

Access & Persistence



ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE



MESSAGE FROM THE CHAIR

As students return to school this September, they will enter an academic landscape changed by the continuing uncertainties of the economy and the effects of recently passed legislation. For students across the income distribution scale, but especially for low- and moderate-income students, the economic calculus of attending college has reached a critical stage. The demands of the global economy provide an imperative for all college-qualified students to obtain a four-year degree; however, research conducted by the Advisory Committee has called into question whether many qualified students are able to enroll in and persist toward completion of a four-year degree. Due to the combination of a shortage of need-based grant aid and increasing net prices, more and more students are enrolling at two-year colleges with a goal of obtaining a baccalaureate degree. While many of these students achieve their education goals, many more neither complete an associate's degree, nor transfer successfully to a four-year college.

These data, initially presented in the Committee's 2006 report, *Mortgaging Our Future*, and its subsequent 2008 policy update, provide the context for the charges recently assigned by Congress in the *Condition of Access and Persistence Study* (CAPS). Over the course of this six-year study, the Advisory Committee will report annually to Congress regarding the adequacy of need-based grant aid and the postsecondary enrollment and graduation rates of low- and moderate-income students. Over the last several months, the Committee has been analyzing key longitudinal databases from NCES in preparation for the release of its first annual report to Congress.

The initial submission phase of the *Higher Education Regulations Study* (HERS) website, *Community Suggestions*, concluded on July 15, 2009; however, the Advisory Committee will continue to gather suggestions to identify regulations that are overly burdensome, duplicative, no longer necessary, and/or inconsistent with other federal regulations. Next steps for HERS involve analyzing public comment on Title IV regulations from the initial phase of the website's operations and developing plans for the second review panel required by statute. In addition, NASFAA has completed a review of federal regulations and has submitted comments for use in the Committee's report to Congress. A summary of these developments can be found in this issue.

In service of these studies, the Advisory Committee staff has been making presentations on the Committee's work to the higher education community. Recent presentations were made to SFARN in Indianapolis, Indiana; COSUAA on St. Simon's Island, Georgia; and NASSGAP in Washington DC.

Through the fall, the Committee will keep Congress and the higher education community informed on the progress of both CAPS and HERS. The Committee will also continue to monitor all aspects of policy issues that affect the college aspirations of low- and moderate-income students. Included in this issue is an analysis of a shift in the way students and parents viewed the importance of college expenses and financial aid between 1992 and 2004, a shift that may have an impact on steps taken to enroll in college. ♦

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111th CONGRESS: THE EDUCATION COMMITTEES

Since the 2008 elections and the swearing-in of the 111th Congress, the composition of the U.S. House and Senate education committees has shifted. The following brief bios of the chairs and ranking members of the Senate Committee on Health, Education, Labor, & Pensions and the House Committee on Education & Labor are excerpted from congressional websites in order to highlight member service in federal education policy. Links to complete bios are included. *[This article has not taken into account changes as a result of the recent passing of Senator Edward Kennedy.]*

U.S. Senate Committee on Health, Education, Labor, & Pensions

Edward M. Kennedy (Chairman, MA): “Senator Edward M. Kennedy has represented Massachusetts in the United States Senate for forty-three years. He was elected in 1962 to finish the final two years of the Senate term of his brother, Senator John F. Kennedy, who was elected President in 1960. Since then, Kennedy has been re-elected to seven full terms, and is now the second most senior member of the Senate.

“Kennedy is currently the senior Democrat on the Health, Education, Labor and Pensions Committee. Throughout his career, Kennedy has fought for issues that benefit the citizens of the nation. His effort to make quality health care accessible and affordable to every American is a battle that Kennedy has been waging ever since he arrived in the Senate. In addition, Kennedy is active on a wide range of other issues, including education reform and immigration reform, raising the minimum wage, defending the rights of workers and their families, strengthening civil rights, assisting individuals with disabilities, fighting for cleaner water and cleaner air, and protecting and strengthening Social Security and Medicare.”

View Senator Kennedy’s [complete bio](#).

