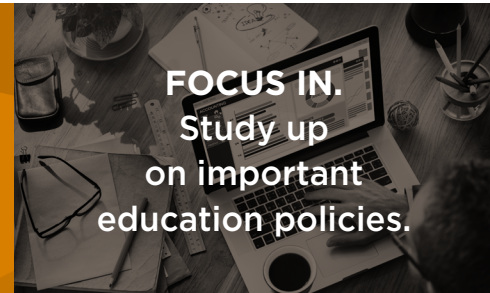FOCUS IN.
Study up
on important
education policies.

Seeking Support: State financial aid programs and adult students

SARAH PINGEL AND NEAL HOLLY

More than half of states have goals to increase college degree attainment within the next decade, and with that, have turned more attention toward improving opportunities and information for recent high school graduates. Often forgotten in that, though, are adult students, or those who are above the age of 25 and often present challenges different from recent graduates. And if states aren't serving these students, they're not likely to reach their degree attainment goals. If every high school student earns their diploma and a postsecondary credential through 2025, 39 states still will see attainment rates below 60 percent (an oft-cited goal).[1]

There are many ways state leaders can make policies more inclusive of today's college students, and one that we explore in this report is financial aid. Of the more than 20 million students expected to pursue postsecondary education this fall, almost 40 percent are adults.[2] Making space in their lives to continue their education often entails choosing between hours at work or hours devoted to coursework, a decision that has direct impacts on a budget that may support several individuals and not just the student. Continuing education later in life may also pose issues with child care, not only in locating quality care but in meeting the cost.

Thus, the costs of higher education carry substantive weight for adult students as they decide whether to pursue a credential. And state leaders can ease that burden by creating financial aid policies that consider the unique challenges of adult students — in turn, improving their access to postsecondary education and ultimately boosting the state's efforts to increase degree attainment.

Two in 5 college students are adults (above the age of 25), so any efforts to improve degree attainment must include them.

If every high school student earned a college credential, more than two-thirds of states would still have degree attainment rates below 60 percent by 2025.

Most of the largest state financial aid programs don't account for the unique circumstances adult students bring, which could indirectly shut them out of postsecondary opportunities.

Crafting Adult-Inclusive Aid Policy

Drawing from the Center for Law and Social Policy's framework for building adult-inclusive aid policy, Education Commission of the States reviewed policies of the two largest financial aid programs in each state (totaling 100 programs) across four policy dimensions: financial need basis, enrollment requirements, award timing and postsecondary sector-based requirements.[3]

> Allowing flexibility in financial aid policy creates an inclusive environment where students, regardless of age, have the potential to access state support for their postsecondary education.

OF 100 STATE FINANCIAL AID PROGRAMS,

48
are merit-based.

26
link eligibility to high school graduation date.

30
require full-time enrollment.

19
exclude two-year institutions.

■ Financial Need Basis

The majority of state financial aid programs are either merit- or need-based. In merit-based programs, students usually must demonstrate eligibility through high school GPA, SAT or ACT test score, or a prescribed high school curriculum. In 30 states, at least one of the two aid programs incorporate merit criteria; in nine states, both aid programs include merit.

For adult students, meeting merit criteria set in policy is particularly difficult — even when they satisfy all other criteria — because they may not have had access to the required high school curriculum, or they may not have taken standardized college entrance exams. What's more,

their high school GPA or test scores may no longer reflect their current level of college readiness. Accessing old records needed to demonstrate eligibility can also be an issue for students who do not matriculate directly from high school to college.

On the other hand, 55 programs in our analysis rely on financial need. The most common approach to assessing need is through the Free Application for Federal Student Aid, a federal form used to calculate a student's ability to pay for higher education. While older students may not have equal access to demonstrate their academic merit in ways that traditionally aged students do, access to the FAFSA is much broader.

Enrollment Requirements

Eighty-three of the programs require students to enroll in a minimum number of credit hours. Of these programs, 30 award aid to students enrolling only full-time, commonly defined as 12 credit hours per term. In contrast, 52 programs allow flexibility for students to enroll part-time. Policies allowing for flexibility usually pro-rate an award amount based on the number of credits a student will be taking in the term.

While students certainly make faster progress toward their credential by enrolling in more credits per term, many adult students cannot benefit from policy frameworks that require full-time enrollment. Enrolling full-time poses additional expenses — including tuition, time away from work and child care — on household budgets of older students that often outweigh any potential increases in financial aid. Creating aid programs and eligibility requirements that include part-time students will ensure that adult students — for whom full-time enrollment is not always a viable option — have access to higher education opportunities.

