ACCESS TO SUCCESS IN AMERICA

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America: Two Powerful Stories
1. **Land of Opportunity:**

Work hard, and you can become anything you want to be.
2. Generational Advancement:

Through hard work, each generation of parents can assure a better life — and better education — for their children.
Powerful narratives.

Slipping away.
Within the U.S., income inequality has been rising.

Big gains at the top of the economic ladder, while those at the bottom have fallen backwards.
Instead of being the most equal, the U.S. has the third highest income inequality among OECD nations.

Note: Gini coefficient ranges from 0 to 1, where 0 indicates total income equality and 1 indicates total income inequality.

Median Wealth of White Families

20 X that of African Americans

18 X that of Latinos

Not just wages and wealth, but social mobility as well.
U.S. intergenerational mobility was increasing until 1980, but has sharply declined since.

The falling elasticity meant increased economic mobility until 1980. Since then, the elasticity has risen, and mobility has slowed.

The US now has one of lowest rates of intergenerational mobility

Cross-country examples of the link between father and son wages

At macro level, better and more equal education is not the only answer.

But at the individual level, it really is.
Agenda #1

Working together to get more low-income students and students of color through college.

Chances of Staying at the Bottom If You’re Born at the Bottom

Without a 4-Year Degree

45%

Among black men, education makes a huge difference in life outcomes

**Cumulative Risk of Imprisonment by Age 34 for Young Black Men:**

- High School Dropouts

  - 68%

Source: Bruce Western and Becky Pe
College Grads Earn More

Source: College Board, Education Pays, 2013, Figure 1.1: Median Earnings and Tax Payments of Full-Time Year-Round Workers Ages 25 and Older, by Education Level, 2011
College Grads Less Likely to be Unemployed

Unemployment Rate (August 2011)

- Less than high school diploma: 14.3%
- High school graduate: 9.6%
- Some college or associate's degree: 8.2%
- Bachelor's degree or higher: 4.3%

They also stand out on the other things we value.
College graduates more likely to vote

Percent of US Citizens Aged 18-24 Who Voted in the 2012 Presidential Election by Education Level

- Less than high school: 23%
- High school/GED: 29%
- Some college/associate's degree: 50%
- Bachelor's degree or higher: 60%

Note: Data include both those who are and are not registered to vote.
Source: Education Pays 2013, The College Board
College graduates more likely to volunteer

Percent of Adults 25 and Over Who Volunteered in 2012 by Education Level

- Less than high school: 9%
- High school: 17%
- Some college or associate's degree: 29%
- Bachelor's degree or higher: 42%

Note: Data represent percentage of total population that reported volunteering from September 2008 to September 2009
Source: Education Pays 2013, The College Board
College Grads of all races far more likely to be in “Very Good” or “Excellent” Health

Robert Wood Johnson Foundation Commission for a Healthier America, 2009

College Grads Even Have Better Mental Health

Percentage of respondents reporting themselves to be in excellent mental health

Source: Gallup, “Strong Relationship Between Income and Mental Health” (2007)
What schools and colleges do, in other words, is hugely important to our economy, our democracy, and our society.
So, how are we doing?
Over past 30 years, we’ve made a lot of progress on the access side.
Immediate College-Going Up

Note: Percent of high school completers who were enrolled in 2-year or 4-year college the October after completing high school. Source: NCES, The Digest of Education Statistics 2013 (Table 302.10).
College-going is up for all groups.

NCES, *The Condition of Education 2010* (Table A-20-3) and *The Condition of Education 2011* (Table A-21-2).
Immediate College-Going Increasing for All Racial/Ethnic Groups: 1972 to 2012

Note: Percent of high school completers who were enrolled in college the October after completing high school.

College-Going Generally Increasing for All Income Groups

Note: Percent of high school completers who were enrolled in college the October after completing high school
Source: NCES, The Condition of Education 2010 (Table A-20-1) and The Digest of Education Statistics 2013 (Table 302.30).
But though college going up for low-income students…
Low-Income Students Today Still Not Reaching the College-going Rate for High-Income Students in 1972…

Percentage of high school graduates immediately enrolling in college, 1972-2012

Note: Data for black, Hispanic, and low-income represent two-year moving average because of small sample sizes.
Source: NCES, *The Condition of Education 2010* (Table A-20-1) and *The Digest of Education Statistics 2013* (Table 302.30)
But access isn’t the only issue:

There’s a question of access to what…
Low-Income Students and Students of Color Twice as Likely to Enter For-profit Colleges, Where They are Least Likely to Graduate and Most Likely to End up with Debt

