

Community Colleges in the Fifth District: Who Attends, Who Pays?

BY LAURA DAWSON ULLRICH

While community colleges existed in the United States as early as 1901, the boom began in the 1940s with the introduction of the GI Bill and the return of veterans from World War II. Today, these institutions are a major force in higher education: In fall 2017, more than 605,000 Fifth District residents were enrolled in a community college, with 64.9 percent of them attending on a part-time basis. Several states, including Maryland and West Virginia, have passed legislation within the past two years that will make community college tuition free for most state residents.

Given the need for more skilled workers and the increased financial support for community college students, one might expect enrollment to be growing. Instead, after growing for many years, community college enrollment in the Fifth District has been declining recently, including a 1.8 percent decrease between fall 2016 and fall 2017. Some of this decline undoubtedly stems from the strong economic conditions and low unemployment rates. Indeed, the size and composition of community college enrollment has long varied with the economic cycle: During times of higher unemployment, community colleges have seen surges in enrollment, especially in fields related to skilled trades; during times of economic growth, enrollment in technical programs has decreased and schools have relied more on their programs oriented toward college transfer.

But there are other factors at play, including the fact that the number of high school graduates in the United States has been stagnant since around 2011. This trend and others are shaping the role of community colleges in education and workforce development.

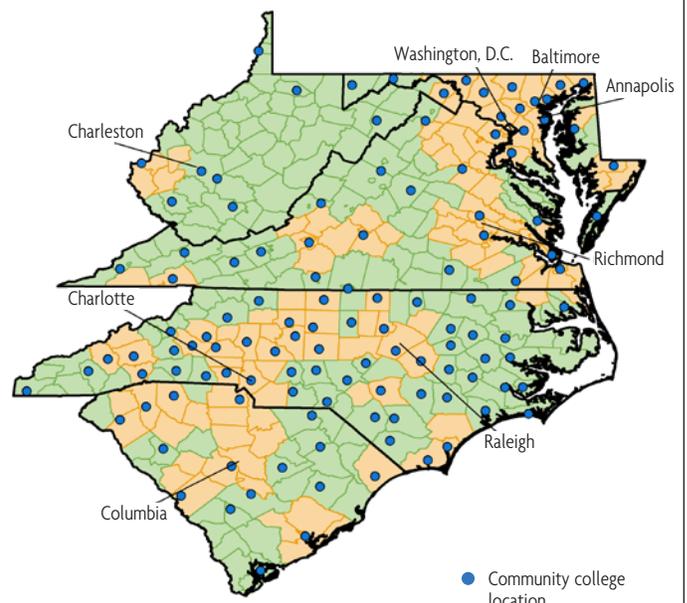
Whom Community Colleges Serve

Community colleges, which are two-year, publicly funded institutions, typically offer both associate degrees and certificate programs. There are currently 122 community colleges operating in the Fifth District. (This measure includes only stand-alone institutions; that is, it does not count two-year programs within universities.) The Fifth District's community colleges range from smaller, more vocationally focused schools, to larger, more comprehensive community colleges with a broader range of technical and associate degree programs. Community colleges are relatively evenly dispersed among rural and urban counties in the Fifth District. (See map.)

Enrollment in community colleges has been marked by two notable patterns. The first is that it is increasingly dominated by female students. In 1980, the first year

detailed data became available from the National Center for Education Statistics, 52.98 percent of Fifth District community college students were female. Many of these women were enrolled in educational programs to prepare them for careers in health care, business, and child and family development. By 1990, 59.44 percent of Fifth District community college attendees were female, over a 6 percentage point increase in a decade. In addition, their range of academic programs expanded, with more women preparing for transfer to a bachelor's degree-granting institution or for less traditionally female careers. This trend toward greater female representation in Fifth District community colleges was consistent with the nationwide trend at both community colleges and four-year institutions; it was also consistent with national female employment trends, as female labor force participation increased from 51.6 percent in January 1980 to 57.7 percent in January 1990. Since 1990, the percentage of women in community colleges in the Fifth District has remained relatively stable, with women making up 58.81 percent of all students in fall 2017.

