

College Accessibility, Affordability, and Completion

Challenge:

Fundamentally, accessibility, affordability, and completion sum up the underlying purpose of the Higher Education Act, and are deeply intertwined with the other topics about which the House Education and the Workforce Committee has asked for proposals. Although recent policy discussions have honed in on “completion,” separating it from “access” is a false dichotomy. The student aid programs were established to help students who needed financial help to not only attend college, but also to complete a degree or certificate. Access without completion is a failed hope. And access without affordability is not possible.

The recent focus on affordability and completion has enriched and shaped the national conversation about the goals of federal student aid. In particular, there is growing recognition that [purposeful institutional efforts](#) improve completion. These efforts should be encouraged. The federal government can make a positive contribution toward that end by providing support for programs that work, and by assuring that students on the path to completion have the aid they need to stay the course.

Recommendations:

1. Ensure that student aid programs incentivize completion.

- **Pell and Loan Flex.** Restructure Pell and loan limits so that, as they successfully progress toward degree completion, students can draw down from the maximum aggregate amount for which they are eligible.

Time to degree matters. Students who attend more than one institution, or who take extra years to complete college, spend more in tuition and forfeit valuable income-earning years. One of the best ways for a student to reduce the expense of a college education is to complete a four-year degree in four years. As illustrated in the [attached chart](#), when lost wages and additional years of tuition payments are taken into account, it is less expensive to graduate on time from a higher-priced college than to spend five or six years earning a bachelor’s degree from a lower-cost institution.

Despite the added cost to students and taxpayers of a longer degree completion time, though, the federal student aid system provides *less* grant and loan aid for students who complete on time. The result is that many of these students must make up the difference through less favorable private loans.

Pell Flex: Similarly, create a system by which each undergraduate student has access to the same amount of Pell Grant funding that is available to those students who use the maximum eligibility time. Grants would be based on student need, and would be drawn down as the student moves toward degree completion.

Loan Flex: Replace the current system of hard annual loan limits, which gives more federal aid to those who take longer to complete, with a new system. Under such a revised system, every undergraduate student would have access to the same maximum amount of federal student loans – whether they finish early, on-time, or take extra years to complete. At its most basic

level, students would draw down loan funds in proportion to their progress toward completion of a baccalaureate degree.

Note: This proposed flexibility also would address such issues as the loss of “Summer Pell.” The existing hard annual limits may need to stay in place for freshmen (or even sophomores), until they have demonstrated an ability to succeed in college.

- **SEOG:** Increase the maximum allowable SEOG grant from \$4,000 to \$7,000 for the third year and beyond, to encourage student persistence and completion.

The Supplemental Educational Opportunity Grant program is an effective, but underfunded program, designed to complement the Pell Grant program.

- **Federal Work Study:** Recommit to the Federal Work Study Program.

One of the most effective and measurable steps to assist college completion is work on campus. Students say that this opportunity makes for important connections to the campus community that help them persist. A [recent study by Purdue University](#) showed that students employed on campus were retained at a rate 13 percent higher than the general student body.

2. Support the *First in the World* proposal.

Private nonprofit colleges take pride in their four-year completion rates, which surpass those of all other sectors – even when controlling for risk factors such as poor academic preparation and poverty.

To better understand the reasons behind this success, NAICU asked member institutions to submit short summaries of their programs targeted to helping students complete college. The resulting collection is available on our [Building Blocks to 2020 website](#). The common thread across these programs is that they have been developed at the ground level, where transformative change takes place. As such, they are tailored to the mission of the particular college and the needs of its students. These are valuable and effective models.

The administration has proposed funding for colleges to scale up or duplicate successful programs through their [First in the World initiative](#). NAICU supports this initiative and encourages Congress to incorporate it into HEA reauthorization legislation.