Michael B. Enzi (Ranking Member, WY): “Michael B. Enzi was sworn in as Wyoming’s 20th United States Senator on January 7, 1997 [. . .]. At the start of the 109th Congress Enzi became the ninth Wyoming senator to ascend to the rank of chairman on one of the 16 standing Senate committees. Enzi has been a member of the Senate Health, Education, Labor and Pensions Committee, since his arrival in the senate in 1997. [. . .] Enzi will lead the Senate in its efforts to help ensure that everyone, no matter their age, can receive a quality education. Enzi will work to help provide Americans access to affordable, quality health care while protecting workers and providing them training to get the best jobs. Enzi will also work to oversee the security of pensions. Enzi has been a quiet leader moving the U.S. forward in its battle against AIDS on the world front. He continues efforts to open Cuba up to travel, trade and most importantly new ideas.

“Enzi helped author the reauthorization of the Workforce Investment Act which creates a streamlined job training and employment system vital to employers and workers. He formed the Rural Education Caucus and strives to ensure the unique challenges small population schools face are not overlooked in federal education legislation.”

View Senator Enzi’s [complete bio](#).

	Democrats	Republicans
Senate Committee Members	Edward Kennedy (MA) Christopher Dodd (CT) Tom Harkin (IA) Barbara A. Mikulski (MD) Jeff Bingaman (NM) Patty Murray (WA) Jack Reed (RI) Bernard Sanders (I) (VT) Sherrod Brown (OH) Robert P. Casey, Jr. (PA) Kay Hagan (NC) Jeff Merkley (OR) Al Franken (MN)	Michael B. Enzi (WY) Judd Gregg (NH) Lamar Alexander (TN) Richard Burr (NC) Johnny Isakson (GA) John McCain (AZ) Orrin G. Hatch (UT) Lisa Murkowski (AK) Tom Coburn, M.D. (OK) Pat Roberts (KS)

U.S. House of Representatives Committee on Education & Labor

George Miller (Chairman, CA-07): “Congressman George Miller is chairman of the House Education and Labor Committee and chairman of the Democratic Policy Committee, a leadership position. George is a leading advocate in Congress on education, labor, the economy, and the environment. He has represented the 7th District of California in the East Bay of San Francisco since 1975. His district includes portions of Contra Costa and Solano counties, including Richmond, Concord, Martinez, Pittsburg, Benicia, Vallejo and Vacaville. He is a life-long Democrat and Californian [. . .].

“He was re-elected by his colleagues in January 2009 as chairman of the Education and Labor Committee, a panel he has served on since first coming to Congress [. . .]. [In 2007], George authored and passed the College Cost Reduction and Access Act, the single largest expansion of federal financial aid for college since the GI Bill. The bill was passed by Congress and signed by President Bush. The law cut interest rates for Stafford Loans in half, increased Pell grants, and provided loan forgiveness to qualified public service employees with student loan debt.”

View Congressman Miller’s [complete bio](#).

Congressman John Kline (Ranking Member, MN-02): “In 2009, John Kline was chosen by his peers to serve as the ranking Republican on the 50-member Education and Labor Committee. ‘I look forward to working in a bipartisan manner with Chairman [George] Miller to be an advocate for education and advancing priorities for workers and their employers,’ Kline said. ‘I am ready to take the lead.’

“First joining the Education and Labor Committee in 2003, John has been a strong advocate for greater flexibility and local control in education, and increased federal funding for special needs and low income students. ‘Rep. Kline has been a diligent, hard-working member of our committee,’ said Chairman Miller. John has authored legislation to increase the availability of federal education funding at the local level, for which he was honored with the ‘Star of Education’ Award by the National Association of State Directors of Career Technical Education Consortium.”

