



Federal Access Policies and Higher Education for Working Adults

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October 2008

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Introduction and summary

For the last 50 years, political, business, civic, and educational leaders have generally agreed that postsecondary education benefits *both* individuals and society. For individuals with a college degree, earnings are approximately 75 percent greater on average than for individuals with only a high school diploma.¹ College-educated adults are also more likely to be employed more regularly and be in jobs with health and retirement benefits. They boast higher personal savings levels, and work in safer and more comfortable conditions in a positive organizational environment.² College-educated individuals have improved health and life expectancy, increased personal status, more hobbies and leisure activities, and provide improved life opportunities for their offspring.³

For society, the benefits of college education are also extensive. In general, higher education provides human capital that is associated with greater financial investments from global capital markets, and with higher economic productivity and growth. Moreover, society benefits from postsecondary education through increased tax revenues, increased consumption, increased workforce flexibility, and reduced reliance on government financial support.⁴ The college-educated population is less likely to commit and be convicted of crimes, and more likely to volunteer and make charitable donations, participate in civic activities such as voting, appreciate diversity, and adapt to the technological changes ubiquitous in the global economy today.⁵

This consensus around the value of a more educated population was sealed some time ago—in 1965, in fact—when the U.S. Congress passed the Higher Education Act. HEA launched a set of federal grant and loan benefits to help families and students pay for college. The most widely known of these benefits was the Pell Grant, which was initiated by the 1972 amendments to the HEA. In 2006-07, the last year for which complete data is available, the Pell Grant provided almost \$13 billion in grants to low-income students.⁶ Since 1972, the federal government has invested more than \$150 billion in Pell Grants, which has contributed to the significant expansion of educational attainment in the United States.⁷

In 1970 slightly more than 10 percent of adults aged 25 years and older had at least four years of college; three decades later 25 percent of adults had a bachelor's degree or more.⁸ According to a recent report from the Rethinking Aid Study Group, the significant increase in college attendance and gains in completion “would almost certainly have been impossible without the federal student aid programs.”⁹ Although the overall educational attainment gains over the past four decades are impressive, the beneficiaries

of federal access policies have generally been traditional-age students who graduate from high school and enroll in college within one or two years. In federal terms, these students are dependent students who rely on their parents or guardians to help pay for college. In part because working adults do not receive the same postsecondary education benefits as younger students, the United States is now 10th among the industrialized democracies in overall educational attainment among adults 25 to 34 years of age.¹⁰

Today, postsecondary education is in the midst of a confluence of several factors, according to an issue paper from the Spellings Commission on the Future of Higher Education. Specifically, there is:

- Increased demand on higher education to produce graduates, provide services, and conduct research.
 - Diminished capacity of some higher education institutions to provide space for all the students qualified to enroll, while other postsecondary institutions are serving large numbers of students underprepared for college-level work.
 - Rising economic and fiscal stress at higher education institutions due to state long-term budgetary shortfalls and structural deficits, and the resulting increased reliance on tuition and fees as costs are shifted to students and parents, which makes college less affordable.
 - Increasing demands for accountability from lawmakers, business leaders, and enlightened educators about the “value-added” of higher education—what students are learning—and its relationship to the high costs of college and workforce needs.
- Growing international competition from foreign nations, which are producing many more college graduates relative to the size of their adult population, especially in science, technology, engineering, and mathematics, the so-called STEM disciplines.¹¹

At the same time, technological advances and the rapid exchange of knowledge and information require new sets of skills for individuals and nations to compete in the labor and capital markets.¹² The consequence of these changes in the global economy is that access to a highly accredited postsecondary education in the United States is more crucial in determining who has access to jobs, goods, and economic security. Importantly, this central role for postsecondary education demands a concerted, national effort to embrace *both* the increased diversity of future college students *and* the needs of the current adult workforce to enhance their skills and knowledge.

