



FROM ACCESS TO COMPLETION:

A Seamless Path to College Graduation for African American Students

Valerie Rawlston-Wilson, Ph.D
Vice President for Research and Economist

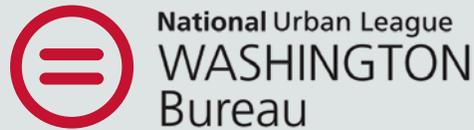
Susie Saavedra
Senior Legislative Director, Education and Health Policy

Shree Chauhan
Senior Legislative Manager, Education and Health Policy

MAY 2014



National Urban League
WASHINGTON
Bureau



A NATIONAL URBAN LEAGUE PUBLICATION

National Urban League and National Urban League Washington Bureau are either registered trademarks or trademarks of the National Urban League.

©2014 NATIONAL URBAN LEAGUE. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or by any means, now known or to be invented, without written permission from the publisher, except by a reviewer who wishes to quote brief passages in connection with a review for inclusion in a magazine, newspaper or broadcast which shall be with attribution.

ACKNOWLEDGEMENTS

From Access to Completion: A Seamless Path to College Graduation for African American Students is produced as a part of the Bill & Melinda Gates Foundation's *Reimagining Aid Design and Delivery* (RADD) Phase 2: Grants and Work Study Consortium. In this project, the National Urban League joined several organizations to develop consensus recommendations around federal financial aid reform that will make the Pell Grant and work-study programs more effective in increasing opportunity for low-income students and students of color. The National Urban League's research and recommendations presented in this paper will also be used to inform the views of this broader consortium effort. Other partner organizations include: *Excelencia* for Education, Center for Law and Social Policy (CLASP), College Board and Committee for Economic Development (CED).

Center for
MSIs

The National Urban League would also like to acknowledge the Penn Center for Minority Serving Institutions whose support made possible the design and production of this report.

FROM ACCESS TO COMPLETION:

A Seamless Path to College Graduation for African American Students

Valerie Rawlston-Wilson, Ph.D
Vice President for Research and Economist

Susie Saavedra
Senior Legislative Director, Education and Health Policy

Shree Chauhan
Senior Legislative Manager, Education and Health Policy

Contents



1.	Executive Summary	5
2.	Introduction	7
3.	Profile of the Typical African American Pell Recipient	10
4.	Pell Grant and Financial Aid Access	14
5.	National Urban League Pell Grant Recommendations	20
6.	Conclusion	23
7.	Endnotes	26

1

Executive Summary

In 2013, the National Urban League released our first report on federal student aid, conducted through the Bill and Melinda Gates Foundation's *Reimagining Aid Delivery and Design* (RADD) project. In that paper, through an online survey and focus groups across the nation, we developed a set of principles to help ensure that African Americans and other underrepresented students access equitable postsecondary opportunities that fuel their economic mobility. We know from our 2013 *State of Black America* 50-year retrospective Equality Index that the number of African Americans enrolled in college has more than tripled—for each college graduate in 1963, there are now five. We must continue to build on that success.

We understand that college has now become a necessary path toward prosperity and the middle class. In this follow-up paper we explore and define the characteristics of the typical African American student and make specific recommendations that will improve their postsecondary access, retention and completion. These solutions center on the Pell Grant, which provided financial aid to over nine million students in 2011-2012, including 62 percent of all African American college students.

KEY FINDINGS

Most African American college students must balance college with full-time work and families.

- **The majority of African American undergraduates (65 percent) are independent.** While an independent or non-traditional student can be defined by a number of characteristics, we find that African American independent students tend to be employees first, balancing work and family responsibilities while going to school. These work and family dynamics impact the type of postsecondary institution they attend, the amount of credits they take each semester, and ultimately their college persistence and completion rates. We find that:
 - Independent African American undergraduates are more likely than others to be single parents—48 percent compared to 23 percent of whites, 34 percent of Latinos, 36 percent of Native Americans and 19 percent of Asians.
 - Only 23 percent of independent African American students enroll in 4-year institutions compared to 49 percent of dependent African American students or 40 percent of all undergraduates.
 - Most independent African American students are enrolled in 2-year institutions (42 percent) and another 27 percent are enrolled in private, for-profit institutions—a much larger percentage than for any other group.
 - Consistent with their choice of institution, roughly one-third of independent African American students are in bachelor's degree programs, compared to 53 percent of dependent African American students and 46 percent of all undergraduates.

Despite having incomes that would qualify them for greater financial aid, we conclude that African American students are likely receiving less financial aid because they are enrolled less-than-full-time—a probable consequence of the delicate balance of college, work and family with which these students contend.

- Less than 25 percent of independent students are enrolled in college full-time, full-year¹—a pattern that's consistent across all racial and ethnic groups.

¹ According to Congressional Research Service, for purposes of Pell Grant eligibility, students who are enrolled at least 12 credit hours in a standard semester are considered full-time. Pell Grant awards are prorated for students who attend on a less-than-full-time basis. Students that are enrolled on a less-than-half-time basis (i.e., less than 6 credit hours in a standard semester) are eligible for the prorated Pell Grant).

African Americans are more likely than other students to be low-income and are more likely to have a zero Expected Family Contribution (EFC) when they apply for federal financial aid. In general, this should translate to larger Pell Grant awards for these students. However, since most African American students have work and family obligations, they tend to enroll less-than-full-time and consequently receive reductions in their maximum Pell Grant award.

- In fact, while 62 percent of African American students receive some Pell support, only 14 percent of independent African Americans receive the maximum Pell Grant award.

We also conclude that enrollment intensity may affect African American students' access to other federal and state financial aid.

- Ten percent of independent African American Pell recipients also received an institutional grant and 17 percent received a state grant, compared to 25 percent of dependent African American Pell recipients that received a institutional grant and 33 percent that received a state grant.

Financial aid alone is not sufficient to retain and graduate low-income and underserved students. The National Urban League recommends that financial aid be coupled with personalized supports for students—an approach that has already shown promising results in state higher education systems and individual institutions.

- When looking at graduation rates of Pell recipients within six years of a student's initial enrollment, over a third of all Grant recipients, 43 percent African American recipients and 52 percent of independent African American Pell recipients leave college before completing a degree.

CONCLUSION

As this report is published, many Americans are reflecting on the advances made in the 60 years since the historic Supreme Court decision in *Brown v. Board of Education*, which made equal access to educational opportunity the law of the land. Today, the National Urban League seeks to advance the conversation beyond the goal of access and equality, to providing the necessary supports and resources to mitigate the challenges highlighted here and realize the larger goals of college completion, upward mobility and economic empowerment.

Institutions that create a culture of completion for all students and couple this culture with a suite of personalized services that address barriers such students face, realize dramatic increases in the retention and graduation rates of their African American students. We believe this personalized approach to the college learning experience will help support the access, retention and completion of all students.

Moreover, the Pell Grant, which for over 40 years has opened the doors of postsecondary education for millions of Americans, must be strengthened to fill the gap between rising tuition costs and decreasing state investment. While the federal investment in the Pell Grant has grown, it has not kept up with tuition costs. So while the Pell Grant once financed nearly 75 percent of the cost of a public four-year college education it now covers just 31 percent of a student's cost of attendance. The purchasing power of the Pell Grant must be strengthened so that it continues to serve as a key resource to help needy students to access higher education.

2

Introduction

This year we commemorate the 60th anniversary of the historic Supreme Court *Brown v. Board of Education* decision, which mandated the desegregation of public schools. Since that time, African Americans have made great strides in education and social mobility. As the National Urban League's 50-year retrospective in the annual *State of Black America 2013*ⁱ noted, we have more than tripled the number of African Americans enrolled in college, and for each college graduate in 1963, there are now five. Moreover, in that 50-year period, the number of blacks living in poverty has declined by 23 percentage points (Morial, 2013).ⁱⁱ

Even as we reflect with pride on how African Americans have seized educational opportunity resulting in the growing ranks of African American college graduates, we recognize that our task is far from complete. The promise of equity and opportunity in education remains unfulfilled, despite the efforts of students, families, policymakers and academic institutions. While more than 5.3 million African Americans currently hold a college degree,ⁱⁱⁱ in 2011 just 40 percent of African American students and 51 percent of Latino students graduated college. This is compared to 62 percent of their white peers (U.S. Department of Education, 2013).^{2 iv}

During the time of *Brown*, a high school diploma was all that was needed to secure the American Dream. Today, however, a college degree has become the threshold for even approaching the middle class (Haskins, Holzer, & Lerman, 2009).^v Persistent college completion gaps prevent students of color from reaching their true social and economic potential: a tragedy that impacts not only communities of color, but a nation in desperate need of the innovative ideas and approaches that come from a well-educated, diverse citizenry.

Accessing a postsecondary education and ensuring college completion are at the core of the mission of the National Urban League, which for over 100 years has been dedicated to the economic empowerment of African Americans and other underserved communities. Since 2004, the National Urban League and its 95 affiliates have provided approximately 2 million youth with educational services, including through **Project Ready** which provides a comprehensive approach to building the academic, social and leadership skills of students so that they are ready to enter their first year of college. **Project Ready** is implemented annually by more than 32 Urban League affiliates across the country and has served over 8,000 youth since its inception.