View Congressman Kline’s [complete bio](#). ♦

	Democrats	Republicans
House Committee Members	George Miller (CA-07)	John Kline (MN-02)
	Dale E. Kildee (MI-05)	Thomas E. Petri (WI-06)
	Donald M. Payne (NJ-10)	Howard “Buck” McKeon (CA-25)
	Robert E. Andrews (NJ-01)	Peter Hoekstra (MI-02)
	Robert C. Scott (VA-03)	Michael N. Castle (DE-At Large)
	Lynn C. Woolsey (CA-06)	Mark E. Souder (IN-03)
	Rubén Hinojosa (TX-15)	Vernon J. Ehlers (MI-03)
	Carolyn McCarthy (NY-04)	Judy Biggert (IL-13)
	John F. Tierney (MA-06)	Todd Russell Platts (PA-19)
	Dennis J. Kucinich (OH-10)	Joe Wilson (SC-02)
	David Wu (OR-01)	Cathy McMorris Rodgers (WA-05)
	Rush D. Holt (NJ-12)	Tom Price (GA-06)
	Susan A. Davis (CA-53)	Rob Bishop (UT-01)
	Raúl M. Grijalva (AZ-07)	Brett Guthrie (KY-02)
	Timothy H. Bishop (NY-01)	Bill Cassidy (LA-06)
	Joe Sestak (PA-07)	Tom McClintock (CA-04)
	Dave Loebsack (IA-02)	Duncan D. Hunter (CA-52)
	Mazie Hirono (HI-02)	Phil Roe (TN-01)
	Jason Altmire (PA-04)	Glenn “GT” Thompson (PA-05)
	Phil Hare (IL-17)	
	Yvette Clarke (NY-11)	
	Joe Courtney (CT-02)	
	Carol Shea-Porter (NH-01)	
	Marcia Fudge (OH-11)	
	Jared Polis (CO-02)	
	Paul Tonko (NY-21)	
	Pedro Pierluisi (PR)	
	Gregorio Kilili Camacho Sablan (NMI)	
Dina Titus (NV-3)		
Judy Chu (CA-32)		

HERS UPDATE: HIGHLIGHTS & NEXT STEPS

The *Higher Education Opportunity Act of 2008* charges the Advisory Committee with conducting a review and analysis to determine whether regulations affecting higher education are duplicative, no longer necessary, inconsistent with other federal regulations, and/or overly burdensome. To fulfill this charge, the Advisory Committee has launched the [Higher Education Regulations Study](#) (HERS), which fulfills the multiple requirements set in statute. This review of regulations requires the Committee to develop and maintain a website on regulatory streamlining, as well as convene at least two panels of individuals with experience in federal higher education regulations.

Highlights from Community Suggestions

In May 2009, the Advisory Committee launched the [Community Suggestions Website](#), calling for public comment on streamlining federal student aid regulations. The initial submission deadline for comment was July 15, 2009; however, the Advisory Committee encourages all stakeholders within the higher education community to continue to submit recommendations. The Community Suggestions Website is a component of the Committee's [Higher Education Regulations Study](#).

Through the website, the Advisory Committee has received numerous suggestions from individuals affiliated with four-year public, four-year private, two-year public, and for-profit colleges and universities. Suggestions have been submitted by a diverse group working within the higher education community, including financial aid officers, business executives, faculty members, college and university administrators, and state agency representatives. The following is a short sampling of suggested areas of improvement:

- Student Aid Verification
- Disclosures to Students and Prospective Students
- Reporting of Post-Graduate Students
- Leveraging Educational Assistance Partnerships (LEAP)
- Academic Competitiveness Grants (ACG)
- National Science and Mathematics Access to Retain Talent Grants (SMART)
- Cohort Default Rate Calculations.

Many financial aid administrators submitted comments through the Community Suggestions Website on Academic Competitiveness Grants (ACG) and National Science and Mathematics Access to Retain Talent (SMART) regulations. These grants are awarded to Pell-eligible students who maintain a 3.0 grade-point average in college. The ACG program provides \$750 and \$1,300 for college freshmen and sophomores, respectively, who have completed a "rigorous" program of study in high school. The SMART grants provide up to \$4,000 for college juniors and seniors who major in science, mathematics, and certain foreign languages. Under current regulations, aid administrators are responsible for determining a student's eligibility, calculating award amounts for students, making grant disbursements, and managing Title IV funds for each program.

Specific comments highlighted the administrative and cost burden of the ACG and SMART programs. One commenter estimated the burden this way: "at a small institution with less than 50 SMART recipients, it takes the equivalent of 3 business days to review eligibility; adjust financial aid awards; revise spring semester bills

and notify students of changes. This is the equivalent of approximately \$2,500 per year.” In general, commenters suggested eliminating or streamlining these programs.

Student Aid Verification was another major area identified by the public for streamlining. Verification is the process of confirming the accuracy of student-reported data on financial aid applications. Many cited large administrative burdens for campuses when those resources could be more effectively used to benefit students. One commenter submitted the following, illustrating the administrative and cost burden of the process: “verification consumes the full-time efforts of three staff members in my office, and consists of 25% of all work performed in the process of providing financial aid to needy students. The expenditures are greater than \$250,000 for my medium size office.” Overall, public comment suggested the streamlining or overhauling of the verification process.