Several recent reports underscore the 21st century challenges we face as a nation. First, disparities in educational attainment persist across racial and ethnic groups: Forty-two percent of whites ages 25 to 64 have an associate’s degree or higher compared with 26 percent of African Americans and 18 percent of Hispanics.¹³ Second, assuming no significant changes in degree attainment patterns, the United States will fall 16 million degrees short of the number needed to match leading nations in the percentage of adults with a college degree and to meet the workforce needs of 2025.¹⁴

Third, high-skill jobs that require advanced learning (a postsecondary education credential) will make up almost half of all job growth in the United

States in the next decade.¹⁵ Without increasing the labor supply in these economic sectors, businesses and corporations will look elsewhere to hire college-educated workers. Fourth, stagnation in educational attainment is not only a problem of access to colleges and universities; in fact, barely half of students (54 percent) who begin college complete a degree or certificate, which ranks the United States last among the development economy member nations of the Organization of Economic Cooperation and Development.¹⁶

Finally, and perhaps most importantly, the number of high school graduates who enter the labor market is no longer growing faster than the number of adults who leave the labor market.¹⁷ In half the states, the number of adults 18 to 24 years of age is not projected to grow during the next decade, which means that in order to increase the number of individuals with postsecondary credentials, states will have to focus on adults 25 years of age and higher.¹⁸ This population represents almost two-thirds (65 percent) of the country's 2020 workforce and consists of 70 million adults who do not currently have a postsecondary credential.¹⁹ It is these working adults that federal access policies do not adequately support, and whom the country needs to target in order to increase the share of working adults who earn a postsecondary credential.

In the pages that follow, we will briefly summarize the limitations of current federal access policies with particular

attention to working adults. We then examine the core policy areas that can serve as a foundation for a progressive higher education agenda to benefit working adults. Our conclusion—briefly stated here and expanded upon in the main pages of this report—is that current federal access policies, including financial aid benefits such as Pell Grants and academic and social support programs such as so-called TRIO programs, should be adapted so working adults are treated equitably in eligibility and access to these benefits. More specifically, we recommend the following policy directions:

- Expand existing federal access policies to better serve working adults.
- Align existing workforce education and training programs with federal access policies so more adults can successfully transition between postsecondary education and training and the labor market.
- Provide transparency in the amount and sources of financial aid available to working adults who pursue postsecondary credentials.
- Enable public-private partnerships to support increased educational attainment for working adults.

As we will document in this paper, our recommendations for public policy approaches can help increase the number of adults with postsecondary credentials.

Federal access policies and working adults

Federal access policies are guided primarily by the Higher Education Act and its amendments via reauthorization that occurs roughly every five years.²⁰ The most widely known HEA program is the Pell Grant, which provides gift aid to low-income students to help them pay for college. Unlike student loan programs, which are also part of the HEA, the Pell Grant is not an entitlement; although a maximum Pell Grant is authorized, the actual maximum Pell Grant (and total grant aid available) must be appropriated. The level of appropriation determines the maximum Pell Grant, which is set annually by Congress during the appropriations process based on estimates of the number of qualified applicants and the amount of funding available. In 2005-06, the last year for which complete data is available, 11.5 million students applied for a Pell Grant through the Free Application for Federal Student Aid, or FAFSA program, and 5.3 million were awarded a Pell Grant.²¹

The HEA also defines non-financial federal access policies such as the TRIO programs and GEAR UP. TRIO refers to set of programs (initially three) that help low-income students enter and succeed in college. The legislation mandates that two-thirds of students served by TRIO must be from families earning less than \$28,000 where neither parent graduated from college. Approximately 900,000 low-income students are served annually by TRIO programs. GEAR-UP, or Gaining Early Awareness and Resources for Undergraduate Preparation, was created in 1998 as part of the reauthorization of the HEA with the goal of equalizing access to higher education. GEAR UP provides discretionary grants to states and partnerships that serve students and families from high-poverty middle schools and high schools.

Helping working adults tap into these federal aid programs through HEA reauthorization is long overdue. Currently, two-thirds of part-time undergraduates are independent students as are 25 percent of full-time undergraduates. In addition, almost 70 million adults in the current workforce between the ages of 25 and 64 do not have a postsecondary credential: Forty-eight million of these adults have a high school degree or less, and 21 million have some college experience but no degree.²² Put simply, the pool of working adults who need help enrolling in and completing a postsecondary education is significant.