The sweeping benefits of a college degree are more apparent now than ever before in the history of our great nation. By 2018, 63 percent of all job openings will require at least some education and training beyond high school (Carnavale, Smith, & Strohl, 2010).^{vi} Full-time workers with a bachelor's degree earned \$56,500 annually, \$21,100 more than high school graduates. Those workers with some college but no degree earned 14 percent more than high school graduates in 2011 (Baum, Ma & Payea, 2013).^{vii}

In part, the innovation economy has increased the need for a college education to its highest level in nearly half a century. Employers no longer ask 'Do you have a high school diploma?', but instead ask 'What type of college degree do you have?' Completing college is no longer a luxury, but an economic necessity. So how do we close the persistent gaps in college completion for African Americans and other underserved communities?

² The 2011, the graduation rate for full-time, first-time undergraduate students who began their pursuit of a bachelor's degree at a 4-year degree-granting institution in fall 2005 was 59 percent. Graduate rates were highest for Asian/Pacific Islander students (69.6%) followed by White, non-Hispanic students (62.1%). African American and Hispanic Students in this cohort graduated at much lower rates (39.9% and 51.0%, respectively).

With support from the Bill and Melinda Gates *Reimagining Aid Delivery & Design* (RADD): Phase 2 consortium project, we created a profile of the average African American college student to better understand the circumstances that impact their college enrollment and success. In our research we discovered that nearly two-thirds of all African American college students are non-traditional students. The National Center for Education Statistics defines the term non-traditional student broadly to refer to students who present one or more of seven characteristics including: entry to college delayed by at least one year following high school, having dependents, being a single parent, being employed full-time, being financially independent, attending part-time, and not having a high school diploma.^{viii}

African American college students tend to be employees first, balancing work and family responsibilities while going to school. These circumstances ultimately impact their college persistence and completion rates, as well as their ability to access federal financial aid, for which they are eligible.

Today, 62 percent of African American college students receive a Pell Grant. For more than 40 years, the Pell Grant program has been the cornerstone of our nation's efforts to increase college access. In 2011-2012, the Pell Grant provided financial aid to over nine million students.³ While federal investments in the Pell Grant have reached historic highs, they have been dwarfed by dramatic cuts in state investments in higher education and skyrocketing college tuition rates. Although the Pell Grant once financed nearly 75 percent of the cost of a public four-year college education,⁴ it now covers just 31 percent of a student's cost of attendance⁵—the smallest share since the inception of the program. As a result, low-income students are now *more than twice as likely* as other students to have student loans (61 percent vs. 29 percent), and still have substantial unmet financial need.⁶

The Pell Grant should continue to be a pathway to college for underserved students. Key changes are required in the next reauthorization of the Higher Education Act to ensure postsecondary education opportunities are available to these students. Such changes include increasing the lifetime Pell Grant eligibility and restoring the ability to access the Pell Grant year-round.

However, financial aid alone is not sufficient to retain and graduate low-income and underserved students. In fact, evidence suggests that when financial aid is coupled with personalized supports for such students, it can show promising results (Mason & Kashen, 2012; Smith, Benitez, Carter, & Melnick, 2013).^{ix} This personalized approach to higher education is modeled by many Historically Black Colleges and Universities (HBCUs)—who serve 71 percent of students receiving Pell Grants and award nearly 18 percent of all bachelor's degrees given to African American students, despite making up less than 3 percent of all postsecondary institutions (Gasman & Conrad, 2014).^x When institutions provide intensive support for underserved students through activities such as learning communities, access to social safety-net programs, career advising and financial counseling, research shows that they can increase student retention and completion rates (Ibid).^{xi}

³ Congressional Budget Office (CBO). May 2013 baseline; Calculations by The Education Trust on data from the U.S. Department of Education, National Postsecondary Student Aid Study, 2011-12. Race/ethnicity categories exclude foreign students.

⁴ College costs are defined here as average total tuition, fees, room, and board costs at public four-year colleges. Calculations by TICAS on data from the College Board, 2012, "Trends in College Pricing 2013," Table 2, <http://bit.ly/14OJvbw>, and U.S. Department of Education data on the maximum Pell Grant. The maximum Pell Grant for 2013-14 was officially announced in the U.S. Department of Education's "2013-14 Federal Pell Grant Payment and Disbursement Schedules," <http://www.ifap.ed.gov/dpclatters/GEN1306.html>.

⁵ This percentage is based on the maximum award of \$5,645 relative to the average cost of tuition, room and board at a four-year public college of \$18,391.

⁶ Calculations by TICAS on data from the U.S. Department of Education, National Postsecondary Student Aid Study, 2011-12.

Similarly, public higher education systems with successful college completion strategies share commonalities including: strong leaders; an institution-wide “culture of completion” for all students; a campus-wide integration of success strategies for low-income students; and the use of robust data systems to monitor student progress, trigger automatic interventions and personalize the student learning experience (Engle, Yeado, Brusi, & Cruz, 2012).^{xii}

As we embark on this path to promote college completion for Pell Grant recipients and all underserved students, we recognize that a comprehensive approach is needed to address both financial and non-financial barriers to student success. A seamless integration of services and interventions will help students succeed at every step of the college success pipeline—from getting into college and staying in school—to graduating with a degree. The policy proposals we present in this paper enlist the support of federal, state, local and institutional actors to create systemic change. We recognize that “it takes a village” to fulfill the promise of *Brown* to increase educational equity and opportunity for all Americans. These recommendations taken together will help underserved students cross the finish line, break cycles of intergenerational poverty and lift historically disadvantaged communities into middle-class prosperity.

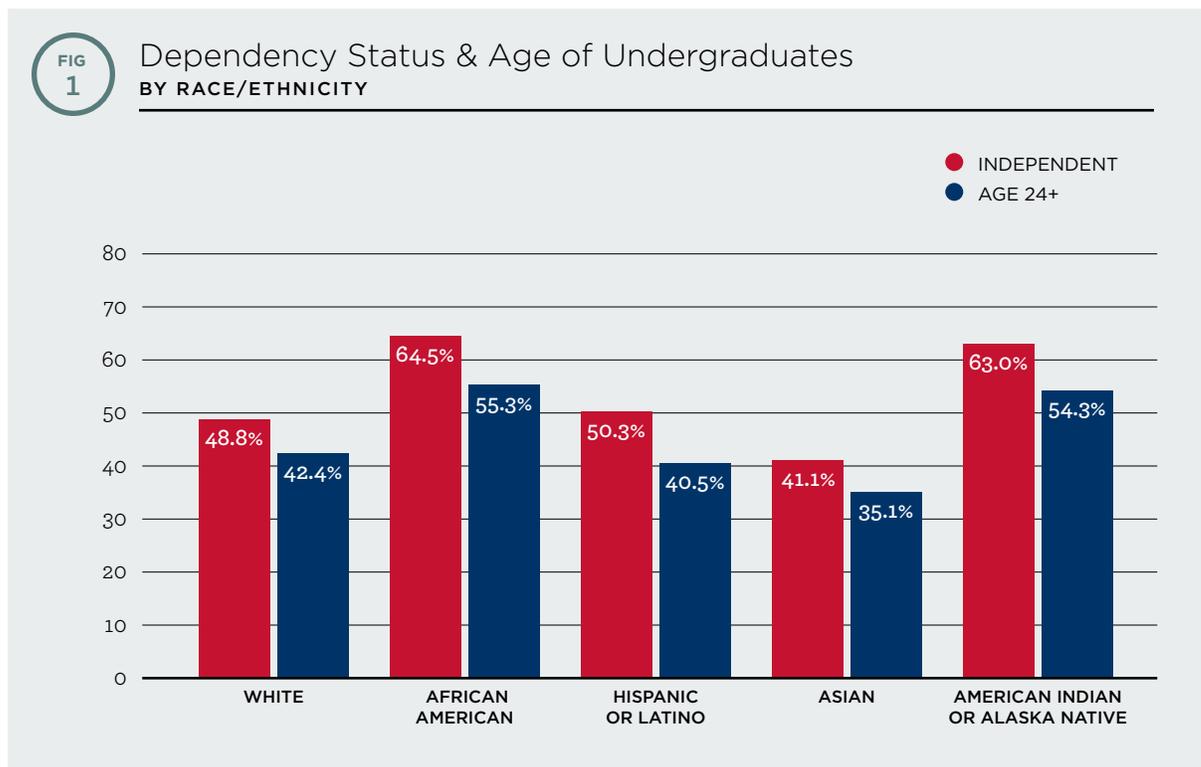
3

Profile of the Typical African American Pell Recipient

What are the characteristics of the typical African American college student? Drawing from publicly available data,⁷ the following describes the characteristics, the financial aid profile and other factors that make up the African American Pell recipients' overall college experience—from access to completion. Since Pell is such a critical lifeline to so many African American college students, we believe it is important to understand the full breadth of these students' postsecondary experience and redesign the Pell Grant so that it also accounts for their life circumstances.

