

The Case for Redesigning State Financial Aid to Better Serve Nontraditional Adult Students

Wayne Taliaferro
Policy Analyst

How did we get here?

- The postsecondary work at CLASP focuses specifically on low-income, nontraditional students
- A significant portion of our advocacy focuses on federal student aid, but we recently began exploring aid more comprehensively, including at the state level
- Through partnerships and conversations in the field, we found gaps in the accessibility of state aid programs that excluded nontraditional adults
- We honed in on these gaps to build on our recommendations for a model state aid policy

Yesterday's Non-Traditional Student is Today's Traditional Student

Today's typical college student is no longer an 18-year-old recent high-school graduate who enrolls full-time and has limited work and family obligations. Students today are older, more diverse, and have more work and family obligations to balance. **The percentage of undergraduates who are:**

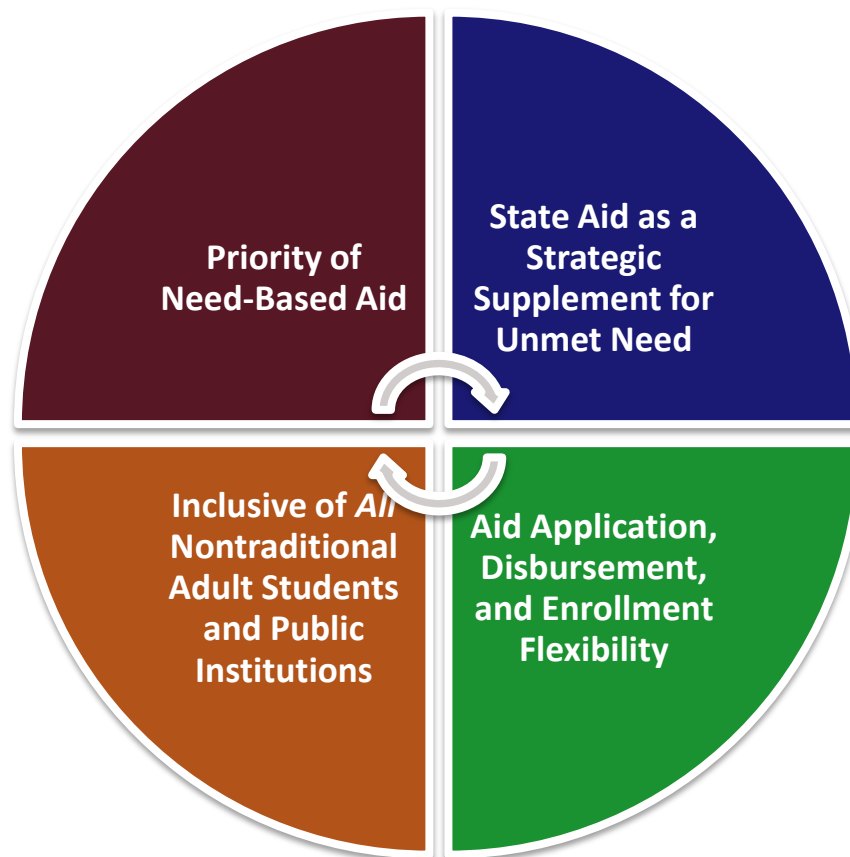
Adults Age 25 or Older (2012)	40%	Four in 10 undergraduate students are 25 years or older, a 4 percentage point increase from 2008. ¹ From 2012 to 2022, the non-traditionally aged student enrollment in college is projected to grow more than twice as fast as for traditional age students (8.7% and 21.7%, respectively). ²
Independent Students (2012) ³	51%	More than half of undergraduate students are classified as independent students, who are: <ul style="list-style-type: none"> • 24 years or older • Married • Responsible for legal dependents other than a spouse • Orphans or wards of the court (or were wards of the court until age 18) • Veterans of the U.S. armed services or • Homeless or at risk of homelessness
Enrolled in a Public Two-Year College (2012)	38%	Fall 2010 was the last time that community colleges saw an increase, albeit a small one, in enrollment. Since then, community colleges have experienced year-to-year decreases in enrollment, the largest between fall 2010 and spring 2011. Enrollment at community colleges nationwide declined by more than 3% between fall 2011 and fall 2012. During the last 12-month period between fall 2012 and fall 2013, the enrollment decrease at community colleges has held steady at around 3%. ⁴
Enrolled Part-time (2012) ⁵	37%	Undergraduate part-time enrollment has remained relatively steady since 1980, but with growing gaps between the price of tuition and the availability of grant aid, more students may enroll part-time and combine work and school. Fifty-nine percent of community college students attended part-time; whereas, only 27 percent of undergraduate students attending public four-year institutions attended part-time. ⁶
Minority Students (2012) ⁷	42%	Black and Hispanic students are 16.1 and 16 percent of the undergraduate student population, respectively. According to projections these groups will make up 42 percent of the student population in 2021. This projected increase is mainly attributed to the expected 25 and 42 percent in expected overall growth in black and Hispanic populations compared to 4 percent growth for white students. ⁸
Low-income (2012)	51%	Analysis by the Institute for Women's Policy Research (IWPR) finds that in just five years between 2008 and 2012, the proportion of college students who had low incomes rose dramatically, from 40 percent of undergraduate students with incomes under 200 percent of the Federal Poverty Level (FPL), in 2008, to 51 percent in 2012. ⁹ Without income to cover basic living expenses, these students will most likely have to work more to cover direct and indirect college costs, increasing time to degree completion. ¹⁰
Employed Part-time (2012) ¹¹	39%	Demos reported that working while in school to finance one's education is necessary for the majority of young college students. For young community college students specifically, 63 percent would be unable to attend college if they did not work. ¹²
Employed Full-time (2012) ¹³	27%	Working full-time can be a challenge for students who are balancing their course loads, school work, and family responsibilities, yet almost a third of all undergraduates work 35 hours or more per week.
Parents (2012) ¹⁴	26%	A little over a quarter of students are parents. Workforce investments and education may produce benefits for adult participants as well as their children. For example, encouraging evidence shows that when mothers with low education complete additional education, their children appear to have improved language and reading skills. ¹⁵
Single Parents (2012) ¹⁶	15%	Despite the fact that student parents are more likely to receive federal tuition assistance in the form of Pell Grants than non-parents, (43 percent and 23 percent respectively) single student parents have an average annual unmet need of \$6,117 compared to \$3,650 for non-parent students, and \$3,289 for married parents. ¹⁷