Working adults do not typically access postsecondary education the same way as traditional age students. Certainly many adults enroll in community colleges and four-year colleges and universities, but they primarily attend part-time. Millions of adults pursue non-traditional pathways, such as continuing education and extension programs,

contract education and online courses, satellite campuses, and for-profit or proprietary institutions.²³ And of course, adults face many competing work and family obligations.

Despite juggling multiple responsibilities, adult students can and do excel in postsecondary education. A recent study from 28 Florida community colleges found that adult students are more likely than younger students to complete their courses in each term, after controlling for enrollment intensity and math ability.²⁴ This study also documented that adults testify to intentionality in their objectives for going to college, knowledge of and commitment to navigating the educational bureaucracy, and aggressiveness about asking for help or demanding services.

Working adults are typically non-traditional students when they pursue postsecondary credentials. A non-traditional student has at least one of the following characteristics:²⁵

- Delayed college enrollment for one or more years after high school graduation.
- Part-time attendance for at least some of the academic year.
- Work more than 35 hours weekly (full-time) while enrolled.
- Financially independent for purposes of determining eligibility for financial aid.
- Has dependents other than a spouse (usually children).
- Single parent.
- Does not have high school diploma, though may have a GED.

Adult students can further be described along a continuum from minimal risk to ultra-high risk. High-risk adults have four or more characteristics of non-traditional students, and ultra-high risk students have four or more of these characteristics but also enroll in postsecondary courses outside the higher education mainstream, such as in continuing education or contract training provided for employers.²⁶

A national survey of 1,500 adult students found that many adult students who enroll in continuing education programs are in the early stages of their working lives. Convenience to work and home are important considerations for these adults, as are affordability and the demand for child care and more convenient course delivery systems.²⁷ These findings support data from focus groups conducted among current, former, and potential students at six community colleges—participants identified stable child care, personal support from family members, peers, and college faculty and staff, and accommodating employers as leading factors influencing their ability to stay in college, complete their programs of study within expected time frames, or enroll in the first place.²⁸ Students participating in these focus groups also reported difficulty accessing work-based safety net programs such as food stamps, Medicaid, Earned Income Credits, Section 8 housing vouchers, and child care subsidies.

Working adults also face obstacles in accessing financial aid to help pay for college. Federal Needs Analysis—the statutory formula that determines the ability to pay for college, known as the Expected Family Contribution, or EFC—determines the amount of federal aid for which a student is eligible. Federal Needs Analysis treats income and assets

of dependent students more favorably than independent students. Put simply, a dependent student from a low-income family with income less than \$30,000 will qualify for significantly more federal financial aid—both Pell Grants and subsidized federal Stafford loans—than an independent student with similar income.

The table below illustrates this point by comparing the expected family contribution and federal financial aid that is awarded for a low-income student based on his or her dependency status.²⁹ Because about 95 percent of federal Pell Grant dollars are awarded to students with incomes less than \$30,000, we use that income threshold for illustrative purposes.

According to these estimates, a single, independent working adult earning \$30,000 annually would not qualify for a Pell Grant, and is expected to contribute at least 30 percent of gross earnings to pay for college. A working adult with a child is expected to contribute 15 percent of gross earnings to pay for college. In both cases, independent students are

expected to contribute a larger share of gross earnings than the parents of a dependent student.

Consequently, working adult students at least 25 years of age, or younger if they have children, must find a way to pay between \$10,000 and \$12,000 to attend college full-time (EFC plus calculated need after grants), which likely explains why the vast majority of working adults enroll part-time—if they attend college at all. In fact, according to the National Center for Education Statistics, among adults 25 years of age and higher that enrolled as undergraduates in 1999-2000, 58 percent enrolled on a part-time basis.³⁰ Importantly, an independent student without kids does not qualify for any federal financial aid (Pell Grant or subsidized Stafford loan) if they enroll half-time.