STUDENT CHARACTERISTICS

The biggest distinction between African Americans college undergraduates and other races and ethnicities is that the majority of African American undergraduates (65 percent) are independent⁸—also known as non-traditional students [FIGURE 1]. Native Americans are the only other group for which this is also true (63 percent). This is significant because there are important differences between independent students and dependent students that affect the way in which they matriculate through college.

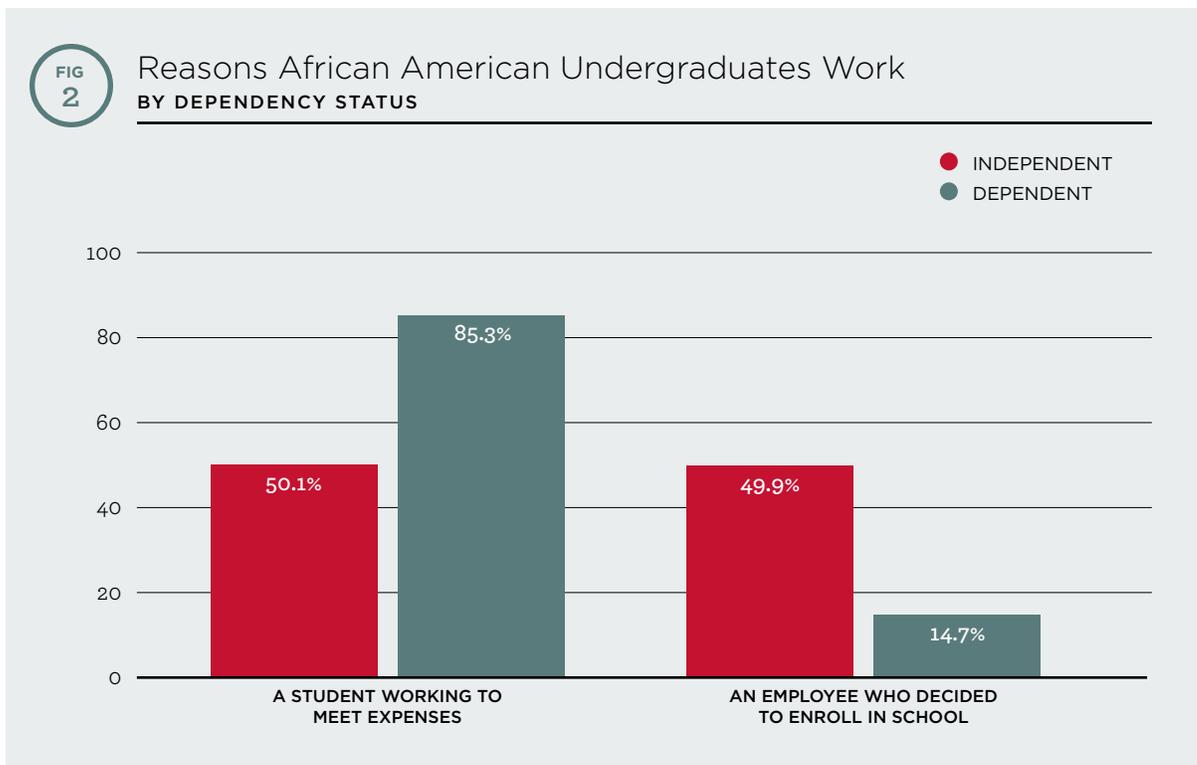


⁷ The data used to create this profile come from the 2011-12 National Postsecondary Student Aid Study: 2012 Undergraduates (NPSAS) and the Beginning Postsecondary Students Survey: 2003-2009 (BPS), both available from the National Center for Education Statistics. Please note that BPS includes a sample of students who enrolled for the first time in 2003-4 and were followed for 6 years.

⁸ According to the Department of Education, for purposes of applying for student aid, an independent student is one of the following: at least 24 years old, married, a graduate or professional student, veteran, a member of the armed forces, an orphan, a ward of the court, or someone with legal dependents other than a spouse, an emancipated minor, or someone who is homeless or at risk of becoming homeless. A dependent student does not meet any of the criteria of an independent student.

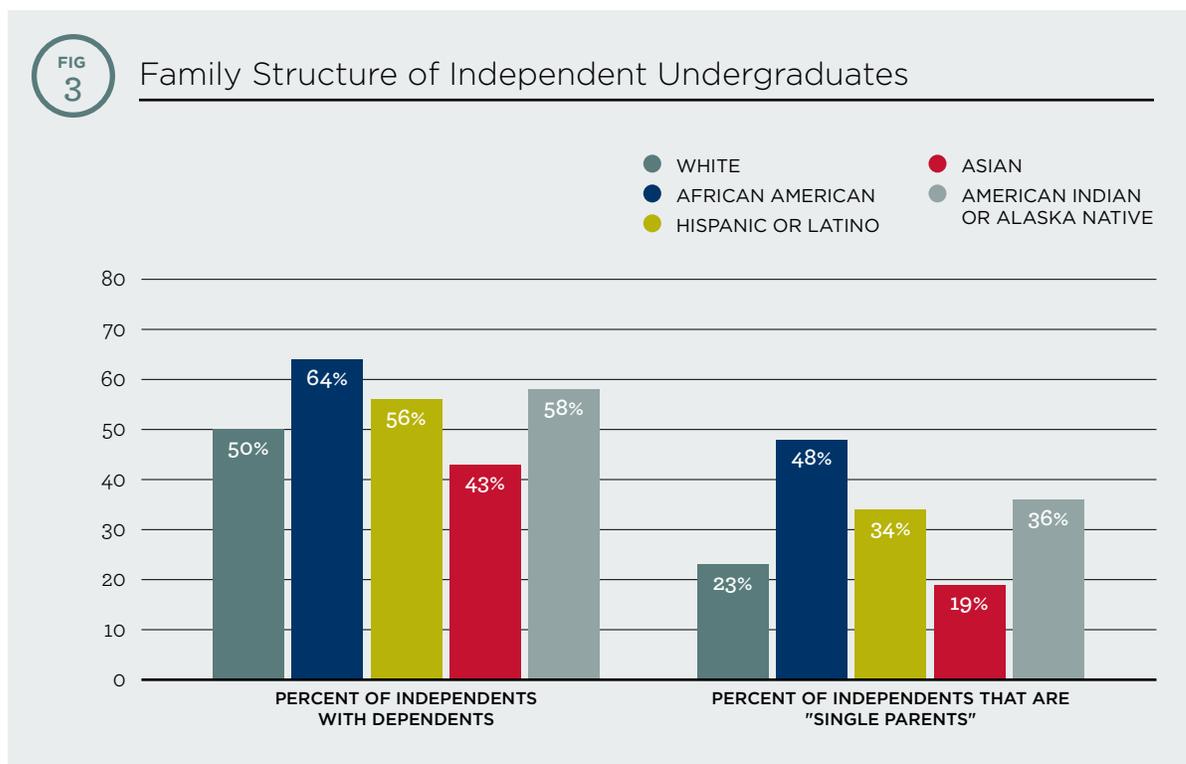
“I had to work two part-time jobs outside of school while being president of an organization and a resident assistant. Because I had to work so hard it affected the time I had to spend on actual studying.”⁹

By definition, independent students are typically age 24 or older and because they are older, they are more likely to have work and family responsibilities that must be balanced with their academic pursuits. While 66 percent of all undergraduates work, independent students are more likely than dependent students to identify primarily as employees who decided to enroll in school, as opposed to students working to meet expenses. In fact, half of independent African American undergraduates who work consider themselves employees first and students second, compared to just 15 percent of dependent African American undergraduates [FIGURE 2].



While this distinction is common to most independent students, independent African American undergraduates are more likely than others to be single parents, making the work-family-school balancing act even more challenging. Nearly half (48 percent) of all independent African American students are single parents, compared to 23 percent of whites, 34 percent of Latinos, 36 percent of Native Americans and 19 percent of Asians [FIGURE 3].

⁹ This quote was gathered as part of our focus groups during our initial RADD report.



These work and family dynamics affect enrollment decisions in several important ways:

- Less than one-quarter of independent students are enrolled in college full-time, full-year¹⁰—a pattern that’s consistent across all racial and ethnic groups.
- African American independent students have much lower enrollment in 4-year institutions compared to dependent African American students or the average undergraduate [FIGURE 41].
 - Only 23 percent of independent African American students are enrolled in 4-year institutions, compared to 49 percent of dependent African American students and 40 percent of all undergraduates.
 - Most are enrolled in 2-year institutions (42 percent), but another 27 percent are enrolled in private, for-profit institutions—a much larger percentage than for any other group.
- Consistent with their choice of institution, roughly one-third of independent African American students are in bachelor’s degree programs, compared to 53 percent of dependent African American students and 46 percent of all undergraduates [FIGURE 5].

¹⁰ According to Congressional Research Service, for purposes of Pell Grant eligibility, students who are enrolled at least 12 credit hours in a standard semester are considered full-time. Pell Grant awards are prorated for students who attend on a less-than-full-time basis. Students that are enrolled on a less-than-half-time basis (i.e., less than 6 credit hours in a standard semester) are eligible for the prorated Pell Grant).