Community Colleges, Rural and Urban

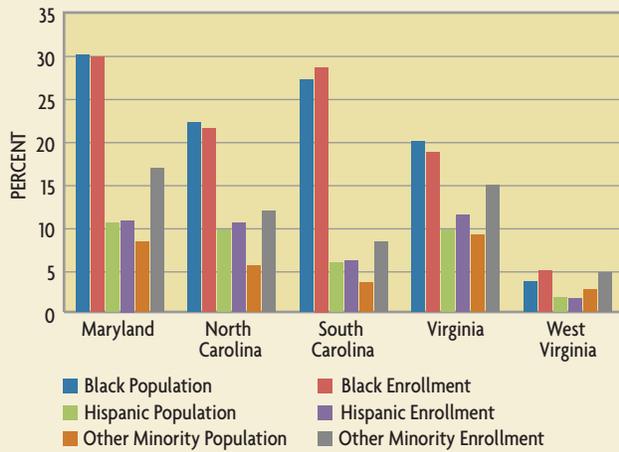


NOTE: A community college is two-year degree-granting and/or certificate-granting public institution. There are 122 in the Fifth District. Only community college main campuses are mapped. County-level urban/big city and rural/small town designations are based on the U.S. Department of Agriculture's 2013 Rural-Urban continuum Codes (RUCC). Counties with an RUCC of one or two are urban/big city and counties with an RUCC of three through nine are rural/small town based on Federal Reserve Bank of Richmond categorization.

County Designation, 2013
 Rural/small town
 Urban/big city

SOURCE: U.S. Department of Agriculture 2013 Rural-Urban Continuum Codes, Integrated Postsecondary Education Data System (IPEDS)

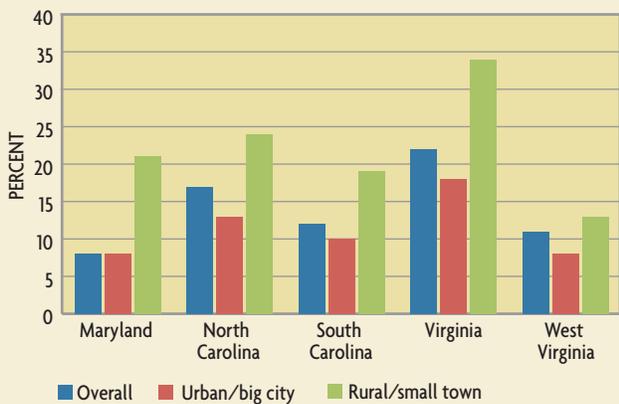
State Diversity and Community College Diversity



NOTE: Population figures are shares of the total state population. Enrollment figures are shares of total community college enrollment in the state.

SOURCE: National Center for Education Statistics (IPEDS, 2017-2018)

Community College Students Under 18, By Rural Status



SOURCE: National Center for Education Statistics (IPEDS, 2017-2018)

The second notable pattern is that for many years, community colleges have served a larger percentage of minority students than public or private four-year institutions. While the U.S. black population share is estimated to be 13.4 percent, only 10.8 percent of students in four-year public institution and 11.2 percent of students in four-year private institutions in fall 2017 were black. Community college enrollment in fall 2017 was more in line with the national population, with black students accounting for 13.2 percent of total enrollment. The diversity of Fifth District community colleges varies considerably across the states. Overall, 22.8 percent of Fifth District community college students were black in fall 2017 while 9.8 percent were Hispanic and 13.2 percent belonged to other racial minority groups. (See chart.)

The Dual Enrollment Boom

A more recent trend has significantly altered the demographics of the students being served by community

colleges: the surge of high school and community college dual enrollees. As tuition and fees for four-year colleges and universities have increased, dual enrollment offerings, in which high school students earn college or high school credit by enrolling in a community college, have become increasingly common in American high schools. These programs are promoted to students and parents as a way to graduate from college earlier and save money, in some cases providing students with tuition-free college credit.

North Carolina has a widely praised early college program (known as the Cooperative Innovative High School Program) in which students attend special high schools, often at local community colleges, in order to earn high school and college credits simultaneously. There are currently 132 of these high schools, and 57 of North Carolina's 58 community colleges have an early college high school on their campus. Some of these students even graduate with an associate degree before they graduate from high school.