Federal access policies, especially student financial aid, do not adequately serve non-traditional students in postsecondary education. Yet these non-traditional students represent the vast majority of postsecondary students. According to the

DEPENDENT VS. INDEPENDENT

Pell Grant and Expected Family Contribution estimates for dependent and independent students earning \$30,000 annually.

INCOME = \$30,000	DEPENDENT	INDEPENDENT SINGLE	INDEPENDENT SINGLE WITH CHILD
FULL-TIME AVERAGE			
Total cost	\$12,800	\$12,800	\$12,800
EFC	\$1,089	\$8,940	\$1,837
Pell Grant	\$3,260	Not eligible	\$2,460
Calculated need	\$8,451	\$3,860	\$8,503
HALF-TIME AVERAGE			
Total cost	\$7,500	\$7,500	\$7,500
EFC	\$1,089	\$8,940	\$1,837
Pell Grant	\$1,630	Not eligible	\$1,230
Calculated need	\$4,781	None	\$4,453

National Center for Education Statistics, non-traditional undergraduates make up almost three-fourths of all undergraduates nationally.³¹ This group completely encompasses working adults, who by definition are non-traditional undergraduates because they are considered financially *independent* for purposes of determining federal financial aid. In addition, as many as 70 million more working adults are not currently pursuing postsecondary education, in part because federal access policies are not structured in ways that facilitate adults' access and success in college.

In contrast to the HEA, federal policies that target postsecondary education and training for working adults generally fall under labor and social services legislation such as the Workforce Investment Act, including Title II of WIA covering adult and family literacy, the Trade Adjustment Assistance Reform Act, and the Food Stamps Education and Training Act.³² These federal resources and other programs geared toward working adults add up to about \$3.6 billion annually,³³ yet they rarely are used explicitly to help working adults enroll in colleges and universities with the purpose of earning a postsecondary credential.

Research on effective practices to expand access to and success in college

Although federal access policies are geared toward traditional-age students who transition within one or two years from high school to college, the research on these policies and programs nonetheless paints a picture of the kinds of activities that improve students' access to and success in college. In a nutshell, working adults need the same kind of social

support and financial aid that research suggests can help students enroll in college and earn a postsecondary credential. Social supports include academic services to transition adults from remedial or developmental to college-level coursework, career and academic counseling, and support with child care and other family obligations.

Research suggests that students who participate in federal TRIO programs are more likely to make academic progress in high school, earn a high school diploma, apply for college and financial aid, and get admitted to a college or university.³⁴ Case in point: Talent Search, one of the three original TRIO programs, funds projects at two- and four-year colleges and universities and public or private agencies to assist 6th to 12th grade students from disadvantaged backgrounds. Program activities offered include: academic, financial, and career counseling; tutorial services; mentoring; and assistance with postsecondary applications. Another TRIO program, Upward Bound, focuses on providing academic instruction to disadvantaged students to prepare them for college. Program services include tutoring, mentoring, counseling (personal, academic, and financial), cultural enrichment, and work-study programs. An independent evaluation found that involvement in Upward Bound increased the number of math credits earned; improved gains in overall high school credits, honors, and advanced placement credits; and increased enrollment in four-year postsecondary institutions for participants with low educational expectations.³⁵

GEAR UP is another federal program that promotes individualized academic and social support to students, parental involvement, educational excellence,

school reform, student participation in rigorous courses, and providing college information to students and parents. These activities are conducted through grants to states or partnerships with school districts, colleges, and other organizations. Researchers on GEAR UP in Austin, Texas, found equal or higher college application and enrollment rates of participating students.³⁶ Another study indicated that pervasive GEAR UP college awareness activities for students and parents are effective in changing student college plans.³⁷

The question for policymakers is how these outreach, preparation, and transition programs funded through the HEA can be adapted to serve more working adults. One vehicle for delivering transitional services for working adults is the Employment Opportunity Centers program and Student Support Services, both of which are part of the federal TRIO programs. Student Support Services operates at 930 colleges and universities nationally. Although these programs are typically structured to serve traditional-age college students, the services they provide—study skills, career training, tutoring, and advising—can be adapted to the needs of working adults who after all make up the vast majority of part-time undergraduates and a significant plurality of all undergraduates. In addition, more than 130 Educational Opportunity Centers provide counseling, academic advising, college orientation, and referrals to other human services providers for more than 200,000 adults seeking to improve their postsecondary education and skills.³⁸ These two programs can offer services to more working adults who enroll in college as well as provide outreach and preparation services to working adults who are not currently enrolled in college.