FIG 4 Institutional Sector of African American Undergraduates
BY DEPENDENCY STATUS

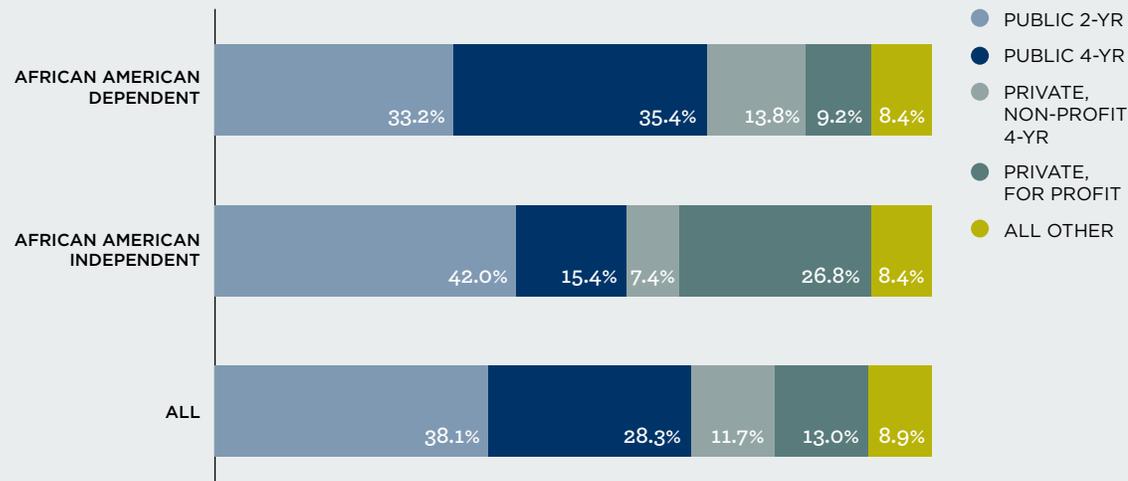
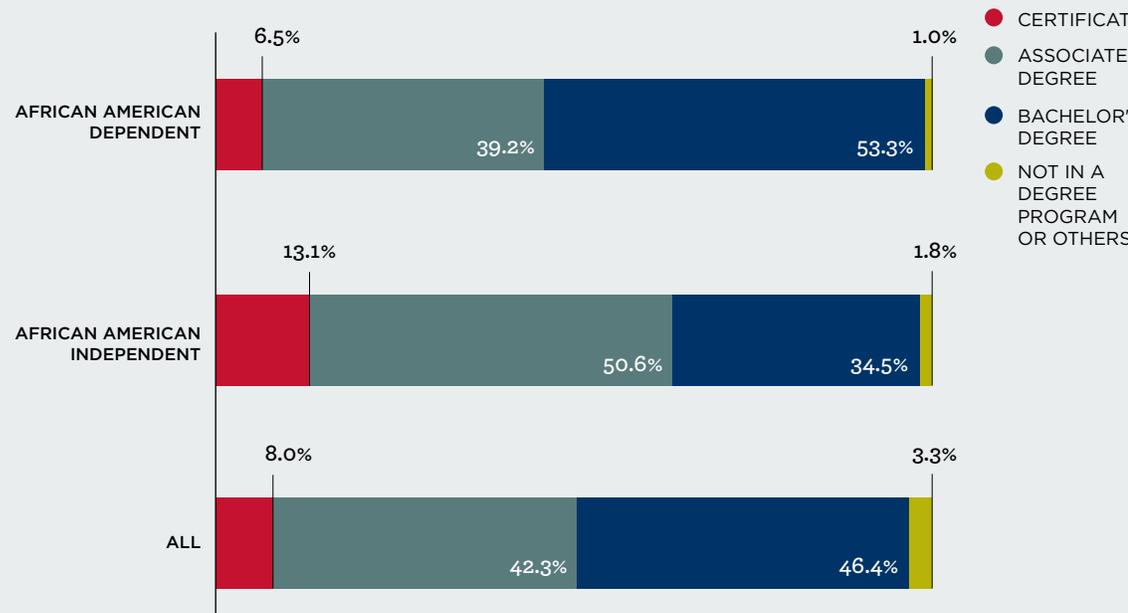


FIG 5 Degree Program of African American Undergraduates
BY DEPENDENCY STATUS

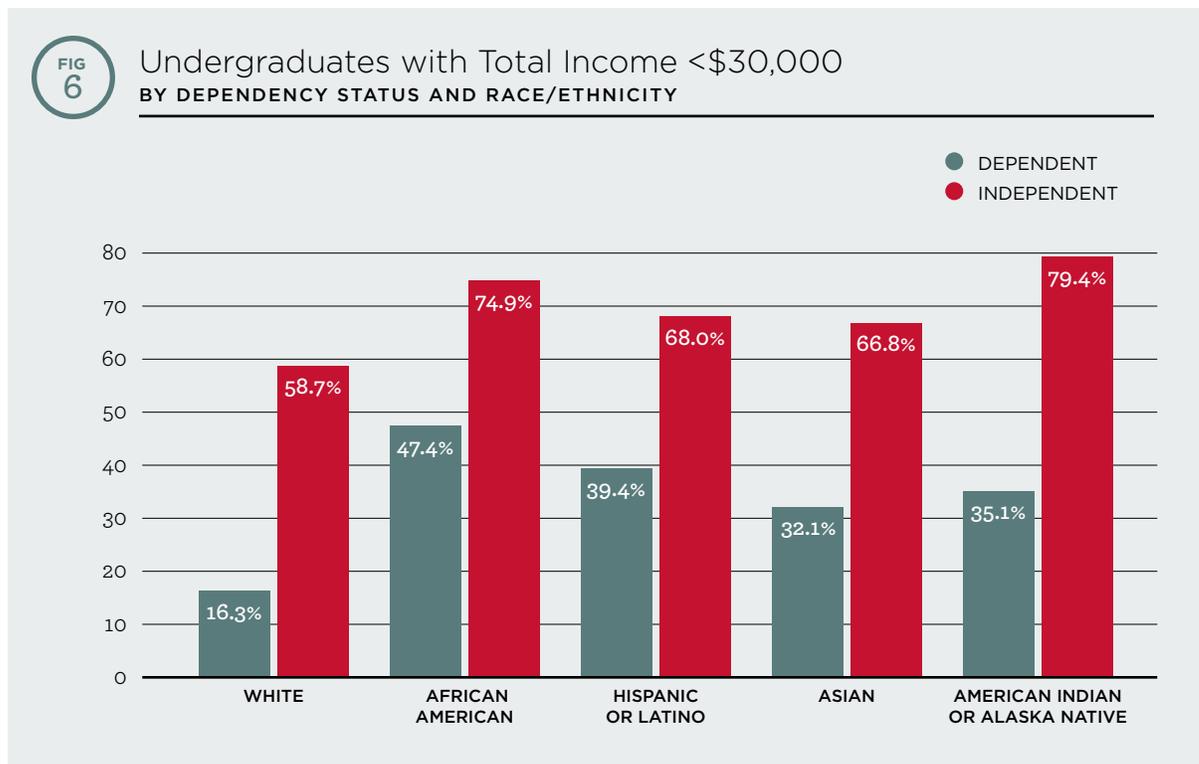


In the following sections, we explore how these student characteristics and enrollment decisions pottially affect access, retention and completion patterns for African American undergraduates.