This Creates Unique Challenges...

And gaps in aid accessibility for adults.

The Reality for Adult Students...	The Frequent Reality of State Aid...
Opportunity costs are high! Needs are more complex and time-to-degree or credential can take longer.	Awards frequently... <ul style="list-style-type: none">• are based on merit rather than need• have term limits that assume faster matriculation• do no supplement living costs
40% of students are over 25. The average age of a community college student is 29.	Award ineligibility if more than a certain number of years since high school completion have passed.
Enrollment intensity fluctuates.	Eligibility often limited to or preferences full-time enrollment
Enrollment patterns are less predictable.	Aid disbursement based on application deadlines that favor traditional students

Our Model



Questions to Consider

1. Where are our opportunities?

2. What are our challenges?

Prioritizing Need-Based Aid

Priority of Need-Based Aid

- \$7.4 billion of total state aid is awarded in the form of need-based grants, but not all of these grant programs offer the same level of student access
- Nuances that can warrant ineligibility:
 - *age-out policies, enrollment intensity requirements, merit stipulations, term and annual limits on awards*
 - *prior convictions, unpaid child support, documentation status*
- 33 of the largest state aid programs link aid eligibility to college entrance exam scores or grade point averages

State Spotlight Minnesota

- Offers assistance to students from low- and moderate-income backgrounds
- Accepted at 130 public and private institutions in the state.
- accessible to all students, including nontraditional adults, those without a formal high school diploma who can demonstrate equivalent proficiency, and eligible undocumented students
- Grant aid is prorated based on enrollment intensity, and uses a shared responsibility model that calculates the state award amount based on all personal, federal, and institutional contributions.