There is ample evidence that students benefit from dual enrollment programs in tangible ways. A recent report from the Maryland Longitudinal Data System Center examines the effect of dual enrollment on college outcomes as well as income six years after high school graduation. The study finds that students who completed dual enrollment courses were more likely to enroll and persist in college. Those who participated in dual enrollment were also 15 percentage points more likely to graduate from college within the six-year time frame. In addition, they earned significantly higher wages than those who did not participate; students who took dual enrollment classes earned \$2,100 more annually six years after high school graduation. Interestingly, the education, workforce, and income effects were stronger for minority and low-income populations. Similarly, work by James Cowan of the American Institutes of Research and Dan Goldhaber of the American Institutes of Research and the University of Washington published in the *Review of Higher Education* in 2015 investigates the outcomes related to a dual enrollment program in Washington state. After controlling for demographics, they found that dual enrollment students are more likely to attend college immediately after high school but are less likely to attend a four-year institution, as many of them choose to complete their education at a two-year institution.

The Fifth District has a significant number of students under age 18 who are attending community colleges. This tends to be especially true in states where students can attend tuition free or nearly tuition free (North Carolina, South Carolina, and Virginia). In all Fifth District states other than Maryland, the percentage of community college students under 18 is greater than 10 percent. There are Fifth District community colleges where this number is considerably higher, some reaching greater than 50 percent. One such school is Martin Community College in rural Williamston, N.C., where more than 57 percent of the total enrollment of 837 students were under 18 in the 2017-2018 school year.

Additionally, there are more high school aged students attending community college in more rural counties, as these locales are less likely to have traditional four-year institutions where students can take classes. High school students in these rural counties are also less likely to have access to advanced placement or International Baccalaureate courses through which they can earn college credit. In these more rural school districts, where high school course offerings may be more limited, community colleges can play a very important role. As the data indicate, 33.73 percent of all community college students in small towns and more rural Virginia during the 2017-2018 academic year were under 18, while only 17.9 percent of community college students in more urban areas were under 18. (See chart on previous page.)

Paying for Community Colleges

Money for community colleges within the Fifth District comes from a combination of state and local appropriations. The states that have a greater share of local contributions, namely North Carolina and Maryland, also have the highest levels of overall funding per full-time equivalent (FTE) student. The range within the Fifth District is large, with a low of \$4,400.35 per FTE in Virginia to a high of \$10,721.65 per FTE in Maryland during the 2017-2018 academic year. (See chart.)

Some of the differences across states are directly related to the way states fund community colleges. Within the Fifth District, South Carolina and West Virginia fund via an appropriations process that is not directly formula driven. The other states use a full-time enrollment formula for appropriations, but only North Carolina includes noncredit programs directly as part of its funding formula. This means most noncredit programs offered at Fifth District community colleges do not receive funding via state or local appropriations. These noncredit programs can range from continuing education to phlebotomy certificates to welding to certificates in robotic technology. If a student is not enrolled in a for-credit program or course, he or she is not counted as a student in the FTE calculation and therefore doesn't receive state funding.

The students themselves may be in need. Community college students, on average, come from lower-income families than students at four-year institutions. According to a recent Pew Research study, the percentage of dependent community college students in 2016 who were living in poverty was 27 percent and rising. In 1996, this number was only 13 percent. Four-year institutions that are moderately or minimally selective have lower percentages of dependent students in poverty, at 15 percent and 25 percent, respectively.

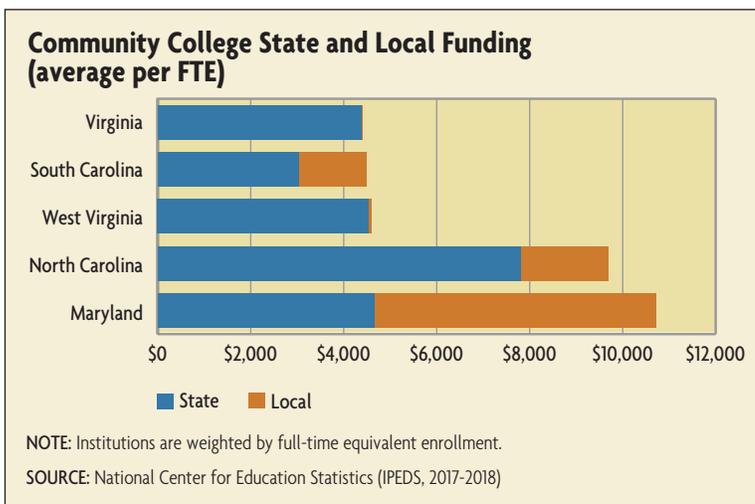
Because community college students tend to come from lower-income families, they are also more likely to depend on federal Title IV funding (including Pell Grants and subsidized or unsubsidized loans) as well as state aid to be able to afford

college. While Title IV aid is consistent across states, state aid varies considerably within the Fifth District. This aid ranges from direct grants for low-income students (similar to the Pell Grant but at the state level) to lottery-funded scholarship programs.

