No Commencement in the Commonwealth:

HOW OUR HIGHER EDUCATION SYSTEM UNDERMINES ECONOMIC MOBILITY FOR LATINOS AND OTHERS & WHAT WE CAN DO ABOUT IT

A CASE STUDY OF MASSACHUSETTS

Michael Dannenberg & Konrad Mugglestone
Education Reform Now – National
www.edreformnow.org
5 Questions for any Debt-free Promise Plan for Massachusetts & Beyond

1. Does the plan leverage improvements in **HIGH SCHOOL ACADEMIC PREPARATION AND COLLEGE SELECTION** or is it only focused on financial aid?

2. Does the plan cover both **TWO-YEAR AND FOUR-YEAR** public colleges, or does it channel students into one public sector over the other?

3. Does the plan cover **ALL COLLEGE COSTS**, including room and board, living expenses, books, and supplies, or does it only cover tuition and/or fees?

4. Does the plan support college **EFFORTS TO BOOST COMPLETION AND HOLD COLLEGES ACCOUNTABLE** for results? Or, is it just a student aid increase?

5. Does the plan cover **ALL** families, provide additional aid to only **MIDDLE-INCOME** families, **OR TARGET** those from **LOW-INCOME** families?
Overall, Massachusetts outperforms national averages on high school academic readiness levels for college.

But in Massachusetts, Black-white and Latino-white NAEP achievement gaps are larger than those gaps are nationwide.

Of note: Nationally and in Massachusetts, Latino students are more likely than Black students to score “proficient” or “advanced” on the NAEP 12th grade assessment. While the difference is small, it is relevant to later findings on college completion & success in the Bay State.
The sizable high school achievement gap in Massachusetts between white students and students of color is in part a function of racial gaps in high school college prep track access & participation rates.

Black students are over two and a half times more likely, and Latino students are twice as likely as their white peers to attend a public high school with low- or no MassCore completion (i.e. < 25% of graduates completing MassCore college prep track).

White students are over 50% more likely to complete a MassCore college prep curriculum than their Black or Latino peers → Significant implications for college selection (2-year v. 4-year colleges) and ultimate degree attainment.
• Massachusetts’ students of color are more likely to utilize public IHE’s than their white peers, especially 2-year institutions.
• There is a significant under-matching issue – Massachusetts’ Latino students are on par/slightly more prepared for college than their Black peers, yet they are way more likely to attend 2-year institutions rather than 4-year institutions as compared to their Black and white peers.
Massachusetts’ College Affordability

- Massachusetts has very expensive public colleges. The average net price for total college costs (beyond tuition and fees) is over 25 percent higher than the national average at the 4-year level.

- High net price hits Massachusetts Latino families particularly hard. While MA has high household incomes relative to the national average, Latino incomes in Massachusetts are much lower than the national average for Latino families.
Massachusetts’ College Completion (Bachelor’s)

- At the public 4-year college level, Massachusetts performs slightly better than the national average in terms of degree completion.

- Massachusetts’ overall lead in public 4-year college completion is driven by Black students who complete public colleges in Massachusetts at far higher rates than the national average.

- In sharp contrast to Black students and national high school preparation trends, Massachusetts public 4-year college Latino students complete at lower rates than the national average.
Massachusetts’ College Completion (Associate’s)

• Across subgroups, Massachusetts community colleges are underperforming. A Massachusetts community college student is significantly less likely to complete their associate’s degree within 3 years than the national average. The gap is shocking for students of color.

• Compared to the national average, Massachusetts Black and Latino public community college students fare especially poorly.
  • Black – 31.4% lower.
  • Latino – 42.6% lower.
1. **COLLEGE PREPARATION** – Massachusetts’ K-12 education system is strong, but has *major gaps* between white students and students of color in levels of academic preparation for college at proficient and advanced levels.  
   • Relatedly, there are major gaps in access to college preparatory level curricula at the high school level.

2. **COLLEGE DEGREE COMPLETION** – *Massachusetts’ white-Latino college completion gap is significantly worse than the national average* (approximately 10% worse) and *ranks 37th worst in the nation*).  
   • In contrast, MA’s white-Black college degree completion gap is significantly better than the national average (approximately 20% better, ranks 3rd best in the nation).  
   • This difference is striking given Massachusetts Latino students leave high school with higher levels of academic preparation than their Black peers.  
   • The most likely explanations:  
     (1) Over representation of Latino students in the Massachusetts community college sector as compared to other states.  
     (2) Massachusetts Latino students face particularly unaffordable college relative to their national peers, because of the combination of high net price relative to the national median and low income relative to the national median for other Latinos in other states.
Findings Recap

3. COLLEGE AFFORDABILITY – Partially explaining the state’s racial college completion gap is that Massachusetts has expensive public colleges.
   • After financial aid, average full cost of attendance net price to attend a 4-year public college in Massachusetts is over twenty-five percent higher than the national average.