Ed Trust analysis of IPEDS Fall enrollment, Fall 2012 (by race) and IPEDS Student Financial Aid survey, 2011-12 (by Pell recipient status).
And what about graduation in colleges more generally?
Black, Latino, and American Indian Freshmen Complete College at Lower Rates Than Other Students

6-year bachelor’s completion rates for first-time, full-time freshmen, Fall 2006 cohort at 4-year institutions

Graduation Rates (%)

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>63%</td>
</tr>
<tr>
<td>Black</td>
<td>40%</td>
</tr>
<tr>
<td>Latino</td>
<td>52%</td>
</tr>
<tr>
<td>Asian</td>
<td>71%</td>
</tr>
<tr>
<td>American Indian</td>
<td>40%</td>
</tr>
</tbody>
</table>

Overall rate: 59%

Source: NCES (December 2013). Enrollment in Postsecondary Institutions, Fall 2012; Financial Statistics, Fiscal Year 2012; and Graduation Rates, Selected Cohorts, 2004-2009, First Look (Provisional Data) Table 3.
Graduation rates at public community colleges

3-year completion rates (associate degrees and certificates) for first-time, full-time freshmen, Fall 2009 cohort at public two-year institutions

Overall rate: 21.2%

- White: 24%
- Black: 13%
- Latino: 18%
- Asian: 28%
- American Indian: 18%

Chance of attaining a bachelor’s degree within six years, among students who aspire to a Bachelors degree and begin at community college?

n/a
Only 14 percent.

Percent of students who started at a community college intending to earn a Bachelor’s in 2003 and earned a BA degree by 2009

Add it all up...
Different groups of young Americans obtain degrees at very different rates.
Whites attain bachelor’s degrees at nearly twice the rate of blacks and almost three times the rate of Hispanics

Bachelor’s Degree Attainment of Young Adults (25-29-year-olds), 2013

- White: 40%
- African American: 20%
- Latino: 16%

Source: U.S. Census Bureau, Educational Attainment in the United States: 2013
Young adults from high-income families are 7 times more likely to earn bachelor’s degrees by age 24.
WHAT’S GOING ON?

Many in higher education would like to believe that these patterns are mostly a function of lousy high schools and stingy federal and state policymakers.
They are not all wrong.
Low Income and Minority Students Continue to be Clustered in Schools where we spend less, expect less, and assign our weakest teachers...
So yes, preparation is part of the problem.
So, too, are misguided government aid policies
Federal Pell Grants have failed to keep pace with rising college costs

Total Cost of Attendance Covered by Maximum Pell Grant Award

- Public 2-Year: 99% (1979-80), 52% (2012-13)
- Public 4-Year: 77% (1979-80), 31% (2012-13)
- Private 4-Year: 36% (1979-80), 14% (2012-13)

Why? Not because we’re not spending a lot more on student aid.

But, rather, because we’ve changed who gets those dollars.
88% of savings from tuition tax deductions go to middle- and upper-income families

Distribution of Tax Deduction Savings by Adjusted Gross Income

- Low-income ($0-49,999) - 12%
- Middle and upper-income ($50,000+) - 88%

Note: Percentages may not add to 100% because of rounding.
Pattern is the same at state level, even in tough times.

Source: Trends in Student Aid 2010, The College Board
So yes, government policy is part of the problem, too.
But

colleges and universities are not unimportant actors in this drama of shrinking opportunity, either.
For one thing, the shifts away from poor students in institutional aid money are MORE PRONOUNCED than the shifts in government aid.
In 2011, four-year public and private nonprofit colleges spent over $21 billion on grant aid.

But, they spent a lot of aid on students who didn’t need it…
Public 4-year colleges used to spend more than twice as much on needy students, but now spend more on wealthy students.

Education Trust analysis of NPSAS:96, NPSAS:08, NPSAS:12 using PowerStats. Results based on full-time, full-year, one-institution dependent undergraduates.
Private nonprofit 4-year colleges used to spend more on low-income students, but now spend nearly twice as much on wealthy students.

Education Trust analysis of NPSAS:96, NPSAS:08, NPSAS:12 using PowerStats. Results based on full-time, full-year, one-institution dependent undergraduates.
Result? Low-income students must devote an amount equivalent to 76% of their family income towards college costs