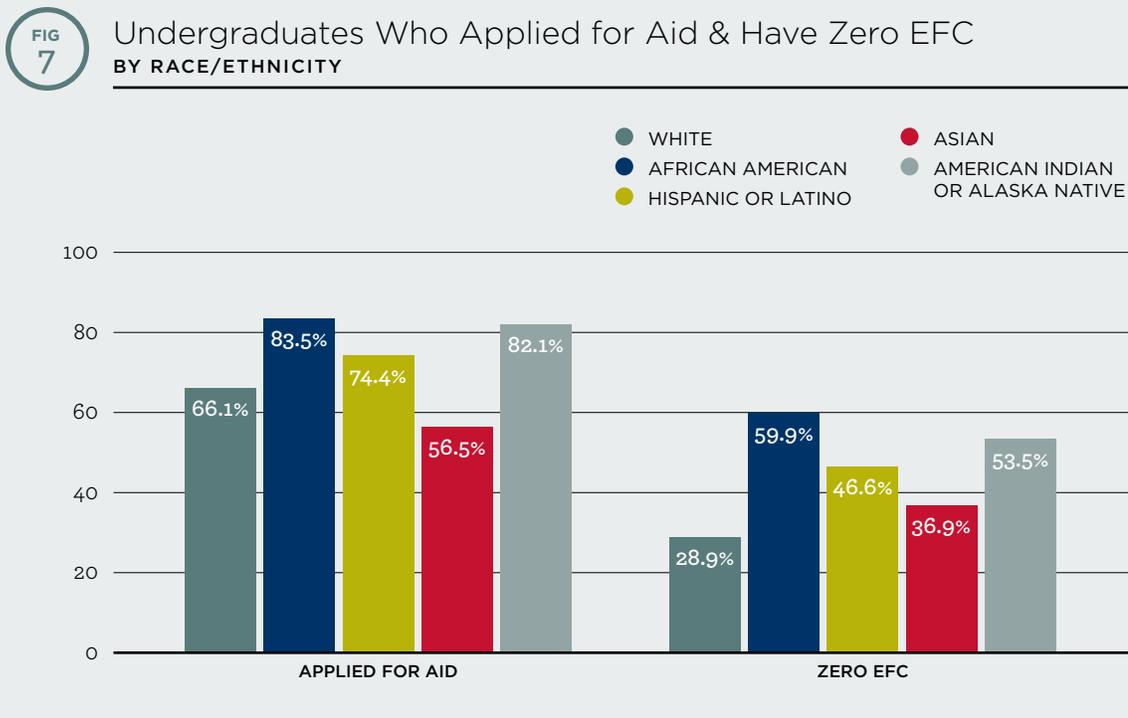
Pell Grant and Financial Aid Access

PELL ELIGIBILITY

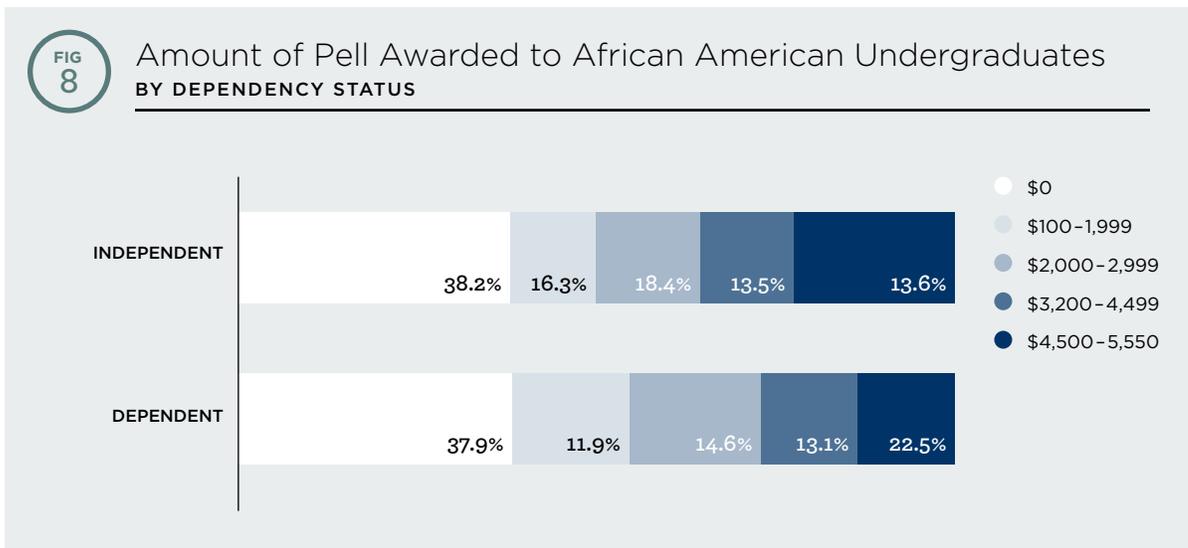
The original intent of the federal financial aid system was to help defray the cost of college for students facing economic barriers to attendance. In 2011-12, 74 percent of all Pell-eligible students had incomes less than or equal to \$30,000. Three-quarters of independent and 47 percent of dependent African American students have family incomes less than \$30,000—higher percentages than other racial and ethnic groups, except for independent Native American students [FIGURE 6]. Because African American students are more likely to be low-income than other students, they are also more likely to apply for federal financial aid and to have a zero Expected Family Contribution (EFC)¹¹ [FIGURE 7]. In fact, African American financial aid applicants are 1.5 times more likely to qualify for zero EFC than the average undergraduate.



¹¹ According to the Congressional Research Service and the Department of Education, the Expected Family Contribution is the amount expected to be contributed by the student and the student's family toward postsecondary education expenses and is calculated according to a formula established by law.



While a large share of independent African American students are financially eligible for a Pell Grant—62 percent of all African American students receive some level of Pell support—a much smaller percentage actually receive the maximum Pell Grant. Only 23 percent of dependents and 14 percent of independents received the highest level of Pell support in 2011-2012 (\$4,500 - \$5,500), although 60 percent of African American undergraduates have a zero EFC [FIGURE 8]. This is likely due to the tendency of African Americans to enroll on a less-than-full-time status which results in a reduction of their maximum Pell Grant award.



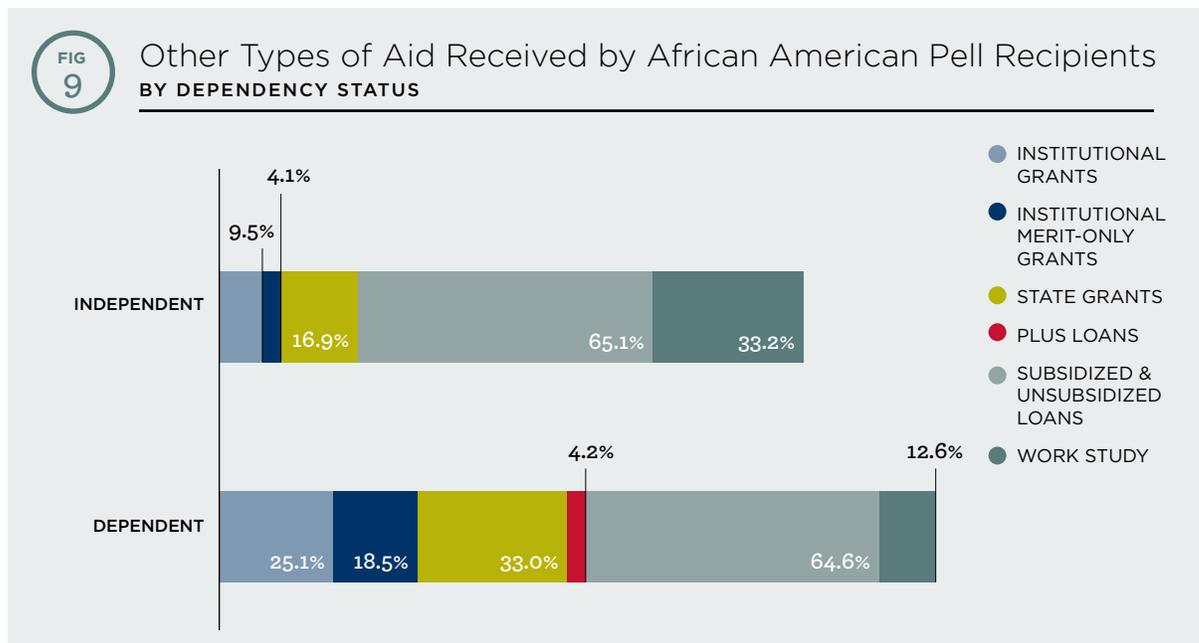
In addition to financial need and cost of attendance, the Pell amount awarded is determined by part-time or full-time student status, and whether the student plans to attend for a full academic year or less. Forty-three percent of independent African American undergraduates with a zero EFC receive no Pell grant, and most of these students (89 percent) were enrolled less than full-time, full-year. Fifty-four percent of all undergraduates with a zero EFC are exclusively enrolled full-time, and 17 percent mixed full-time and part-time enrollment.

While African Americans make up a large percentage of Pell recipients—many that are eligible for the Pell grant don't apply or enroll in college. Researchers cite lack of information about financial aid eligibility and the complexity of the application process.^{xiii} As a national intermediary with local affiliates in over 300 low- and moderate-income communities, the National Urban League and similar community-based organizations can serve an important role in providing outreach and information to these communities.

UNMET NEED¹²

The average amount of Pell awarded to African American undergraduates is \$3,746.60 for dependents and \$3,229.60 for independents. Yet, significant amounts of unmet need remain for these students even after total grant aid and EFC are accounted for. On average, remaining unmet need is \$10,813.70 for dependent and \$11,585.20 for independent African American Pell recipients. Less than 3 percent of dependent and less than 2 percent of independent African American students have no unmet need after accounting for EFC and grants.

Both independent and dependent students pay for unmet need, largely through loans, but independent African American Pell recipients are less likely to receive other kinds of grants than dependents [FIGURE 9]. This is likely because of independent students' enrollment intensity, as many attend school on a less than full-time status, which may make them ineligible for non-federal grants.



¹² Unmet need is defined as the difference between the full demonstrated financial need and the student's need-based financial aid package.