4. AFFORDABILITY -- High full cost of attendance net price is especially detrimental to Latino students in Massachusetts, who have incomes disproportionately low relative to other Massachusetts residents and disproportionately low relative to other Latinos nationally. In other words, Massachusetts’ Latino students experience more college affordability strain than other groups.

5. COLLEGE SELECTION / COLLEGE INCENTIVE – There is no policy to channel students to high performing institutions on degree completion. In fact, disparate college preparation levels and high net price inordinately drive Latino students to community colleges where the likelihood of degree attainment is substantially lower. Likewise, there is no policy to incentivize colleges to improve degree attainment rates overall or for disaggregated racial subgroups. Higher education is largely an accountability-free zone.
Our Recommendations

1. Create a ‘debt-free college’ program covers the total cost of attendance (after expected family contribution) at public two- and four-year colleges at least for talented students from households making less than $75,000.

**Stipulations:**
- Must have completed MassCore or equivalent college preparation program.
- Must work an average of 10-15 hours a week while enrolled full-time.
- Applicable at all public 2-year and 4-year institutions in Massachusetts.

**Why?** – High costs of college forces middle and low-income families to spend large proportions of their income on tuition, fees, supplies, room, and board, or assume large amounts of debt. A full debt-free policy targets those individuals with assistance. It counters debt-aversion that leads to under matching. It reduces risk for those for whom higher education borrowing disproportionately does not result in improved personal financial standing.
2. Make MassCore available at all high schools and the default track for all students.

Why? – College prep is the #1 predictor of completion – more influential than race, family income, or parent education. We need to make sure quality preparation is available to everyone.

- As a matter of current policy in Massachusetts, students who fail to complete even one high school course on the MassCore track are relegated to community colleges.
- Making MassCore the default curriculum works as a “nudge.” Families are unlikely to opt out of a rigorous curricular track. A MassCore default will put most students on a track that does not automatically limit their aspirations and likelihood of degree attainment.
- Clearly, supplemental support will need to be provided to school districts, teachers, and students currently under prepared to take on a MassCore curriculum.
Our Recommendations

3. Provide aid to local school districts and non-profit organizations for high school student support services – academic and otherwise.

Why? – In order to help students finish a college preparation track prior to postsecondary entry, additional support services are needed. Tutoring, study groups, and additional test prep practice are all helpful in bringing disadvantaged students up to the academic standards needed for college.

Consider, for example:

• **The Match/SAGA program**: Students are given a period each day within school hours in which they have two-on-one tutoring sessions informed by frequent assessments matched against benchmarks to track progress. Tested in low-income neighborhoods in Chicago, these kinds of intensive tutoring programs have been shown to close racial achievement gaps on NAEP tests by approximately one-third.

• **CollegeTrack**: Provides additional support for college entrance exams, one-on-one and small group tutoring, math support, and study groups, along with college and career goal setting. Some 96% of CollegeTrack students are accepted to 4-year colleges, and they graduate at a rate that is more than four times that of typical low-income first generation students.
Our Recommendations

4. Provide competitive aid to non-profit organizations and school districts to fund counseling on college selection, application, and finance.

Why? – Typically disadvantaged students enter the college application and selection process blind, resulting in under matching and failure to take full advantage of various financial aid opportunities.

- **College Advising Corps (CAC)** – Like Teach for America, trains and places recent college graduates in high schools as full time college advisors. High School students advised by CAC members are 30% more likely to apply to college, 24% more likely to be accepted, and 26% more likely to submit a FAFSA.

- **KIPP Through College** – High school college counselors identify early recommended college matches, prepare lists of admission deadlines, track submissions, and generate smart lists of colleges to which to apply. Alumni are 33% more likely to graduate with a bachelor’s degree than the national average, over 50% more likely than KIPP graduates of a decade ago.

- **College Summit** – Uses high influence peers to encourage college enrollment and success. Pushes students to apply to 3 or more colleges, complete FAFSAs, and act early.
Our Recommendations

5. Provide targeted direct aid to colleges for institution-based efforts to boost completion coupled with accountability for institution results. Consequences for under performance include change in institution leadership.