Award Timing

Two aspects of how state financial aid is timed can disadvantage older students seeking support. First, several states set eligibility to participate in aid programs based on a set number of months or years from the date a student completes high school. Second, many states employ deadlines to apply for aid that may be so early in the year that many students miss them.

A small number of aid programs in our review (26 programs) limit eligibility based on high school graduation date, illustrating how age-based restrictions play out in policy. In six programs, students must graduate from high school within six months of enrolling in college, and five programs require enrollment within 18 months. Ten programs require postsecondary enrollment within five years, and five have requirements that extend past five years. These requirements privilege a pathway extending directly from high school to postsecondary, excluding students that may take a different route.

In many of the largest programs across the country, there is no published deadline to apply for aid. In these cases, aid may be awarded on a first-come, first-served basis; or individual institutions may have autonomy to set their own awarding practices. In either case, this ambiguity hinders awareness of the availability of aid and privileges students who have access to information about the process and who are likely to be served before funds are depleted.

Statewide deadlines that are set early in the calendar year can be equally problematic. While early deadlines may synchronize with postsecondary planning for students who are still engaged in a high school environment, they likely occur too early in the year for many older students to realize that they have passed. Postsecondary programs geared toward adult students generally employ multiple start dates throughout the year to accommodate them at the time that they are ready to access training or retraining. In 23 programs with statewide deadlines occurring in the first six months of the academic year, older students may completely miss the opportunity to be considered. Imposing an early deadline for aid, therefore, limits the applicant pool to only those students with a solid understanding of the college-planning process or access to timely, quality advising.

Sector-Based Requirements

Many programs award aid based on the type of institution — whether it be two- or four-year, public or private — that students attend. This delineation is not inherently problematic — except across states, two- and four-year institutions, public or private, vary in their readiness to serve the unique needs of adult student populations. Depending on state context, an awareness of sector-based eligibility criteria and their potential inclusion of adult student populations is key.

For example, most older students enrolling in the public sector are served by two-year institutions; however, 19 programs do not make these institutions eligible to receive funds.[4] The perception for some is that federal grants are sufficient to cover costs in the public two-year sector, but

rising tuition costs and the increased financial demands of older students' lives often necessitate additional support beyond what is made available through Pell Grants and other federal programs.

Examining State Aid by Age

Across these four dimensions of state aid policy, significant overlap exists. For example, state programs that are merit-based may also require full-time enrollment and have specific awarding deadlines that fall early in the year.

In this analysis, Education Commission of the States considers aid programs that incorporate the following criteria to have the most potential to reach students over the age of 25:

- ☑ Base awards on financial need.

- ☑ Allow students to enroll part-time.

- ☑ Do not link eligibility to the date a student graduates from high school.

- ☑ Publish an application deadline statewide after Aug. 1.

- ☑ Include two-year public community colleges and technical schools.

Across the largest 100 financial aid programs by state, only one program includes all five of these indicators: **Minnesota's** Postsecondary Child Care Grant Program. This grant is specifically designed to subsidize child care costs for Minnesotans who are completing a postsecondary credential.

Sixty-five of the largest aid programs included two or fewer of the policy indicators. This means that most of the largest aid programs across the country are not designed to serve adult students well, even though adults must be an integral component of statewide educational attainment agendas.

When policymakers develop large-scale programs, too often, they are not well-funded, address a select number of professions or are not promoted at the same level as merit- and need-based aid programs. Intentionality toward the adult student population is critical in aid program design, promotion and implementation.

Adult Student Representation in State Financial Aid Programs

Crafting a financial aid policy environment that includes adult students, however, is only one step toward meaningfully integrating them in aid programs. Many aid programs are underfunded, meaning their current eligibility criteria already target more students than the program budget allows. In these cases, states use additional policy components, often occurring outside of statute, to balance the number of eligible students with available resources. For example, a common tool to narrow possible applicants is advancing the deadline to apply for aid, a practice that has already been highlighted as exclusionary for adult and traditionally aged students alike.

Recent survey data from the National Association of State Student Grant and Aid Programs demonstrate the relationship between adult-inclusive policy and practice.[5] The section below highlights several examples of states that have policy environments that try to include adult students, but still fail to effectively reach this population. It also highlights states that have come closer to equitable representation of adult students within their two largest aid programs.