Community Collaboration

To gather information from a broad spectrum of the community on higher education regulations, the Advisory Committee has also convened a review panel for the purpose of the study and reached out to the higher education community for additional information. The Committee has received an array of support from the higher education community; most recently, the National Association of Student Financial Aid Administrators (NASFAA) conducted a systematic review of current federal regulations. On July 31, 2009, NASFAA submitted a comprehensive package of burdensome, duplicative, and unnecessary Title IV regulations to the Advisory Committee. The package is available on the [NASFAA homepage](#).

The Committee has also received formal submissions on streamlining higher education regulations from the Texas Guaranteed Student Loan Corporation and the University of Pennsylvania. The Committee welcomes such partnerships and encourages collaboration in this capacity.

Next Steps

The Title IV review panel, established for the purpose of the study, and Advisory Committee staff will begin conducting a preliminary analysis of comments and suggestions received through the Community Suggestions Website. The Committee will give priority to public comments that were received by July 15; however, the website will remain active over the course of the entire study. The Committee wishes to encourage further contributions from the public, as well as associations, on regulations that are burdensome and that may require regulatory streamlining. In addition to conducting a preliminary analysis of public comments, the Title IV review panelists will continue reaching out to their respective constituencies for suggestions, comments, and recommendations. This Title IV review panel is the first of two review panels required in statute.

The Advisory Committee is required to provide a comprehensive report to Congress no later than two years after the negotiated rulemaking process for the *Higher Education Opportunity Act* is complete. This report will detail the review panels’ findings and other recommendations with respect to the review of regulations prescribed in statute. The entire higher education community is encouraged to voice suggestions or comments in the interest of providing Congress with an inclusive and complete analysis of burdensome higher education regulations. ♦

IMPORTANCE OF COLLEGE EXPENSES & FINANCIAL AID (NET PRICE)

In the National Educational Longitudinal Study (NELS) and Education Longitudinal Study (ELS), students and parents were asked to rate the importance of college expenses and financial aid – the components of net price, from a family viewpoint. In NELS, students and parents were asked in 12th grade (1992); in ELS the students were asked in 12th grade (2004) and the parents in the 10th grade (2002). Students and parents could select “very important,” “somewhat important,” or “not important.”

Table 1 displays an index of the importance that students and parents together placed on college expenses and financial aid. The responses of each student and his/her parents were coded:

- 0 for not important
- 1 for somewhat important
- 2 for very important.

The family index is the sum of individual responses, ranging from 0 to 8.

Table 2 illustrates the distribution of the family index, by family income. As might be expected, in both 1992 and 2004, the majority of low- and moderate-income families rated college expenses and financial aid together at a 6, 7, or 8 level.

In 2004, low- and moderate-income families rated college expenses and financial aid as more important than in 1992:

- For families of low-income students who had taken at least **Algebra II**, the percent who rated college expenses and financial aid at **6, 7, or 8** increased from **67** to **76** percent.
- For their peers from moderate-income families, the percent increased from **47** percent to **62** percent.
- For families of low-income students who had taken at least **Trigonometry**, the percent who rated college expenses and financial aid at **6, 7, or 8** increased from **71** to **73** percent.
- For their peers from moderate-income families, the percent increased from **48** percent to **58** percent.

This pattern was repeated for middle- and high-income families between 1992 and 2004. By 2004, fewer high-income families were rating college expenses and financial aid as not important:



- For families of high-income students who had taken at least **Algebra II**, the percent who rated college expenses and financial aid at **0, 1, or 2** decreased from **51** to **32** percent.
- For families of high-income students who had taken at least **Trigonometry**, the percent who rated college expenses and financial aid at **0, 1, or 2** decreased from **45** to **32** percent.

