

CRITICAL QUESTIONS FOR ANY PROPOSED FEDERAL-STATE PARTNERSHIP TO FIX AMERICA'S COLLEGE ATTAINMENT PROBLEMS

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As discussions about partnerships between the federal government and the states to tackle the nation's college affordability problem gain momentum, it's critical that any proposal tackle the three interconnected problems of college affordability, completion, and intergroup inequities.

Here is a series of questions policymakers and advocates should ask of any federal-state partnership proposal to gauge whether it will address these problems and therefore truly help drive improvements in attainment for all groups of students. (For a full discussion of these questions, as well as an examination of the problems that make comprehensive action on college attainment essential and the salient lessons from past federal-state partnerships, see *Fixing America's College Attainment Problems: It's About More Than Affordability*.)

QUESTIONS RELATED TO DESIGN AND FUNDING

1. What is the proposal designed to accomplish?

Fundamental differences in design can have huge impacts on underrepresented students. Take, for example, proposals designed to reduce the cost of attending any college versus those aimed at cutting costs at only certain kinds of institutions, such as community colleges. Disproportionate percentages of Pell Grant recipients and students of color are enrolled in two-year colleges, making the idea of directing resources toward these institutions appealing on its face. But the data point to far lower rates of success among low-income students and students of color in two-year colleges than in four-year ones. So anything that makes enrollment in two-year colleges more attractive to students wavering between the two could have negative effects on the likelihood that such students earn degrees.

2. How much federal money is on the table? Is that amount proportionate to the level of demand it places on states and/or institutions? Are the eligibility requirements for states, including the financial ask, sensitive to state context?

Getting a handle on our postsecondary attainment problems is going to require significant resources from both the federal government and the states. But some states simply have more capacity to increase spending than others. How these capacity differences are treated matters to the effort to produce more equitable outcomes because states on the low-capacity side often have more residents who are low-income and of color. For example, the federal

government could restrict participation only to states that spend a minimum amount per student. While this could have the positive effect of getting some low-spending states to increase their support of postsecondary education, it could also disadvantage states with lots of students in poverty or those that are growing rapidly.

3. Is the funding new money or pulled away from existing higher education programs?

Given current budget caps, architects of new federal-state partnerships are likely to look to current federal programs for needed revenue, and which programs they target matters hugely. For example, using dollars from the Pell Grant program, even to support tuition-free college, could disadvantage low-income students, who would still face the costs of college attendance beyond tuition and fees. Alternatively, eliminating the tuition-tax deduction could be a better source of revenue, since it is generally not available to the lowest income families.

4. Will the way funding — both federal and state — is structured exacerbate or ameliorate education spending differences between wealthier and poorer states and between wealthier and poorer institutions?

Some formula-based programs are weighted toward certain kinds of students (for example, low-income students), acknowledging their greater needs and/or the greater needs of the institutions or states that serve large numbers of these students. Other programs send out equal dollars per student, which can mean underserving some students while "over-serving" those with fewer needs (such as aid for students with no financial need and/or for extremely wealthy institutions.)

QUESTIONS RELATED TO PERFORMANCE REQUIREMENTS AND THE INCENTIVES THEY CREATE

1. What are the performance requirements for states? What actions do they incentivize?

Many of the participation and performance requirements for states will center on increased resources, yet too often current state spending advantages institutions serving the best prepared, most advantaged students and asks too little in return from institutions when it comes to serving all kinds of students well. A federal-state partnership can and should disrupt these patterns.



- Will state spending requirements exacerbate or ameliorate differences in per-student support for institutions serving the most advantaged students compared with those serving students with the greatest challenges?
- Are states required to expand need-based aid programs?
- What must states ask of postsecondary institutions in exchange for increased resources?

2. Are there eligibility and/or performance requirements for postsecondary institutions? If not, must states develop more robust accountability systems? In either case, what actions do these new requirements incentivize?

Both research and experience make clear that the choices college leaders make play a significant role both in who comes to their institutions and who graduates. Right now, though, most incentives go in the wrong direction, encouraging institutions to become ever more selective and prioritizing enrollment over completion. This is another pattern a federal-state partnership can and should disrupt.

- Do institutions that serve relatively few students from underrepresented groups have to serve more of them?
- Do institutions with low graduation rates or large gaps between groups have to implement research-based practices and otherwise improve student success?
- Do institutions have to prioritize the neediest students in their institutional financial aid programs?

3. Does the proposal incentivize high schools to make improvements in the preparation of future college students?

Certainly, there are a lot of things that colleges can do to improve success even among students who are not fully prepared. But better preparation will certainly help, and a new federal-state partnership provides an opportunity to put greater energy behind the preparation agenda since states also have control over K-12 education.

- Do participating states' accountability systems ensure that high schools focus energy on making sure more students from all backgrounds complete a full college-prep course sequence, master college-ready skills, and have access to college advising?

4. What are the eligibility and/or performance requirements for students and families? What actions do they incentivize?

Student-level performance requirements can have both positive and negative effects, and must be weighed accordingly. For example, when it comes to a requirement to maintain full-time enrollment to keep aid dollars, underrepresented students are most likely to have extra work or family obligations outside of school and may find it harder to attend college full-time. On the other hand, research and experience show that full-time enrollment is highly related to whether students end up with a degree.

- Are students encouraged to: complete the most rigorous available courses in high school, including a college-prep course sequence; study hard and master college-ready skills by graduation; apply to colleges and complete necessary financial aid applications; and enroll in college immediately and, if at all possible, on a full-time basis?

5. What are the prescribed consequences for not meeting some or all of these requirements?

Requirements matter. So, too, do the consequences for not meeting the requirements. For example, are the consequences serious enough to provoke attention and action, but not so tough that policymakers will be hesitant to ever invoke them (as has often been the case with federal education laws)?

For more information, read the full report at: edtrust.org/FedStatePartnership