Arizona

Arizona Gov. Doug Ducey adopted a statewide goal to encourage 60 percent of adults ages 25-64 to earn a professional certificate or college degree by 2030.[6] To support this, the governor seeks to increase awareness of postsecondary education and make it more affordable. In 2015, **Arizona** disbursed $23 million in student aid (funded by a combination of general fund revenues and tuition revenues).

Among the postsecondary population in **Arizona**, 51 percent of students are under the age of 25 and 48 percent are over 25.[7] The two largest aid programs in the state vary in terms of their potential inclusion of adult students. Neither link to the high school graduation date, and both have a statewide application deadline that takes place after Aug. 1. However, neither award is based solely on financial need, only one allows for part-time enrollment, and neither include public two-year or technical colleges as eligible to participate.[8]

Across all aid programs in **Arizona**, students who are considered independent from their parents make up about one-third of the total recipients, students who attend two-year institutions receive about 5 percent, and part-time students receive about 7 percent.[9] These data could indicate a preference for funding full-time students enrolling in four-year institutions.

Rhode Island

Rhode Island has an articulated goal to reach 70 percent postsecondary attainment by 2025.[10] Like many states, the supply of high school graduates is insufficient to meet 70 percent attainment; therefore, integrating older students into postsecondary experiences is key to success. The Rhode Island State Grant Program meets many of the adult-inclusive criteria defined in this report: The program is need-based, allows for part-time enrollment, does not link eligibility to a high school graduation date and includes students enrolling in two-year public and technical colleges.[11] In 2015, the program awarded over $7 million to eligible students.

Available data indicate that the Rhode Island State Grant reaches a relatively wide population of students, including adults: More than a quarter of recipients are classified as financially independent students by the FAFSA, a quarter of funds are awarded in the two-year sector, one in four recipients is enrolled part-time and all students receiving funds demonstrate financial need.[12]

Texas

For **Texas** to reach the adopted goal of 60 percent attainment by 2030, the state must produce nearly 3.3 million more college credentials.[13] Even if 100 percent of high school students complete college, the state will still be short by 1.5 million credentials. Therefore, at a minimum, at least half of new postsecondary credentials earned in Texas must be awarded to adults.

In 2015, **Texas** appropriated funds to multiple grant and loan programs with the potential to reach adult students. For example, the Texas Educational Opportunity Grant is a need-based grant for students enrolling in two-year institutions. There is no upper age limit, high school test requirement, or full-time enrollment requirement to be eligible for the grant. In 2015, the state appropriated $51.2 million to this grant program.

In contrast, the TEXAS Grant, the largest aid program in **Texas**, is focused exclusively on traditionally aged college students. Students must enroll in a postsecondary institution within 16 months of graduation, have a 2.5 GPA, obtain certain high school course requirements and be a full-time college student. These eligibility requirements could make the program inaccessible to adult students.

Washington

Washington has set a 70 percent attainment goal for 2023.[14] To reach just 60 percent attainment by 2023, the state must produce an additional 447,883 college credentials, which would require nearly 100 percent of its current high school population to graduate and complete a postsecondary program. Reaching **Washington's** attainment imperative, therefore, will be greatly enabled by the engagement of adult students in postsecondary programs.

In 2015, **Washington** appropriated funds to multiple grant and loan programs with the potential to reach adult students. The largest, the State Need Grant Program, dispersed almost $308 million to students that year. The grant covers tuition, including any increases, for low-income students. This includes adult students and part-time students, and there is no eligibility requirement linked to high school graduation.

Final Thoughts

There are states that have little or no financial aid support for adult students, but there are many states where aid programs have adult-inclusive requirements that could allow for greater access. Whether intentional or not, adult students can qualify for aid and leverage these resources toward degree completion. The challenge to policy leaders and other postsecondary stakeholders is developing awareness among the adult population that funds are available to support them entering anew or finishing a program of study or training.

Promoting these aid programs to a larger section of the population opens a host of challenges, the primary being more adults taking advantage of the programs and reducing the total amount distributed to each student. This will, of course, develop calls for additional state support, and policymakers will have to achieve a balance between satisfying constituencies and creating a nimble policy framework that helps the state reach its attainment goals in a timely manner.

Ultimately, providing a minimum level of access for all student populations, regardless of age, requires the strategic use of budgets. As noted above, these will not be easy political moves, but necessary for reaching state attainment goals. Reimagining state aid to broadly include all students is a critical step toward ensuring adult access to postsecondary education.