PERSISTENCE AND ATTAINMENT

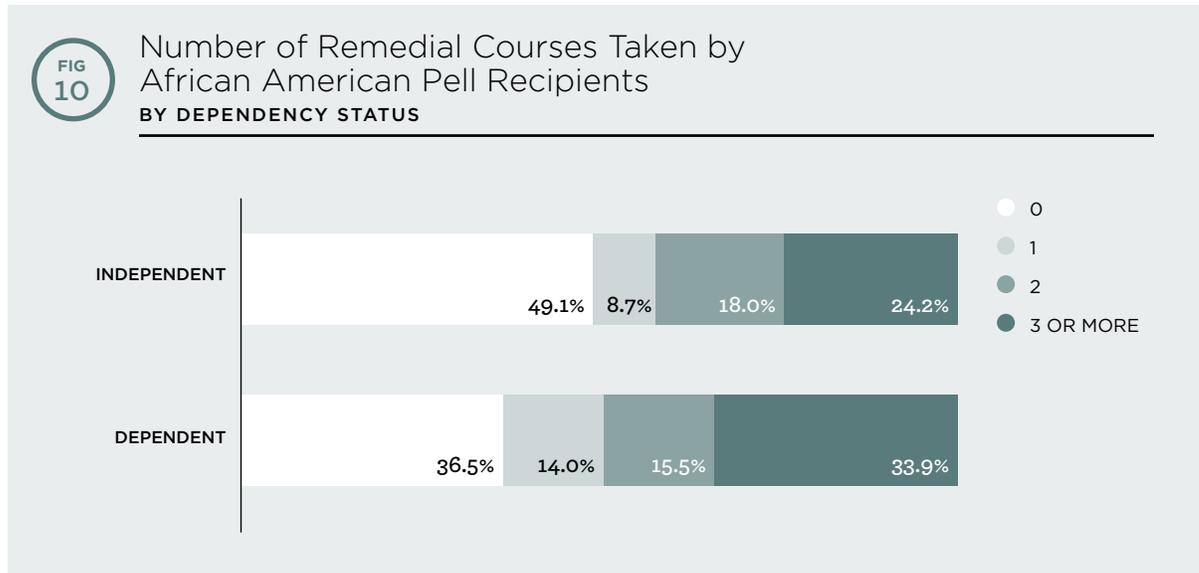
Given, limited federal resources, getting the maximum return on this investment is paramount. For federal financial aid, the highest return on those dollars comes from degree completion and ultimately, employment. Our findings show that many African Americans simply don't finish.

African American students are more likely than the average undergraduate student to leave school without completing a degree within six years of initial enrollment (43 percent versus 36 percent, respectively). Primarily, independent students drive this difference and among African American Pell recipients, 52 percent of independents and 39 percent of dependents leave school without completing a degree.

These top line numbers, however, mask some of the underlying challenges facing African American students that could be addressed by pairing financial aid with wrap-around services—or a personalized approach to higher education. The National Urban League believes that coupling financial aid with personalized supports and services for Pell recipients will result in greater retention and graduation of these students.

While the family and work responsibilities disproportionately held by independent African American students can affect retention and completion, research also shows that academic preparation impacts student success in college.

Half of all undergraduates have to take at least one remedial course, compared to 60 percent of all African American undergraduates. Among Pell recipients, 63 percent of dependent and 50 percent of independent African American students have to take at least one remedial course. One-third of dependent and nearly one-quarter of independent Pell recipients have to take three or more remedial courses [FIGURE 10]. These are courses that don't count toward the completion of a degree, although students are using valuable Pell funds, as well as their scarce earnings to pay for them. These statistics demonstrate the urgency of addressing needed reforms at all levels of education.



Additionally, the data show that 30 percent of independent Pell recipients complete a degree or certificate within six years, while 19 percent remain enrolled through year six. Forty-three percent of dependent Pell recipients complete a degree or certificate and 18 percent remain enrolled by year six [FIGURE 11]. Among students who complete a degree, independent African American students typically finish in less time than both other independent students and dependent African American students [FIGURES 12 & 13].

Yet, over half of independent African American Pell recipients leave school without attaining their degree [FIGURE 12]. Institutions that create a culture of completion for all students and couple this culture with a suite of personalized services that address barriers such students face, realize dramatic increases in the graduation rates of their African American students.^{xiv}

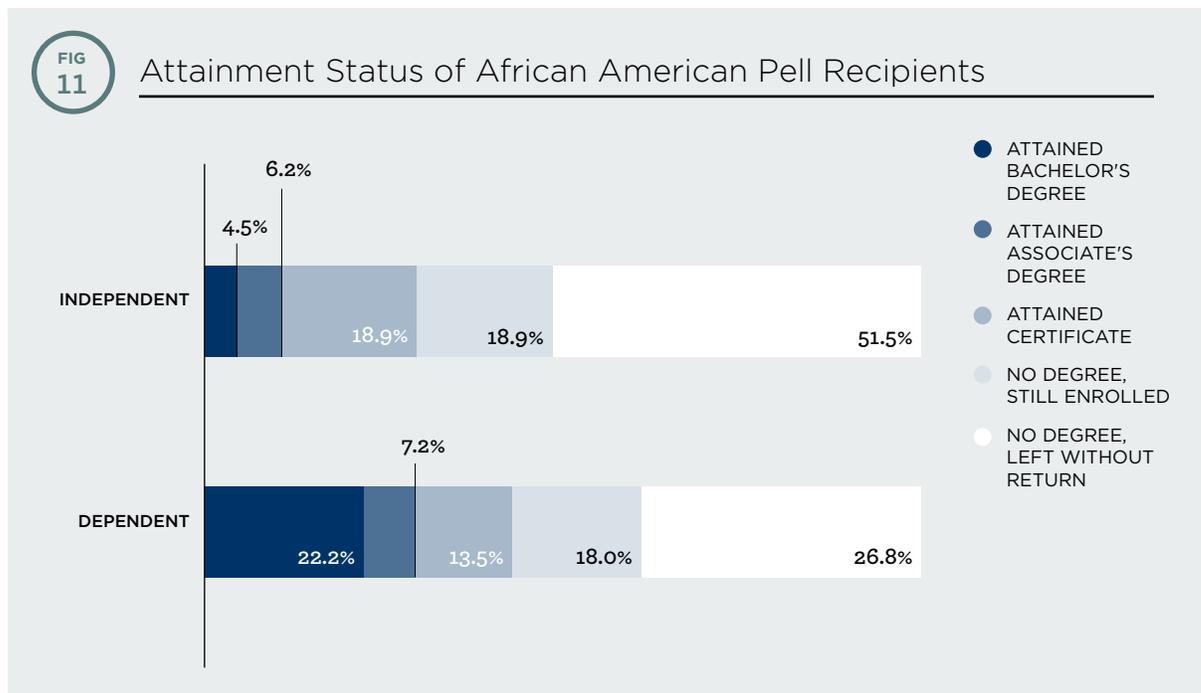


FIG 12

Average Months to Degree Completion at 2-Year Institutions BY RACE AND ETHNICITY

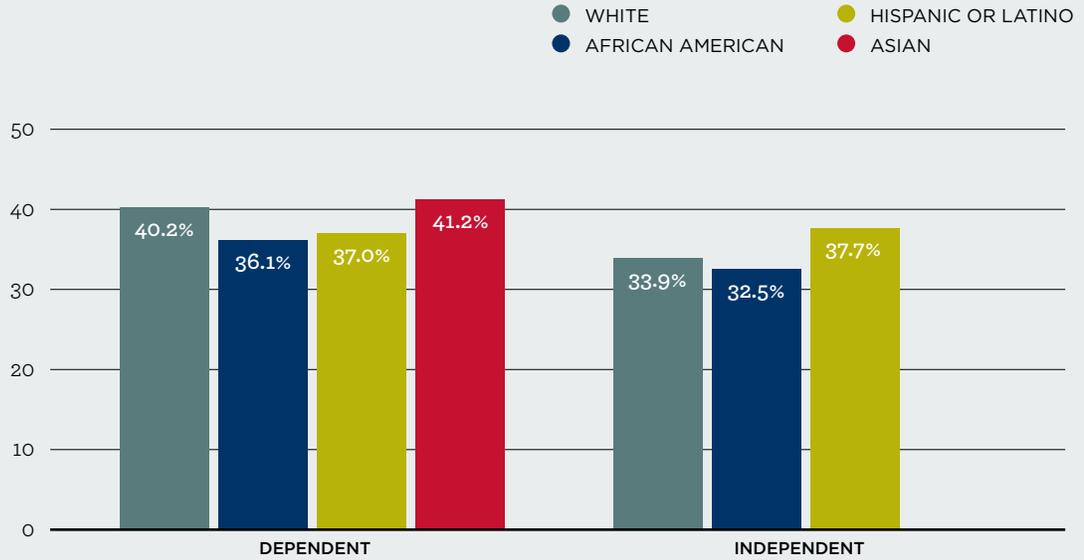
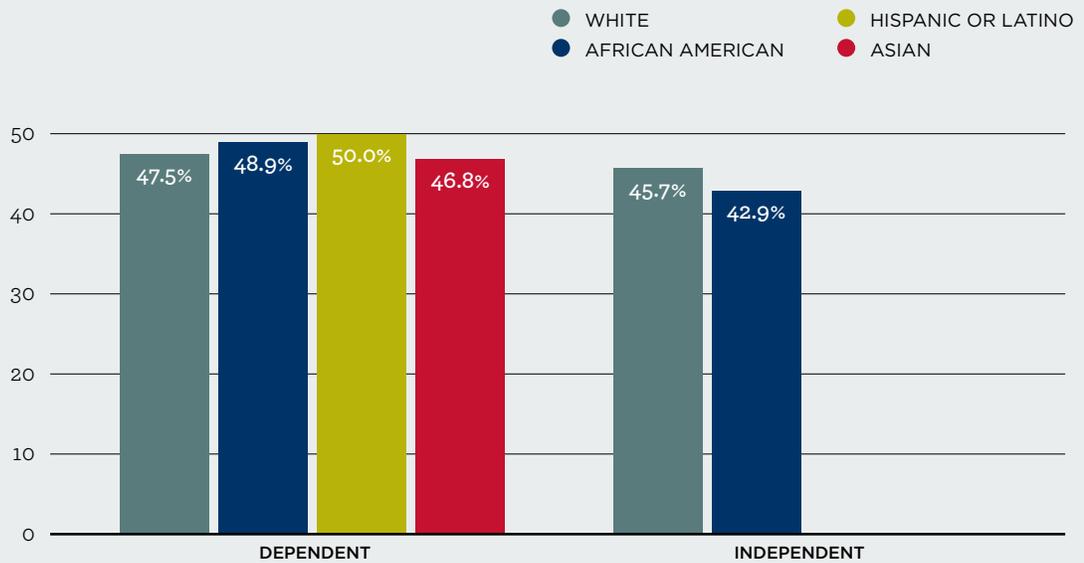