In 2004, families across all income ranges rated college expenses and financial aid as being more important than they were in 1992. ♦

TABLE 1: AN INDEX OF THE IMPORTANCE OF COLLEGE EXPENSES AND FINANCIAL AID (NET PRICE) TO THE FAMILY

Importance of College Expenses to:		Importance of Financial Aid to Student:								
		Not			Somewhat			Very		
Student	Parents	And to Parents:			And to Parents:			And to Parents:		
		Not	Some-what	Very	Not	Some-what	Very	Not	Some-what	Very
Not	Not	0	1	2	1	2	3	2	3	4
	Somewhat	1	2	3	2	3	4	3	4	5
	Very	2	3	4	3	4	5	4	5	6
Somewhat	Not	1	2	3	2	3	4	3	4	5
	Somewhat	2	3	4	3	4	5	4	5	6
	Very	3	4	5	4	5	6	5	6	7
Very	Not	2	3	4	3	4	5	4	5	6
	Somewhat	3	4	5	4	5	6	5	6	7
	Very	4	5	6	5	6	7	6	7	8

TABLE 2: IMPORTANCE OF NET PRICE TO FAMILIES – BY FAMILY INCOME
College-Qualified High School Graduates in 1992 and 2004

Importance of College Expenses and Financial Aid to Family		Percent of Families:							
		Low-Income		Moderate-Income		Middle-Income		High-Income	
		1992	2004	1992	2004	1992	2004	1992	2004
At Least Algebra II									
Not Important  Very Important	0	0	0	1	0	1	1	17	7
	1	1	1	1	1	4	2	16	9
	2	2	1	5	2	6	5	18	16
	3	4	3	9	5	18	10	17	13
	4	10	7	16	13	19	18	12	17
	5	16	12	21	17	17	22	7	16
	6	22	20	22	25	17	22	9	13
	7	28	29	15	21	11	13	2	7
	8	17	27	10	16	7	8	1	2
At Least Trigonometry									
Not Important  Very Important	0	0	0	0	0	1	1	15	8
	1	1	1	2	1	3	2	15	8
	2	1	2	3	2	4	7	15	16
	3	2	3	5	5	14	12	16	14
	4	15	8	18	14	19	19	14	17
	5	10	13	24	20	20	22	11	16
	6	27	19	23	23	17	20	10	13
	7	27	30	13	23	13	10	2	7
	8	17	24	12	12	9	7	2	1

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Helen Benjamin Chancellor Contra Costa Community College District

Dr. Helen Benjamin has worked in the Contra Costa Community College District since 1990. She began her career at Los Medanos College in Pittsburg as Dean of Language Arts and Humanistic Studies and Related Occupations. Since her early days in the District, Dr. Benjamin has held the following positions, beginning with the most recent: President of Contra Costa College in San Pablo; Interim President of Contra Costa and Los Medanos Colleges; Vice Chancellor, Educational Programs and Services and Associate Chancellor at District headquarters in Martinez. Dr. Benjamin has a BS degree in English and Spanish from Bishop College in Texas where she graduated *magna cum laude*. She earned master's and doctoral degrees from Texas Woman's University in Denton, Texas. She has never lost sight of her roots as a teacher, having taught high school English in the Dallas Independent School District. The passion Dr. Benjamin feels for the College District is evident as she maintains an active role in a wide variety of professional organizations and community activities throughout Contra Costa County. Her leadership also extends to community college issues at the state and federal levels. Always putting students at the forefront, Dr. Benjamin enjoys the challenges of developing programs and policies that will continue the over 60-year tradition of education excellence in the Contra Costa Community College District. ♦

ACSFA Announcements

The [Community Suggestions Website](#) remains active. The Advisory Committee continues to seek public comment to help identify higher education regulations that are duplicative, no longer necessary, inconsistent with other federal regulations, and/or overly burdensome. The Committee will use this information to provide a comprehensive report to Congress and the Secretary of Education on streamlining regulations from all sectors in higher education.

For more information on the [regulations study](#), contact Brent Madoo, Assistant Director, at 202-219-2196 or brent.madoo@ed.gov.

Inquiries regarding the [Condition of Access and Persistence Study \(CAPS\)](#) may be directed to Wendell Hall, Associate Director, at 202-219-2230 or wendell.hall@ed.gov.

The Advisory Committee on Student Financial Assistance (Advisory Committee) is a Federal advisory committee chartered by Congress, operating under the Federal Advisory Committee Act (FACA); 5 U.S.C., App. 2. The Advisory Committee provides advice to the Secretary of the U.S. Department of Education on student financial aid policy. The findings and recommendations of the Advisory Committee do not represent the views of the Agency, and this document does not represent information approved or disseminated by the Department of Education.

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