<table>
<thead>
<tr>
<th>Family Income Percentile</th>
<th>Average Income</th>
<th>Average Cost of Attendance</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Grant Aid</th>
<th>Average Unmet Need After EFC and Grant Aid</th>
<th>Average % of Income Required to Pay Out-of-Pocket Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 20%</td>
<td>$12,783</td>
<td>$27,428</td>
<td>$276</td>
<td>$13,565</td>
<td>$13,591</td>
<td>76%</td>
</tr>
<tr>
<td>21 – 40%</td>
<td>$36,205</td>
<td>$29,345</td>
<td>$2,138</td>
<td>$12,246</td>
<td>$15,006</td>
<td>46%</td>
</tr>
<tr>
<td>41 – 60%</td>
<td>$65,204</td>
<td>$29,804</td>
<td>$8,059</td>
<td>$8,465</td>
<td>$13,689</td>
<td>33%</td>
</tr>
<tr>
<td>61 – 80%</td>
<td>$97,733</td>
<td>$30,719</td>
<td>$16,259</td>
<td>$6,842</td>
<td>$9,465</td>
<td>25%</td>
</tr>
<tr>
<td>81 – 100%</td>
<td>$185,819</td>
<td>$34,370</td>
<td>$35,925</td>
<td>$6,041</td>
<td>$5,281</td>
<td>17%</td>
</tr>
</tbody>
</table>

Results based on full-time, full-year, one-institution dependent undergraduates at public and private nonprofit four-year colleges.
So it’s not all about the students or about government. The choices that colleges make are important in who comes…and who doesn’t.
Moreover, what colleges do also turns out to be very important in whether students graduate or not.
College Completion Rates:
4-Year Colleges

- Fewer than 4 in 10 (38%) entering full-time freshmen obtain a bachelor’s degree from the same institution within 4 years.

- Within six years of entry, that proportion rises to just under 6 in 10 (58%).

- If you go beyond IPEDS, and look at graduation from ANY institution, number grows to about two-thirds.

Source: NCES (December 2013). Enrollment in Postsecondary Institutions, Fall 2012; Financial Statistics, Fiscal Year 2012; and Graduation Rates, Selected Cohorts, 2004-2009, First Look (Provisional Data) Table 4.
Many Four-Year Colleges Have Very High Graduation Rates and Many, Very Low

Distribution of Graduation Rates (2012)
6-year bachelor's completion rates for first-time, full-time freshmen, Fall 2006 cohort at 4-year institutions

Source: Ed Trust analysis of IPEDS Graduation Rates
Some of these differences are clearly attributable to differences in student preparation and/or institutional mission.
But…when you dig underneath the averages, one thing is very clear:

Some colleges are far more successful than their students’ “stats” would suggest.

Ed Trust analysis of College Results Online dataset
# Research Institutions

## Similar Students, Different Results

<table>
<thead>
<tr>
<th>Institution</th>
<th>Median SAT</th>
<th>Size</th>
<th>% Pell</th>
<th>% URM</th>
<th>Overall Grad Rate</th>
<th>URM Grad Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penn State University</td>
<td>1,195</td>
<td>37,763</td>
<td>16%</td>
<td>8.6%</td>
<td>86.7%</td>
<td>74.6%</td>
</tr>
<tr>
<td>Indiana University</td>
<td>1,170</td>
<td>31,427</td>
<td>21%</td>
<td>8.0%</td>
<td>72.0%</td>
<td>52.1%</td>
</tr>
<tr>
<td>University of Minnesota</td>
<td>1,245</td>
<td>30,656</td>
<td>23%</td>
<td>7.6%</td>
<td>70.2%</td>
<td>44.4%</td>
</tr>
<tr>
<td>Purdue University</td>
<td>1,165</td>
<td>30,812</td>
<td>21%</td>
<td>6.9%</td>
<td>68.1%</td>
<td>54.1%</td>
</tr>
</tbody>
</table>

Source: College Results Online, 2013: www.collegeresults.org.
## Historically Black Colleges
### Similar Students, Different Results

<table>
<thead>
<tr>
<th>Institution</th>
<th>Median SAT</th>
<th>Size</th>
<th>% Pell</th>
<th>Overall Graduation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elizabeth City University</td>
<td>835</td>
<td>3,020</td>
<td>80%</td>
<td>43.7%</td>
</tr>
<tr>
<td>Delaware State University</td>
<td>875</td>
<td>3,167</td>
<td>59%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Norfolk State University</td>
<td>865</td>
<td>5,373</td>
<td>65%</td>
<td>33.2%</td>
</tr>
<tr>
<td>University of Arkansas Pine Bluff</td>
<td>780</td>
<td>3,096</td>
<td>82%</td>
<td>23%</td>
</tr>
<tr>
<td>Coppin State University</td>
<td>855</td>
<td>2,832</td>
<td>70%</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

Source: College Results Online, 2013: [www.collegeresults.org](http://www.collegeresults.org).
Bottom Line:

- So yes, we have to keep working to improve our high schools;
- And yes, government has to do its part;
- But we’ve got to focus on changing what our colleges do, too.
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www.edtrust.org