# **Aim Higher**

## Access | Affordability | Completion

### **Higher Education: By the Numbers**

#### **Access**

- Of the 2.9 million high school graduates in 2014, 68% enrolled in college by the fall semester.
- Students from economic and racially diverse groups are immediately enrolling in college after high school at higher rates than before. However, low-income students and <u>students of color</u> are more likely to attend open-access institutions.
  - For-profit institutions: Among all black and Latino undergraduate students, 18% and 12%, respectively, are enrolled in a for-profit college, compared with 7% of white students. Among all Pell recipients, 20% attend a for-profit institution, compared with only 8% of non-Pell recipients.
  - Community colleges: Nearly one out of two Latino students (45%), two out of five black students (39%), and one out of three (35%) Pell recipients begin at a community college.

To adequately address challenges facing students, it is important to first recognize that today's students do not fit the profile of the students in the 1970s when the Pell Grant was created.

Students in Higher Education	1970s	2014
Students of color	14%	30%
Low-income students immediately enrolling in college after high school	32%	57%
Adult learners	28%	41%
Attending part-time	32%	38%

#### **Affordability**

- Tuition and fees:
  - While tuition and fees continues to increase, on average, this decade has seen a slower growth rate than the past two decades. However, cumulative state disinvestment across decades has led to today's high tuition, especially when compared with the 1970s.

Average Tuition & Fees (2016 Dollars)	Community Colleges	Two-Year For-Profit Colleges	Public Four-Year Universities	Private Nonprofit Four-Year Universities
1976-77	\$1,193		\$2,600	\$10,680
2016-17	\$3,520	\$14,445 (2014-15)	\$9,650	\$33,480
40-Year Percent Change	195%		271%	213%

Committee on Education and the Workforce Democrats

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#### Pell Grants:

- Nearly 8 million students receive a Pell Grant, and the 2016-17 maximum award is \$5,815.
- The maximum Pell Grant award in 2016-17 <u>covers just 29%</u> of average tuition, fees, room and board at an in-state four-year public university.
- For 2017-18, the maximum Pell Grant award will be \$5,920 due to an automatic annual increase for inflation. However, under current law, inflation adjustments end after this year. Without a change, the maximum Pell Grant will remain at \$5,920 indefinitely, losing purchasing power every year.

#### • Federal loans:

- For the fifth consecutive year, total annual education borrowing declined. In 2015-16, undergraduate students and parents borrowed 18% less than in 2010-11 and graduate students borrowed 6% less.
- The average full-time undergraduate student in 2015-16 borrowed \$4,720 in federal loans for that year – down from the \$5,680 (in 2015 dollars) in 2010-11. Federal loans per full-time graduate student also fell from \$18,700 to \$17,460.
- In 2014-15, 61% of all bachelor's degree recipients from public and private nonprofit institutions who borrowed graduated with an average of \$28,100 in debt.
- o In 2016, one in four Direct Loan borrowers in repayment was enrolled in an income-driven repayment plan.
- o Borrowers who left college without a degree or certificate are more likely to default than those who completed their program (24% compared with 9% respectively).
- Default rates are highest for borrowers who leave school owing less than \$5,000 and decline as loan balances increase.

#### Completion

• Students of color graduate at lower rates than other students.

	Bachelor's Degree	
	Completion	
White	63%	
Black	41%	
Latino	54%	
Asian	71%	
American Indian	41%	

- Low- and middle-income students have been earning bachelor's degrees at increasing rates in recent years.
   However, the low- and high-income gaps in college attainment have worsened slightly since 1970. Students whose families are in the bottom half of the income distribution <u>earned 23% of the bachelor's degrees in 2014, compared with 28% in 1970</u>, while students in the upper half of the income distribution fared better.
- Current statutory restrictions prevent the Department of Education from tracking key metrics on student
  outcomes, limiting the information available to students and families. For example, graduation rates in the
  main federal data collection only cover first-time, full time students—a category that contains a minority of
  students at many institutions.

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•	Low-income students who attend selective universities succeed: At age 34, these students have earnings
	similar to classmates at their universities from more affluent backgrounds.

•	Well-designed student support programs have been proven to help students navigate college and
	ultimately complete their studies. A rigorous and independent evaluation of one such program at three City
	University of New York campuses found that students randomly assigned to the student support program
	doubled their graduation rates.