Both Maryland and West Virginia have passed legislation making community college tuition free for most state residents. These are known as “last dollar” programs, meaning the state aid kicks in once all other aid (including the Pell Grant) has been used. But because many community college tuition levels are below the Pell Grant maximum, many low-income students will not benefit directly from these state grant programs. Last dollar grant programs have another important limitation for low-income students in that they cannot be used to offset nontuition expenses like transportation or child care. If the grants were instead “first dollar,” then students could use the state grant first, and additional funding (such as the Pell Grant) could be used to offset other expenses. While these new state initiatives will undoubtedly help many students offset the cost of attending college, they are not, strictly speaking, “free community college” programs as they are sometimes described.

Each of the five states in the Fifth District have additional scholarship and grant programs that can be used by community college students. Examples include the Virginia Commonwealth Award Program, which provides students with demonstrated need a grant that can cover up to the cost of tuition if they are enrolled in at least six credit hours per semester. Another example is the lottery-funded South Carolina Lottery Tuition Assistance Program. This grant provides South Carolina residents who don't qualify for the state's LIFE Scholarship, which has more stringent qualification standards, \$1,140 a semester to attend community college as long as they are registered for at least six credit hours.

While the amount of state and federal aid available to community college students appears to be plentiful, there is one important caveat. Nearly all of the programs previously discussed, including Pell Grants and federal loans, can be used only by students in for-credit programs. This



Community College Graduation and Transfer Rates

	Maryland	North Carolina	South Carolina	Virginia	West Virginia
Overall Graduation Rate	20.6%	22.6%	15.2%	26.8%	26.4%
Graduation Rate—White	25.8%	26.4%	17.8%	30.2%	28.0%
Graduation Rate—African-American	10.8%	13.1%	8.8%	16.1%	9.8%
Graduation Rate—Hispanic	16.4%	24.2%	14.4%	25.7%	19.1%
Graduation Rate—Pell Grant Recipients	15.9%	18.4%	12.2%	22.0%	24.1%
Overall Transfer-Out Rate	21.4%	21.5%	22.4%	13.1%	10.4%

NOTE: Institutions are weighted by full-time equivalent enrollment. Graduation rates are rates of graduation within 150 percent of the standard time to completion.

SOURCE: National Center for Education Statistics (IPEDS, 2017-2018)

means students who wish to attend community college to obtain a noncredit certificate are ineligible for most grants and scholarships. This is true for both federal grants and aid as well as for most of the primary state-level scholarship or grant programs in the Fifth District. While some states are trying to work toward addressing the issue — the South Carolina legislature appropriated \$11 million in 2018 for workforce scholarships — the overall limitations that low-income students face in attending these programs persist.

Commercial driver’s license (CDL) programs are an example of the potential value of noncredit programs. Like most noncredit programs, CDL programs tend to be very short term; a typical CDL program lasts only around seven weeks. Yet the certification can lead to solidly middle-class wages. According to the Bureau of Labor Statistics, median pay for truck drivers with a CDL in the United States was \$21 per hour, or \$43,680 per year, in 2018. There is also a reported shortage of 60,000 drivers, according to the American Trucking Association. The math seems simple. The pay is relatively high, there is a shortage in the market, and programs exist at many community colleges. Yet given the funding challenges, it’s not as straightforward as it may seem. One Fifth District community college reported that their CDL program hasn’t been offered in two years because of lack of enrollment. They report that it is entirely because of the nearly \$2,000 price tag and the lack of financial aid for these programs.

Measuring Success

A common measure of an institution’s success is its graduation rate. For community colleges, however, this measure can be an uneasy fit.

The federal government defines the graduation rate as the percentage of a school’s “first time, first-year undergraduate students who complete their program within 150 percent of published time for the program.” So for associate degree students, the graduation rate measures the percentage of students who finish the degree within three years, as nearly all associate degree programs have

a published completion time of two years. In the case of community colleges, graduation rates have historically been quite low. In 2017-2018, the graduation rates at community colleges averaged lower than 27 percent in each of the five Fifth District states, with the lowest being 15.2 percent in South Carolina. The results are even more concerning when broken down by race and income. Black students have far lower graduation rates than white students in all five states, ranging from 8.8 percent in South Carolina to 16.1 percent in Virginia. Pell Grant recipients also fare worse, with lower graduation rates than average in each of the Fifth District states. (See table.)