Even if more working adults could access federal programs such as TRIO and GEAR UP, they still must overcome significant financial hurdles to attend college. Independent students are expected to contribute more than half of additional dollars of after-tax income to pay for educational expenses.³⁹ This unequal treatment in determining eligibility for the Pell Grant must be addressed in a progressive agenda for higher education. In fact, more than two decades of research on financial aid tell a convincing story about the role of financial aid in enabling college access and success. The consensus view of the relationship between college price and enrollment has been that a \$1,000 change in college costs is associated with about a 5 percent difference in college enrollment rates.⁴⁰ Ten years later, a follow-up study found a similar range of the estimated impact of tuition on enrollment: an increase of \$100 in tuition yields a 0.5 to 1.0 percent drop in enrollment.⁴¹

Moreover, this review of research on financial aid and enrollment found that enrollment was more sensitive to grant aid than loans or work-study. In fact, lower-income, African-American, and community college students were particularly sensitive to changes in tuition and aid. Findings on Hispanic student response were inconsistent. Another study on college-going inequality found that a \$1,000 dollar change in the direct cost of college yielded between a 3 percent and 7 percent change in enrollment.⁴² In short, the research literature on grant financial aid has regularly shown the positive effects of more grant aid on college access.

In addition to the ongoing research about the impact of aid on enrollment, scholars have also addressed the impact of aid on

persistence and completion. Research has shown that aid recipients in general persist equal to or better than non-recipients.⁴³ The Pell Grant has been shown to reduce the likelihood a student will drop out of college.⁴⁴ Moreover, students who receive a Pell Grant persist as well as or better than other low- or middle-income students despite being more likely to exhibit research-based persistence risk factors such as delaying enrollment in college, attending college part-time, or working full-time while enrolled in college.⁴⁵ Studies have also illustrated how actual graduation is promoted by tuition subsidies, state total grants, need-based grants, grants net of eligibility for aid, and work-study and merit aid.⁴⁶

The research literature also suggests that grant financial aid awarded for reasons other than need is less likely to benefit lower-income students and race and ethnic minorities. A two-volume study from the Harvard Civil Rights Project, which contains chapters examining the role of individual state programs, concluded that merit aid is most likely to be offered to students who would already attend college and is less likely to be offered to low-income and minority students.⁴⁷ Research on the most widely known merit aid program, Georgia's HOPE scholarship, found that in-state college enrollment increased by 5 to 8 percentage points with increases concentrated in four-year schools. But this gain was primarily due to some students choosing not to attend college out-of-state rather than an increase in college-going among students who otherwise would not attend.⁴⁸

Similarly, a study at the University of Oregon found that merit aid increased the enrollment of all students but espe-

cially higher-income students.⁴⁹ This study also found that a student's anticipated need for aid had more of an impact on the decision to apply to college than actual need had on the decision to enroll, thus illustrating the role of perceptions about finance on college-going behaviors prior to actual enrollment.