Why? – Improving completion is the most important way to cut college costs. Delayed time-to-degree increases costs for students, colleges & taxpayers. Debt without degree completion dramatically increases the likelihood of loan default. Proven strategies to boost completion include:

• Predictive analytics - Georgia State analyzed 10 years of data to create an early warning sign system for students at risk of failure (subsequent interventions produced a 22 percentage point increase in completion).

• Course Redesign – Using data and experts to revise courses based on student need. This can include making necessary classes more available, adjusting course design for more hands-on time, adjusting class sizes, making greater use of technology, and assuring increased peer interaction. Results at U-Maryland were a 15% greater course pass rate at a 70% lower cost. National Center for Academic Transformation provides technical assistance to more than 200 colleges engaged in similar course redesign.

• Caseworkers – Catholic Charities social workers assigned 35 community college student cohorts work to connect students with available housing, food & other social service assistance that meet needs that often contribute to students stopping studies or dropping out. An NBER study of this Fort Worth, Texas based program reports double digit completion rate increases. Similar results reported at Portland, Oregon Community College.
The Cost Of A Real College Promise For Massachusetts

<table>
<thead>
<tr>
<th>Steps</th>
<th>Current Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement MassCore college prep track for all.</td>
<td>$46.4M</td>
</tr>
<tr>
<td>Assistance to school districts and community-based organizations for additional academic support services.</td>
<td>$105M</td>
</tr>
<tr>
<td>Additional Full-Time Counselors</td>
<td>$42.8M</td>
</tr>
<tr>
<td>Additional College Advising Corps counselors</td>
<td>$15M</td>
</tr>
<tr>
<td>Providing Debt Free College to students from families making &lt;$75K per year.</td>
<td>$460M - $138.6M</td>
</tr>
<tr>
<td>• Offset savings: Student Responsibility 10hr/week work requirement with 50% contributions to college costs.</td>
<td>-$45.8M</td>
</tr>
<tr>
<td>• Offset savings: Limit only to MA residents</td>
<td></td>
</tr>
<tr>
<td>Direct Aid To Under Resourced Public Colleges</td>
<td>$50.6M - $152M</td>
</tr>
<tr>
<td>HIGH END TOTAL ESTIMATE</td>
<td>$821.2M</td>
</tr>
<tr>
<td>LOW END TOTAL ESTIMATE</td>
<td>$535.4M</td>
</tr>
</tbody>
</table>
## Offset & Revenue Sources

<table>
<thead>
<tr>
<th></th>
<th>Current Expenditures</th>
<th>Recommended Change</th>
<th>Savings/Income from Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>529 College Savings Plan Tax Breaks</strong></td>
<td>$7.5M+</td>
<td>Eliminate</td>
<td>$5.6M+</td>
</tr>
<tr>
<td><strong>Restrict Public Aid from Ultra-Wealthy Private Institutions</strong></td>
<td>$31M</td>
<td>Restrict aid for private institutions with endowments of more than $500M.</td>
<td>$8.6M</td>
</tr>
<tr>
<td><strong>MA Tuition &amp; Fees Tax Deduction</strong></td>
<td>$42M</td>
<td>Eliminate</td>
<td>$42M</td>
</tr>
<tr>
<td><strong>Eliminate Capital Gains Tax Breaks for Ultra-Wealthy Institutions</strong></td>
<td>$115 M</td>
<td>Remove tax breaks for institutions with endowments of more than $500M.</td>
<td>~$100M</td>
</tr>
<tr>
<td><strong>Fair Share Tax Amendment</strong></td>
<td>n/a</td>
<td>Allot 25 percent of Massachusetts’ Millionaires’ Tax to College Promise.</td>
<td>~$475M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$195.5M</td>
<td>-</td>
<td>~$631.2M</td>
</tr>
</tbody>
</table>
Checklist For Our Recommended or Any Other College Affordability Plan

1. **(Preparation)** Does the plan leverage improvements in high school student academic preparation and college selection or is it just focused on financial aid?

2. **(Access)** Does the plan cover both two-year and four-year public colleges or does it channel students into one public sector over the other?

3. **(Affordability)** Does the plan cover all college costs, including room, board, books and supplies or does it just cover tuition and fees?

4. **(Completion)** Does the plan support colleges in efforts to boost completion and hold colleges accountable for results or is it just a student aid increase?

5. **(Equity)** Does the plan cover all families, provide additional aid to only middle-income families, or target those from low-income families?
Questions?

For More Information, Contact:

Michael Dannenberg
Director of Strategic Initiatives for Policy
Education Reform Now
michael.dannenberg@edreformnow.org

Konrad Mugglestone
Senior Policy Analyst
Education Reform Now
konrad.mugglestone@edreformnow.org