So why aren’t students graduating? An obvious answer may be that they are unprepared for the rigors of community college classes. One might also look to the open enrollment policies of community colleges and say that the low graduation rates are a result of schools admitting all who want to attend. But there are additional reasons why these rates may be low. Perhaps the most important is that many students who attend community college never intend to graduate. Some come with the intention to transfer. Others come to try out a course or two to see if they have interest in a particular field. Still others come to take a few specific classes, especially in technical fields, which will either help them obtain a new job or help them get a promotion. Each of these cases would result in a student being a “noncompleter” and therefore push the institution’s graduation rate downward. While graduation rates may make sense as a metric for traditional four-year schools, their use for community colleges is problematic.

There are other metrics used to measure community college success. One often-cited statistic is the percentage of students who transfer. However, the lack of data on how many enrolled for that purpose makes the interpretation of transfer rates difficult.

Connecting to Four-Year Schools

Each Fifth District state has specific articulation agreements that indicate which courses from state community colleges will transfer directly to state four-year institutions. These agreements make it easier to plan the transfer

path and to ensure students don't take courses that won't count toward a four-year degree. In addition, state institutions generally have guaranteed admission for community college students who achieve a certain GPA and have the required number of credit hours.

In the Fifth District, there are examples of joint programs between community colleges and four-year schools, known as "bridge programs," that integrate community college students more deeply with a desired transfer university. One is the Bridge to Clemson Program operated by Clemson University and Tri-County Technical College in South Carolina. Clemson identifies students who are just short of being directly admitted, and these students are offered a spot in the bridge program. In fall 2019, there were 951 students who enrolled in the program. Bridge students attend classes at Tri-County, but they live in housing directly adjacent to Clemson and are able to participate in nearly all on-campus activities. Bridge students who earn 30 credit hours at Tri-County and maintain at least a 2.5 GPA after the first year can automatically transfer to Clemson without reapplying. Students pay an annual fee of \$2,370 to the program in addition to paying for tuition and fees at Tri-County.

The result: Tri-County's enrollment has been growing in an environment where overall enrollment is falling. It is also getting higher-quality students, as many of these students would otherwise have attended a four-year college. Bridge program students are attending Tri-County because of the opportunity to transfer directly to Clemson and to be in an environment that is nearly identical to that of the other Clemson students. On Clemson's side, Clemson has gained a transfer-ready population that it may not have had access to if students started school at another state institution. It is also receiving fee payments from 950 students who are not attending classes on their campus. And lastly, but most importantly, the students are benefitting. The transfer rate to Clemson was 82 percent in 2018, with an additional 5 percent to 7 percent of students continuing on at Tri-County or transferring to another university.

Galen DeHay, president of Tri-County Technical College, says that students benefit from the resources and

support of two institutions. He attributes the success of Bridge students to the fact that "the program supports students in a successful transition to college-level expectations, fosters a sense of belonging and institutional affinity with both institutions, and allows students to make progress toward their intended Clemson degree in smaller classes, at lower costs, and with detailed advising supports."

The Future of Community Colleges

Community colleges in the Fifth District face a set of opportunities and challenges as they begin this next decade. The need for additional tradespeople, exacerbated as the baby boomers begin to retire, should raise wages and encourage more students to enter technical education programs. At the same time, with the cost of traditional four-year college continuing to increase and more states offering attractive state community college grants, it is likely that the number of students attending community college with the intention of transferring to a four-year school should increase, all other things equal. In a similar vein, dual enrollment programs at the high school level appear to still be gaining in popularity and don't seem to have reached their peak.

But all things aren't equal. The number of high school graduates is declining each year, and with it, community college enrollment has been falling as well. The decrease in high school graduates puts more pressure on four-year institutions to recruit students and will likely force some institutions to reduce academic standards, meaning they will admit some students who would have been community college bound otherwise. Community colleges will have to work harder than ever to tell their story to potential students and to prove to the local business community the critical role they play in workforce development. The most difficult challenge may be educating an increasingly low-income, minority, first-generation pool of college students in ways that can provide them a path to the type of postcollege career they are seeking. As the jobs in the economy change and the demographics of students change, community colleges must be nimble in the programs they offer and the ways in which they offer them. **EF**