FIG 13

Average Months to Degree Completion at 4-Year Institutions BY RACE AND ETHNICITY



5

National Urban League Pell Grant Recommendations

Today, the Pell Grant program continues to be essential for millions of underserved students across America. To ensure that Pell's legacy endures, the National Urban League recommends strengthening and modernizing the program through a seamless and integrated approach. We believe the following reforms will not only support students that receive the Pell Grant, but will serve all students—and put them on a personalized path to graduation.

ACCESS: GETTING TO COLLEGE

Low-income and minority students lack guidance and support to navigate the college application process and are often left on their own to determine how to prepare for college, pick the right school, apply for financial aid and determine the right course of study.^{xv}

“Underrepresented students face barriers to awareness and affordability on the pathway to college and graduation. Students who do not come from families and/or schools with a college-going culture may not see college as a realistic possibility for themselves. Furthermore, without information about financial options, students may discount the college opportunities on perceptions of cost alone. Students must know college is an option, and once they have decided to go, they need assistance knowing what steps to take to get there.”^{xvi}

—Kim Cook, Executive Director, National College Access Network

Federal Recommendations:

- Increase the maximum Pell Grant award and adjust annually to the Consumer Price Index (CPI) plus 1 percent.
 - Provide simple Pell Grant tables to enable parents and students to predict their Pell award levels well in advance of applying to college.
 - Use Internal Revenue Service data to automatically populate the Free Application for Federal Student Aid (FAFSA).
 - Restore Title IV “Ability to Benefit” provisions that allow students without a high school diploma to be eligible for financial aid if they pass a test or complete 6 credit hours toward a degree or certificate.
 - Trigger the maximum Pell Grant award for recipients of means-tested benefits.
- Provide monetary and technical assistance incentives to states and individual institutions to encourage and reward the enrollment of Pell-eligible students.
 - Support a pre-college awareness pilot program that provides services to low-income, minority or other disadvantaged students. These evidence-based services—provided wholly or in partnership with public and private community-based organizations—can include financial literacy counseling, the development of a personalized college completion plan and help to navigate the financial aid application process.
 - Create a pilot that provides incentives for employers to act as another pipeline to higher education by providing information about Pell and other financial aid eligibility and to develop flexible work practices which allow employees to work and attend school simultaneously.

State and Local Recommendations:

- Institute an automated outreach system of notifying individuals and families who are accessing a federal needs-based program, such as SNAP and free-or-reduced lunch of their likely eligibility for the Pell Grant.
- Develop partnerships with community-based organizations or private entities that provide tax preparation or other related services to include FAFSA support as part of their service package.¹³

Higher Education Institution Recommendations:

- Create robust recruitment efforts that intentionally focus on enrolling Pell-eligible and underserved students.
- Expand summer college enrichment programs for low-income students.
- Expand partnerships with high schools and community-based organizations to advise students about college and financial aid.
- Expand opportunities for current college students to work in high schools and middle schools to advise students on college options.

RETENTION: STAYING IN COLLEGE

A growing body of research suggests that financial aid coupled with student support services leads to improved retention among low-income students (Mason & Kashen, 2012; Smith, Benitez, Carter & Melnick (2013); Goldrick-Rab, Broton, & Gates, 2013).^{xvii}

“In view of the low retention and graduation rates of underrepresented male students nationally, especially minority male students, Fayetteville State University initiated programs to provide intensive support for males. The MILE (Males in Leadership and Excellence) and B3 (Boosting Bronco Brothers) include intrusive advisement, tutoring, motivational speakers, and service-learning projects, all of which help participants achieve the high academic expectations of the university. For the 2011-2012 school year students from the Bronco MILE program were retained at a higher rate (84%) than other male students not in the program (66%).”^{xviii}

—Dr. James A. Anderson, Chancellor, Fayetteville State University

Federal Government Recommendations:

- Fix Pell eligibility for several years, eliminating the need to reapply each year during a course of study.
- Restore the \$32,000 income threshold for an automatic maximum Pell award.
- Restore the summer Pell Grant to enable students to receive Pell Grants for all periods of enrollment.
- Increase the lifetime semester cap on Pell to ensure students have access to Pell throughout their entire program of study.
- Reduce the “work penalty” for low-income students by expanding the income protection allowance.
- Prevent remedial courses from being counted against a Pell recipient’s lifetime semester cap.

¹³ Based on a pilot program at H&R Block stores in Ohio and North Carolina where tax experts prepared their clients taxes and helped them complete their FAFSA form. The program results showed that clients were 36% more likely to receive a federal need-based (“Pell”) grant in the first year following random assignment (40.2% of the FAFSA group vs. 29.6% of the control group). <http://evidencebasedprograms.org/1366-2/hr-block-college-financial-aid-application-assistance-top-tier>

COMPLETION: GRADUATION FROM COLLEGE

The Access to Success Initiative which represents 22 state public higher education systems and 312 college campuses, is a national effort designed to help public colleges and universities boost college completion for low-income and historically underserved students.^{xix} Successful college completion strategies that have

emerged from the work of this system-wide effort over the last four years include: strong leaders; an institution-wide “culture of completion” for all students; a campus-wide integration of success strategies for low-income students; and the use of robust data systems to monitor student progress, trigger automatic interventions and personalize the student learning experience.^{xx} Federal incentives can help bring these institutional strategies to scale at more university systems and improve college graduation rates for all low-income and historically underserved students.

“Successful campuses also use data to distinguish what works from what merely ‘feels good.’ As part of its retention plan, San Diego State [University] comprehensively reviewed data on the use of its support programs in order to ensure that the ‘right students’ get the ‘right intervention’ at the ‘right time.’ Doing so not only improved the effectiveness of its programs, it also maximized limited resources in the face of tight budgets.”^{xxi}

Federal Recommendations:

- Provide incentives to states’ higher education systems to design and implement policies and practices that encourage institutions to offer personalized services—particularly for non-traditional students—to help students overcome barriers to success.
- Provide campus-based college completion capacity grants to help institutions serving large numbers of Pell recipients develop and utilize robust data systems that trigger automatic interventions and supports. Funding can be used to:
 - Develop methods to better collect and use institutional data to strengthen student access and success programs.
 - Utilize data systems to create personalized student roadmaps, an academic tracking tool that a student can use to understand the courses and milestones required to graduate, along with a menu of options that can be utilized if a student gets off track.
 - Build partnerships with community-based organizations, private entities and others to provide support services which can include connecting students with campus-based resources and federal means-tested programs; and providing academic advising, career counseling and financial counseling.¹⁴
- Develop a competition for states, institutions and community-based organizations to reward excellence in increasing the overall number and percentage of Pell recipients that graduate on-time.
- Create a pilot program to improve the graduation rates of non-traditional students. This program would select higher education institutions that serve a large number of such students and identify innovative approaches—including those that improve the enrollment intensity of non-traditional students to promote on-time completion.

¹⁴ Single Stop USA is a national not-for-profit organization dedicated to helping financially vulnerable families and students gain economic mobility by connecting them to existing benefits and services intended for them. In 2012 alone, Single Stop helped 156,821 families access more than \$470 million in such benefits and services as health insurance and SNAP, financial, legal and tax preparation services. <http://www.singlestopusa.org/about-us/history/>

6

Conclusion

Today, students and families face a confluence of challenges that make college more difficult to reach: Tuition costs continue to rise exponentially, state investment in higher education are at historic lows and financial aid is simply not keeping pace with the cost of college (Hilsinger, 2013; Oliff, Palacios, Johnson, & Leachman, 2013; Paulson, 2013).^{xxii} The effects of the recession continue to impact American opportunity. Federal financial aid—and in particular the Pell grant—are essential to keeping the pathway to the middle class open to African Americans and other disadvantaged students.