One of the challenges facing federal financial aid policy is the ongoing shift toward reliance on loans to finance higher education. There is very little research that documents the effectiveness of loans on college-going and student success. Moreover, tax credits and college savings plans are less effective than grant financial aid.⁵⁰ In contrast, the research literature is quite clear that grants are an effective tool to increase college attendance. The problem is that the main federal grant program (Pell) no longer covers the same proportion of expenses as originally designed. In 1977-78, the maximum Pell Grant covered 99 percent of the tuition, fees, and on-campus room and board at public two-year institutions (77 percent at public four-year institutions). Today, the Pell Grant covers 62 percent and 36 percent of the total price, respectively.⁵¹

Worse still, higher loan amounts can have negative effects on students even if they graduate from college. For example, only 10 percent of 1992-93 borrowing graduates had defaulted on their loans within 10 years, but loan default was associated with larger loan amounts.⁵² An analysis of 1993-94 bachelor's degree recipients found that one in five students had excessive debt burden (greater than 8 percent of monthly income) three years later, and that excessive debt burden was associated with larger loan amounts and being minority or low-income.⁵³ Other research illustrates how students who borrow the

largest amounts—except those at private non-profit four-year universities—are most likely to have a moderate or high risk of not persisting or attaining a degree.⁵⁴

Researchers have also reviewed state-specific financial aid programs, with similar results. A comprehensive study that measured the impact of tuition and state financial aid across the country on public postsecondary enrollments from 1976-1994 found increases in enrollment due to both tuition decreases and aid increases, especially for African Americans, Hispanics, and community college students.⁵⁵ Another study that explored the impact of state finance strategies such as tuition, need-based aid, and non-need grants on high school graduation and college enrollment found that non-need grants decreased high school graduation, and that need-based grant aid was the strongest predictor of college enrollment.⁵⁶

A study of the District of Columbia's Tuition Assistance Grant Program, which allows high school graduates who are D.C. residents to attend public colleges and universities throughout the country at lower in-state tuition rates, found an increase in the number of students taking the SAT and applying to four-year institutions after the program

was implemented.⁵⁷ A separate study found increases in enrollment as well as the number of students applying for federal financial aid for the first time and receiving Pell Grants.⁵⁸ An analysis of the impact of receiving a CalGrant, a need-based California grant, found that among financial aid applicants, recipients of the CalGrant were 3 to 4 percent more likely to enroll in college.⁵⁹

The overall thrust of this research literature is that grant financial aid enhances access, persistence, and graduation—a finding that has been consistently documented by academic researchers, policy analysts, and independent evaluators. A recent review from the National Center for Postsecondary Research concludes that federal access policies should “focus on grant programs rather than less effective and more complicated forms of aid, such as student loans and tax credits.”⁶⁰ Furthermore, evidence on early outreach, awareness, and preparation programs personified by TRIO and GEAR UP indicate that core features of these programs can improve college-going. These features include counseling services (academic, financial, and career), tutoring services, mentoring, parental involvement, assistance with college and financial aid applications, high-quality instruction, and financial incentives.

Framing a progressive agenda for higher education

In order to improve educational attainment levels in the United States, federal access policies must address the needs of working adults who do not currently have a postsecondary credential. This pool of potential college students is significant, totaling approximately 70 million. To pursue a higher education agenda for the 21st century is an ambitious and necessary strategy for the United States, and this strategy must acknowledge the dynamic flow of adult workers between the labor market and postsecondary institutions who need ready access to skills and credentials to remain competitive in the rapidly changing global labor market.

A progressive agenda for higher education must align the academic and skill preparation needed for students and workers to succeed in education and the labor market, with financial incentives and supports that make postsecondary education affordable. Focusing on preparation or finances alone will not lead to the desired outcome of a highly-skilled and educated population needed to meet the challenges of the next century. In sum, a progressive higher education agenda for the 21st century should focus on four key areas:

- Expanding existing federal access policies to better serve working adults.
- Aligning existing workforce education and training programs with federal access policies so more adults can successfully transition between postsecondary education and training, and the labor market.
- Providing transparency in the amount and sources of financial aid available to working adults who pursue postsecondary credentials.
- Enabling public-private partnerships to support increased educational attainment for working adults.

