requires that students meet certain academic expectations *after* the scholarship is awarded in order to continue to receive the funding. A need-based performance-based scholarship was tested successfully at two community colleges in the New Orleans area. Students whose incomes were below 200 percent of the federal poverty level were offered a total of \$1,000 per semester, paid incrementally across two semesters as long as the students stayed in college at least half-time and maintained a “C” grade average. A randomized trial found that students in the program – most of whom were African American women in their twenties, many of whom had one or two children – were more likely to attend college full-time, persist, and earn better grades and more course credits.<sup>52</sup>

Finally, a number of observers argue that states and the federal government need to integrate their need-based aid efforts to better serve low-income students. According to David Longanecker, president of the Western Interstate Commission for Higher Education, “neither federal nor state officials are fully aware of each other’s policies or their impact on students.”<sup>53</sup>

## Focusing institutions on completion

To focus institutions on completion, states will need to implement stronger accountability systems for higher education. This would likely involve both improving data collection and reporting requirements for postsecondary institutions and providing financial incentives to encourage the colleges to focus on getting their students to graduation. An example of this work is Complete College America's *Alliance of States* initiative, through which states commit to setting completion goals, collecting and reporting common metrics, and developing new policies to encourage institutions and students to focus on completion.

Both the states and the federal government can help build data collection capacity that can help inform and improve state policy around college completion. According to the National Center for Public Policy and Higher Education's latest annual report card on state and national

50. ST. JOHN ET AL (2004).

51. ST. JOHN ET AL (2004). DEMMING AND DYNARSKI (2009).

52. L. RICHBURG-HAYES, T. BROCK, A. LEBLANC, C. PAXSON, C. ROUSE, AND L. BARROW, *Rewarding Persistence: the Effects of a Performance-Based Scholarship Program for Low-Income Parents*, MDRC, (2009).

53. WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION (2003).

progress in higher education, there are a number of areas for improvement: (a) collecting enrollment rates at the state level by income, in addition to race, (b) building capacity at the national level to track students across state lines if they transfer to different institutions, (c) collecting state-level data on unmet financial need, (d) gathering data on how students' financial aid packages change over time, and (e) collecting data that can be compared nationally on degree completion for both full- and part-time students up to and beyond 150 percent of the normal program length. In addition, to better understand the significant variation in college enrollment and completion among different ethnic groups that currently comprise the "Asian/Pacific Islander" race/ethnicity category in existing data and reporting systems, data will need to be collected using more granular ethnic categories. Filling all of these information gaps will require new investments in both the states' data systems and the primary national surveys conducted by ED (e.g., the Integrated Postsecondary Education Data System).

The federal government and more importantly, states will also need to find effective means of holding institutions accountable for degree completion. The federal government has a limited role in this arena, but could use its oversight over the accrediting bodies that certify institutions of higher education to encourage accreditors to pay greater attention to enrollment and completion gaps in their institutional evaluations. States have far more leverage. A number of states either currently or have in the past experimented with tying some amount of funding to institutional performance (including Arkansas, Colorado, Ohio, Oklahoma, South Carolina, and Virginia, among others). Most efforts, however, have involved a relatively small portion of the available funds for higher education, thus discouraging institutions from paying real attention to these incentive programs. Some states have also tried publishing data on colleges' student outcomes to encourage better performance from the institutions.

Just below the state level, some of the country's largest college and university systems have come together under the *Access to Success Initiative* ("A2S"), a project of the National Association of System Heads (NASH) and The Education Trust. As part of the initiative, these systems have pledged

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to halve the college enrollment and completion gaps for low-income students and students of color by 2015. Each system establishes its own improvement targets but agrees to a common set of progress metrics. In partnership with NASH and The Education Trust, the systems are also working to mobilize campuses and build system capacity to address these issues.<sup>54</sup>

#### ISSUES OF PARTICULAR INTEREST TO THE CIVIL RIGHTS COMMUNITY

Perhaps the most pressing issue for the civil rights community regarding the crisis of college attrition is generating widespread awareness among the public, parents, students, and policymakers. As the research demonstrates, low rates of college completion are an enormous problem for all students, but the crisis is deepest among the very students of greatest concern to the civil rights community. Civil rights organizations must both use the available information and advocate for the collection of better data that can be further disaggregated to make clear to all stakeholders the case for immediate and sustained action.

In addition to using the evidence base to promote awareness, civil rights leaders can also take an active, direct role by identifying research-based programs and policies that best encourage completion among underrepresented students and by finding ways to encourage state policymakers to adopt these approaches.

The imperative to act could not be stronger.

54. The Education Trust and NASH released the baseline A2S report in December 2009, which is available at: <http://www.edtrust.org/issues/higher-education/access-to-success> [Accessed May 2, 2010].

## RECOMMENDED RESOURCES FOR FURTHER INQUIRY

In addition to the citations included in this brief, the author recommends the following resources for those seeking additional information on policy issues regarding college completion:

- Achieving the Dream: Community Colleges Count: [www.achievingthedream.org](http://www.achievingthedream.org)
- Community College Research Center: [ccrc.tc.columbia.edu](http://ccrc.tc.columbia.edu)
- Complete College America: [www.completecollege.org](http://www.completecollege.org)
- Excelencia in Education: [www.edexcelencia.org](http://www.edexcelencia.org)
- Higher Education Research Institute: [www.heri.ucla.edu](http://www.heri.ucla.edu)
- The Institute for College Access & Success: [www.ticas.org](http://www.ticas.org)
- Institute for Higher Education Policy: [www.ihep.org](http://www.ihep.org)
- Jobs for the Future: [www.jff.org](http://www.jff.org)
- National Center for Higher Education Management Systems: [www.nchems.org](http://www.nchems.org), [www.higheredinfo.org](http://www.higheredinfo.org)
- National Center for Postsecondary Research: [www.postsecondaryresearch.org](http://www.postsecondaryresearch.org)
- National Center for Public Policy and Higher Education: [www.highereducation.org](http://www.highereducation.org)
- National Commission on Asian American and Pacific Islander Research in Education: [www.nyu.edu/projects/care/index.html](http://www.nyu.edu/projects/care/index.html)
- State Higher Education Executive Officers: [www.sheeo.org](http://www.sheeo.org)
- Western Interstate Commission for Higher Education: [www.wiche.edu](http://www.wiche.edu)

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