The National Urban League seeks to ensure the critical availability of the Pell Grant to students, while also removing barriers to completion. We imagine an integrated and systems-focused approach to higher education that addresses the full pipeline of a student's college career: access, retention and completion. These recommendations propose actions for federal, state, local and institutional actors, in an effort to break down barriers which keep students from completing their degrees.

In particular, African American Pell recipients tend to be non-traditional and have family and work responsibilities that differ greatly from that of traditional students. This demographic shift is mirrored in the overall college student population, which is increasingly comprised of independent or non-traditional students.

Policymakers and advocates must find ways to better serve non-traditional students. Many of our recommendations, which address the unique obstacles these students face, offer a proactive approach to ensure their success. In fact, we believe that our recommendations, which will personalize the college learning experience will help support the access, retention and completion of all students.

Higher education is an undisputed path into the middle class. As the wealth gap continues to grow, we must not allow college to become a luxury good—available to the few that can afford it (OECD, 2012).^{xxiii} We believe that all stakeholders must continue their investment in higher education to ensure a strong and diverse middle class. Our recommendations are the first step in strengthening our financial aid system, and the National Urban League will continue to work to keep the doors of opportunity open to African Americans and all Americans.

Endnotes

- i Morial, M. (2013). *The State of Black America 2013. Redeem the Dream: Jobs Rebuild America.*
- ii Morial, M. (2013). *The State of Black America 2013. Redeem the Dream: Jobs Rebuild America.*
- iii *The Journal of Blacks in Higher Education.* (2013, February 1). "Good News! More than 5 Million African Americans Now Hold College Degrees." Retrieved from <http://www.jbhe.com/2013/02/good-news-more-than-5-million-african-americans-now-hold-college-degrees/>
- iv U.S. Department of Education National Center for Education Statistics. (2013). *The Condition of Education 2013 Institutional Retention and Graduation Rates for Undergraduate Students.* Retrieved from http://nces.ed.gov/programs/digest/d12/tables/dt12_376.asp
- v Haskins, R., Holzer, H., & Lerman, R. (2009). *Promoting Economic Mobility by Increasing Postsecondary Education. Economic Mobility Project: an Initiative of The Pew Charitable Trusts.*
- vi Carnavale, A., Smith, N., & Strohl, J. (2010). *Help Wanted: Projections of Jobs and Education Requirements through 2018. Center on Education and the Workforce.* Georgetown University. Retrieved from <https://georgetown.app.box.com/s/ursjbxaym2np1v8mgrv7>
- vii Baum, S., Ma, J., & Payea, K. (2013). *Education pays 2013: The benefits of higher education for individuals and society.* New York: The College Board. Retrieved from <https://trends.collegeboard.org/sites/default/files/education-pays-2013-full-report.pdf>
- viii Ross-Gordon, J. (2011). *Research on Adult Learners: Supporting the Needs of a Student Population that Is No Longer Nontraditional. Peer Review Winter 2011, Vol. 13 (No. 1).*
- ix Mason, E. & Kashen, J. (2012). *Connecting the Dots: Community Colleges, Children, and Our Country's Future.* New York: Single Stop USA. Retrieved from http://singlestopusa.org/wp-content/uploads/2012/07/BigIdeas_Mason_and_Kashen.pdf; Smith, E., Benitez, M., Carter, T. & Melnick, S. (2013). *Supporting Best Practices in Student Success: Lessons from the Field.* National College Access Network. Retrieved from http://www.collegeaccess.org/NCAN_Publications
- x Gasman, M. & Conrad, C. (2014). *Minority serving institutions: Educating all students.* Center for Minority Serving Institutions. University of Pennsylvania Graduate School of Education. Accessed from www.gse.upenn.edu/pdf/cmsi/msis_education_all_students.pdf
- xi Ibid
- xii Engle, J., Yeado, J., Brusi, R., & Cruz, J. (2012). *Replenishing Opportunity in America. The 2012 Midterm Report of Public Higher Education Systems in the Access to Success Initiative.* Washington, D.C.: The Ed Trust. Retrieved from <http://files.eric.ed.gov/fulltext/ED543219.pdf>
- xiii National College Access Network. (2013). *Sooner, Simpler, Smarter: Policy Change for Better College Choice.* Retrieved from: www.collegeaccess.org/collegechoice
- xiv Yeado, J., Haycock, K., Johnston, R., & Chaplot, P. (2014). *Learning from High-Performing and Fast-Gaining Institutions: Top 10 Analyses to Provoke Discussion and Action on College Completion.* Washington, D.C., The Ed Trust. Retrieved from <http://www.edtrust.org/sites/edtrust.org/files/publications/files/PracticeGuide.pdf>

- xv Baum et al. (2013). Rethinking Pell Grants Study Group. Washington, D.C.: College Board. Retrieved from <http://advocacy.collegeboard.org/college-affordability-financial-aid/rethinking-pell-grants>
- xvi *Ensuring Access to Higher Education: Simplifying Federal Student Aid for Today's College Student*: Hearing before the Health, Education, Labor, and Pensions Committee, *United States Senate*, 113th Cong. (2013) (testimony of Kim Cook, Executive Director, National College Access Network).
- xvii Mason, E. & Kashen, J.(2012). *Connecting the Dots: Community Colleges, Children, and Our Country's Future*. New York: Single Stop USA. Retrieved from http://singlestopusa.org/wp-content/uploads/2012/07/BigIdeas_Mason_and_Kashen.pdf;
- Smith, E., Benitez, M., Carter, T. & Melnick, S.(2013) *Supporting Best Practices in Student Success: Lessons from the Field*. National College Access Network. Retrieved from http://www.collegeaccess.org/NCAN_Publications;
- Goldrick-Rab, S., Broton, K., & Gates, C. (2013). *Clearing the Path to a Brighter Future: Addressing Barriers to Community College Access and Success*. Single Stop USA. Retrieved from <http://kresge.org/sites/default/files/White-paper-barriers-to-community-college%20access-success.pdf>
- xviii *Keeping College Within Reach: Sharing Best Practices for Serving Low-Income and First Generation Students*. Hearing before the Education and Workforce Committee, U.S. House of Representatives, 113th Cong. (2014) (Testimony of Dr. James A. Anderson, Chancellor, Fayetteville State University).
- xix Engle, J., Yeado, J. , Brusi, R., & Cruz, J. (2012). *Replenishing Opportunity in America*. The 2012 Midterm Report of Public Higher Education Systems in the Access to Success Initiative. Washington, D.C.: The Ed Trust. Retrieved from <http://files.eric.ed.gov/fulltext/ED543219.pdf>
- xx Ibid. *Replenishing Opportunity in America*.
- xxi Engle, J., Yeado, J. , Brusi, R., & Cruz, J. (2012). *Replenishing Opportunity in America*. The 2012 Midterm Report of Public Higher Education Systems in the Access to Success Initiative. Washington, D.C.: The Ed Trust. Retrieved from <http://files.eric.ed.gov/fulltext/ED543219.pdf>
- xxii Hilsinger, C. (2013). *Up, up and away: College tuition is on the rise*. Forbes. Retrieved from <http://www.forbes.com/sites/specialfeatures/2013/07/24/up-up-and-away-college-tuition-is-on-the-rise/>;
- Oliff, P., Palacios, V., Johnson, I., & Leachman M. (2013). *Recent Deep State Higher Education Cuts May Harm Students and the Economy for Years to Come*. Center on Budget and Policy Priorities: Washington, DC. Retrieved from: <http://www.cbpp.org/files/3-19-13sfp.pdf>;
- Paulson, A. (2013). *College costs rising more slowly, but aid still not keeping up, reports say*. The Christian Science Monitor. Retrieved from <http://www.csmonitor.com/USA/Education/2013/1023/College-costs-rising-more-slowly-but-aid-still-not-keeping-up-reports-say>
- xxiii OECD. (2014). "Focus on Top Incomes and Taxation in OECD Countries: Was the crisis a game changer?". Retrieved from <http://www.oecd.org/els/soc/OECD2014-FocusOnTopIncomes.pdf>



**National
Urban League**

John Hofmeister
CHAIR

Marc H. Morial
PRESIDENT & CEO

120 Wall Street
New York, NY 10005
212-558-5300

www.nul.org



**National Urban League
WASHINGTON
Bureau**

Chanelle P. Hardy, Esq.
SENIOR VICE PRESIDENT &
EXECUTIVE DIRECTOR

1805 7th Street, N.W.
Suite 520
Washington, DC 20001
202-898-1604

www.nulwashingtonbureau.org



FOLLOW US ON TWITTER

—National Urban League—
[@NatUrbanLeague](https://twitter.com/NatUrbanLeague)

—National Urban League Washington Bureau—
[@NULPolicy](https://twitter.com/NULPolicy)

www.iamempowered.com