Expanding existing policies

More than 5 million low-income students received a Pell Grant in 2006-07; almost 60 percent of these students were independent undergraduates. The average total grant aid awarded to working adults, however, was \$2,900 in 2003-04 compared with \$5,200 for traditional-age students.⁶¹ This difference was in part due to working adults enrolling in college less than full-time. But after controlling for enrollment intensity,

working adults from similar income levels as dependent students do not receive the same Pell Grant. According to the Institute for Higher Education Policy, among working poor adults (40 percent of whom are between the ages of 25 and 34) those who enrolled in college faced more than \$4,000 in unmet need after accounting for all forms of financial aid.⁶² To address these limitations, federal policies that determine Pell Grant eligibility need to be changed in two ways:

- Provide more generous Pell Grants to working adults who enroll part-time.
- Equalize Pell eligibility formulas so low-income working adults can qualify for the same amount of Pell Grant monies as traditional-age students.

Federal access policies that provide academic and social supports to help students transition to and succeed in college also need revisiting. The federal access policies TRIO and GEAR UP are the current mechanisms for states, K12 schools, and postsecondary institutions to provide supplemental services to help students become college-ready. These programs should be expanded so states can offer a package of services to working adults to include counseling (academic, financial, and career), tutoring, mentoring, assistance with college and financial aid applications, high-quality instruction, and financial incentives. To pay for these programs, federal policy should provide incentives for public-private partnerships (*see below*), especially in states where the future of a college-educated population relies primarily on improving the postsecondary credentials and skills of adults already in the workforce with a high school diploma or less.

Aligning workforce and postsecondary policies

More than 3 million working adults are served through education and training programs funded by Adult Basic Education and Literacy programs, and by education and skills-development programs supported by Temporary Assistance to Needy Families, or TANF, Food Stamps Education and Training, or FSET, and the Workforce Investment Act, or WIA. Yet these programs are rarely aligned with postsecondary education programs that lead to credentials. Moreover, since 1979 investments in employment education and skills-development programs have declined in real terms by more than 70 percent.⁶³ Several advocacy and research organizations familiar with adult education programs have argued for stronger connections between workforce programs and adult education systems so participants can seamlessly move across education and training systems to improve the skills necessary for productive employment.⁶⁴ For example, the Center for Law and Social Policy recommends that Congress provide additional flexibility in WIA Title I so states can better meet the needs of limited English proficient speakers and low-skills adults. The idea is for more adults to co-enroll in WIA Title I programs and adult basic education programs.

In addition to these important changes, workforce and skills-development programs should further be aligned with federal access policies so more working adults can pursue and obtain postsecondary credentials. For instance, low-income working adults who pursue a GED through Adult Basic Education programs or those who participate in industry-specific education and training

programs funded through WIA, TANF, or FSET (or other federal workforce programs) should automatically qualify for the Pell Grant if they successfully complete their workforce education and skills-development program of study.

Transparency about federal and state financial aid

Transparency in federal and state financial aid programs is a necessary and fundamental component of a progressive agenda for higher education. This idea of transparency was embedded in the recommendation from the 1993 National Commission on Responsibilities for Financing Postsecondary Education to implement a Student Total Education Package.⁶⁵ Based on financial need and the price of attendance at college, STEP would provide the total amount and sources of financial aid available that families could count on to pay for college. That is, student and families would know the amount of grants, loans, and work-study for which they are eligible based on family income and family size.

In a similar vein, the Rethinking Student Aid Study Group recently proposed a simple look-up table for Pell Grant eligibility to allow students and families to know the exact amount of Pell Grant money they can receive if they enroll in college, with the amount of Pell Grant money based on adjusted gross income and family size as reported to the Internal Revenue Service on individual tax returns.⁶⁶ This type of transparency in federal financial aid policy is long overdue. The recent reauthorization of the Higher Education Act, signed by President George W. Bush in August 2008, takes a baby step toward simplifica-

tion and transparency. But much more needs to be done to make federal and state financial aid transparent to working adults—and to all students for that matter.

By taking the lead in making financial aid amounts and sources transparent, federal policy could incent public and private postsecondary colleges and universities to add state and institutional grant aid to STEP so that students with different financial need would know what to expect in grants and loans when they enroll in college. The result would be that families are more knowledgeable about the actual price of college they are expected to pay through work and loans, and thus become smarter consumers in the postsecondary education marketplace. This information could be communicated to working adults so they are more aware of the available workforce education and training resources for which they qualify, as well as the promise of federal grant aid to enroll in a college or university.