ENDNOTES

1. Sarah Pingel, Emily Parker, and Lauren Sisneros, *Free Community College: An approach to increase adult student success in postsecondary education,* (Denver: Education Commission of the States, 2016), https://www.ecs.org/free-community-college-an-approach-to-increase-adult-student-success-in-postsecondary-education/.

2. "Total fall enrollment in degree-granting postsecondary institutions, by attendance status, sex, and age: Selected years, 1970 through 2026," National Center for Education Statistics, accessed August 29. 2017, https://nces.ed.gov/programs/digest/d16/tables/dt16_303.40.asp?current=yes.

3. Wayne Taliaferro and Amy Ellen Duke-Benfield, *Redesigning State Financial Aid to Better Serve Nontraditional Adult Students: Practical Policy Steps for Decision Makers*, (Washington, DC: Center for Law and Social Policy, 2016), http://www.clasp.org/resources-and-publications/publication-1/Redesigning-State-Financial-Aid-to-Better-Serve-Nontraditional-Adult-Students.pdf. See more in "50-State Comparison: Adult Inclusion in State Financial Aid Policies," Education Commission of the States, October 23, 2017, https://www.ecs.org/50-state-comparison-adult-inclusion-in-state-financial-aid-policies/.

4. Jennifer Ma and Sandy Baum, *Trends in Community College: Enrollment, Prices, Student Debt, and Completion,* (New York City, The College Board, 2016)*,* https://trends.collegeboard.org/sites/default/files/trends-in-community-colleges-research-brief.pdf.

5. "2015 Annual Survey," National Association of State Student Grant and Aid Programs (NASSGAP), accessed November 2016, www.nassgap.org.

6. "Achieve 60 AZ," Arizona Governor Doug Ducey, Office of Education, accessed August 30, 2017, https://education.azgovernor.gov/edu/achieve60az.

7. "Integrated Postsecondary Education Data System," National Center for Education Statistics, accessed August 30, 2017, https://nces.ed.gov/ipeds/.

8. The two largest state aid programs in Arizona are the Arizona Financial Aid Trust and the Arizona LEAP/SLEAP Program.

9. Ibid, author's calculations from NASSGAP. Being considered an independent student on the FAFSA is not a perfect proxy for considering a student an adult student; however, it provides additional context to understand the mix of students receiving state aid. To be considered independent, a student must meet at least one of the following criteria: over the age of 26, married, enrolled as a graduate student, have children that receive more than 50 percent of their support from the aid applicant, veteran or currently serving in the armed forces, both of the student's parents are deceased or the student is in foster care, an emancipated minor, under legal guardianship, or homeless or at risk of being homeless in the past year.

10. "Raimondo Announces Goal to Ensure 70 Percent of Rhode Islanders Hold a College Degree by 2025," Office of the Governor press release, September 2016, http://www.ri.gov/press/view/28599.

11. R.I. Gen. Laws § 16-56; "The Rhode Island State Grant and Scholarship Programs: Rules and Regulations," Rhode Island Secretary of State, http://sos.ri.gov/documents/archives/regdocs/released/pdf/HEAA/6483.pdf.

12. Ibid, author's calculations from NASSGAP.

13. Matthew Watkins, "New State Goal: 60 Percent of Adults With a Degree by 2030," *The Texas Tribune,* July 23, 2015*,* https://www.texastribune.org/2015/07/23/new-state-goal-60-percent-young-texans-degree-2030/.

14. "Meeting the State Attainment Goals," Randy Spaulding, Washington Student Achievement Council, accessed September 21, 2017, http://www.wsac.wa.gov/sites/default/files/2015.06.17.03.Achieving.State.Attainment.Goals.pdf.

AUTHORS

Sarah Pingel, Ed.D., is a senior policy analyst in the Postsecondary and Workforce Development Institute at Education Commission of the States. Sarah supports states by providing analysis tailored to student financial aid and college affordability policies. When she isn't knee-deep in policy research, Sarah spends time in the small Rocky Mountain town where she is from and enjoys finding opportunities to practice her French. Contact Sarah at spingel@ecs.org or 302.299.3695.

Neal Holly, Ph.D., is assistant director for the Postsecondary and Workforce Development Institute at Education Commission of the States. New to Colorado, Neal spends his time away from the office honing his western fly-fishing skills or woodworking. Contact Neal at nholly@ecs.org or 303.299.3604.

Education Commission of the States | 700 Broadway Suite 810 Denver, CO 80203