Maximizing Accessibility

**Inclusive of All
Nontraditional
Adult Students
and Public
Institutions**

- Heavy concentration of adult students in community and technical colleges.
- Equitable funding for these institutions is critical
 - Ex. Ohio
- Funding affects aid and aid purchasing power.
- Cost burden shift to students, higher debt amounts
 - Ex. Texas, Georgia
- Burdens can be even higher when aid programs do not recognize short-term, noncredit programs

State Spotlight Washington

Washington's Opportunity Grant Program provides support to low-income adults at community and technical colleges to train for high-wage, high-demand careers.

State Aid as a Strategic Supplement

State Aid as a Strategic Supplement for Unmet Need

- Non-tuition related expenses are a real and significant portion of the cost of attendance, especially for adults
- At community colleges, living expenses account for an estimated 70 percent of the cost of attendance, and only about 1/3 of community colleges accurately report those costs.
 - Rise in student poverty, food and housing insecurity
 - Need for better leveraging of all resources
 - ❑ *public benefits access for college students*
- As students matriculate costs and unmet need rises.
- Award displacement as an impediment to aid opportunities. Maximize aid at every level!

State Spotlights

Big State Programs

*Cal Grant B

Niche Programs

*Arkansas, Single Parent Scholarship

*Massachusetts, Massachusetts Cash Grant

*Minnesota, Minnesota Child Care Grant

Application and Disbursement Policy

Aid Application, Disbursement, and Enrollment Flexibility

- Technicalities can turn well intentioned aid programs into exclusionary programs
 - first-come, first-serve aid disbursement
 - Application deadlines designed for traditional students
 - Preferences for full-time enrollment
 - ❑ *29 of the largest state aid programs will only fund full-time students*
 - ❑ *43 set term or annual time limits on awards*

State Spotlight

- | | |
|-----------------|--|
| Indiana | Indiana passed legislation in 2015 to align aid eligibility for nontraditional students enrolled part-time (taking between two and 12 credits per semester). |
| Oregon | In 2015, the process for awarding Oregon Opportunity Grants was revised to disburse grants in accordance with student need rather than based on FAFSA completion dates. |
| Illinois | A 2000 study of the Illinois MAP program nontraditional adult students benefited greatly from the expanded eligibility of the program for less-than half time enrollment. Eligibility was subsequently expanded. |

Final Thoughts

- Although changing eligibility standards does not change resource availability, the shift in policy can begin to promote equity and help nontraditional students pay for college
- Addressing these eligibility barriers can also shift resource allocation and redirect aid distribution to align better with deep financial need
 - *Ensure that state financial aid programs are based on need and equally accessible to all students.*
 - *Align state aid eligibility requirements with real time needs and demographics.*
 - *Design state aid programs as a comprehensive aid system that holistically supplements unmet need and complements other aid sources.*

State Engagement

1. Does your state-funded financial aid program support the financially neediest postsecondary students?
2. Are adults of all ages eligible?
3. Does your program have realistic satisfactory progress standards for adults?
4. Does your program have an age cutoff or “statute of limitations”?
5. Does your aid program support part-time enrollment?
6. Does your aid program take into account the extra time some adults may need to complete remedial coursework?
7. Does your aid program attempt to comprehensively cover the cost of attendance, including living expenses like child care and transportation?
8. Does the timing of application and aid disbursement meet the needs of adults, whose decision and enrollment patterns may differ from more traditional students?
9. Does your aid program support the institutions and programs of study adults are likely to attend and pursue, including noncredit and online programs?
10. Does your program supplement other aid sources and encourage adults to package multiple sources of support, avoiding aid displacement?

Contact Information

Wayne Taliaferro
wtaliaferro@clasp.org