Transparency in federal financial aid programs will also benefit traditional-age students: Information can be communicated to students as early as middle school and throughout their secondary education, thus taking the uncertainty of paying for college out of the college-going process.

Public-private partnerships to leverage federal and state investments

Importantly, the federal government cannot be expected to pay the full cost of providing these programs and services to all eligible students. Expecting states to match federal investments in college access policies is not only prudent but

already the rule for GEAR UP and LEAP.⁶⁷ Similarly, states are required to make a 25 percent match in federal Adult Basic Education investments, and most states invest a far greater amount than this minimum. According to the U.S. Office of Vocational and Adult Education, in fiscal year 2004 states contributed more than \$1 billion in matched resources to the federal investment of \$560 million.

New and expanded federal programs and services should also provide incentives for businesses and corporations to increase investments in postsecondary education and skills development for working adults. Many employers already provide tuition reimbursements and other education and training benefits to their employees. Thus, a progressive higher education agenda should leverage expanded federal investments in TRIO and GEAR UP to incent state and local government and private organizations to match this investment.

A public college or university that serves working adults could apply for federal TRIO and/or GEAR UP dollars to develop and implement outreach, aware-

ness, and college preparatory programs and services by proposing a public-private partnership to match the federal investment to serve all eligible adult students in their community. Another example could be a large employer partnering with community colleges and state workforce agencies to develop career pathways for working adults to transition from basic education accessed outside the mainstream of higher education, such as through continuing education or workforce training providers, into postsecondary education.⁶⁸

Eligible adults could qualify for federal and state workforce dollars as well as postsecondary financial aid resources, and academic and social support programs. Employers could contribute to help the state meet federal matching requirements. Put simply, to achieve the level of education and training needed by the 21st century workforce, state and local governments will need to partner with corporations and businesses to leverage federal resources that enable working adults to pursue and obtain postsecondary education credentials.

Policy recommendations

Working adults, especially those who have been out of school for several years, need financial, academic, and social support services to help them succeed in college. Making federal and state financial aid amounts and sources transparent, and aligning and integrating financial and support services for working adults who return to college, are critical components of a progressive higher education policy agenda. At a minimum, current federal access policies—including financial aid benefits (Pell Grant) and academic and social support programs such as TRIO—should be adapted so working adults are treated equitably in eligibility and access to these benefits. Specifically, we propose the following changes to federal access policies:

- Equalize federal Pell Grant eligibility rules so working adults and traditional-age students with similar financial circumstances can receive comparable Pell Grants.
- Align federal, state, and institutional financial aid policies by launching a revised Student Total Education Package and making this package transparent.
- Align federal and state workforce education and skills-development programs so low-income working adults who successfully complete these programs are automatically eligible for federal and state postsecondary financial aid benefits.
- Use federal access programs to leverage public-private partnerships to provide academic and social support services (such as child care, transportation, tutoring, and counseling) for working adults who return to college to improve their postsecondary credentials and skills.
- Expand support for existing TRIO operations—especially Student Support Services and Education Opportunity Centers—so working adults can benefit from these programs.

The federal access policies examined in this paper are authorized through Title IV of the Higher Education Act, which is reauthorized approximately every five years. Building a critical mass of support from policymakers, philanthropists, educators, and business leaders will be needed to successfully overhaul the HEA during the next decade. Four decades of federal access policies have fallen short of closing the educational gaps for low-income students, African Americans, Hispanics, and working adults. At the same time, a rich and diverse body of evidence from the expansive research

literature on postsecondary access and success provides a roadmap for a progressive higher education agenda. Put simply, we know what we need to do to meet the challenges of an increasingly diverse population of current and future college-

goers, as well as answer the demands of a global labor market for enhanced postsecondary credentials and skills of the current adult workforce. The real question is, are we ready to act?

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