

Beyond Financial Aid: Helping Low Income Workers Access Higher Education

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Goals

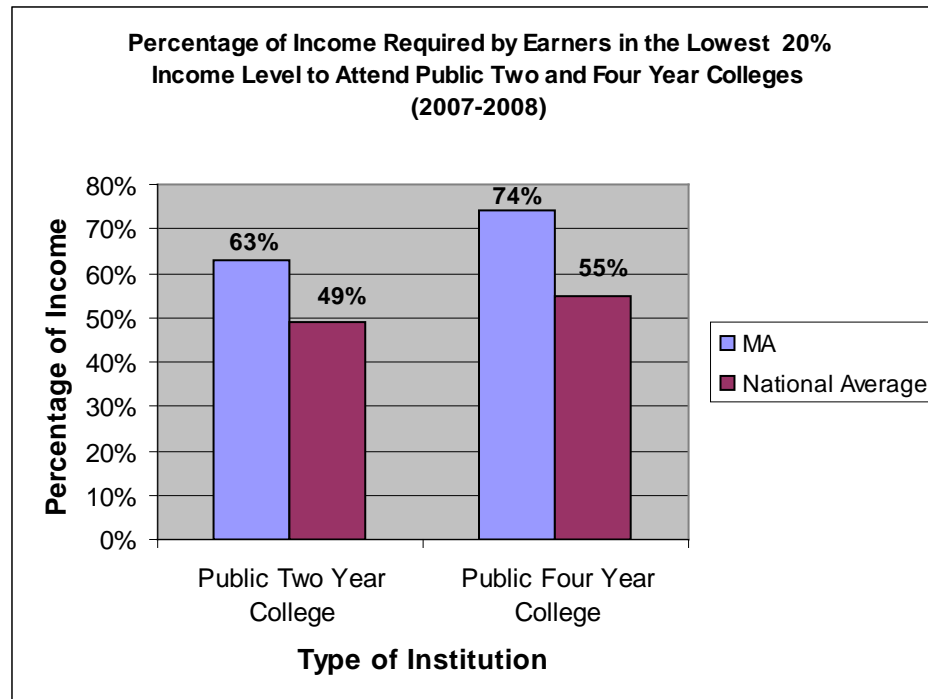
- Provide an understanding of the challenges low-income adults face in paying for higher education
- Provide practical ideas on how to counsel low-income adults on how to pay for higher education (and how not to)
- Share policy efforts to provide additional support for adult students
- Engage your support!

Mass Public Higher Ed – who can afford it?

- Mass ranks 44 out of 50 for affordable tuition & fees for 4-year public colleges; 38th for 2-year colleges
- Mass ranks 32 of 50 states in total grant dollars per population age 18-24
- 1988-2008 Mass Grant funding declined by 53%

Isn't Community College Practically Free?

Earners in lowest 20% income bracket must pay 63% of income for net cost of community college



Workers who study – additional challenges

- Top reason for dropping out of college – too hard to work and go to school at same time
- >50% college drop-outs have incomes < \$35,000
- Fed & State financial aid formulas designed for traditional students
- Most grant and federal loans favor those who study half-time or more

More Financial Aid Shortfalls for adult learners

- Most aid restricted to credit-bearing or degree programs (not certificate programs)
- Pell Grant is capped at 18 semesters
- Mass Grant not available to those less than part-time
- Neither Pell nor Mass Grant can be used for living expenses.
- Most low-income students have unmet needs after Pell and Mass Grant

Unique Challenges of GED/ABE transitions to Higher Ed

- Academic preparedness
- First in family
- Fear
- Personal challenges

Practical Assistance

- Higher education counseling
- Provide or refer to Transitional/Bridge Programs
- Career/College exploration classes
- Co-enrollment in community college
- Field trips to schools and TERI centers
- Consumer education for students

Financial Guidance

“Beyond Financial Aid – 2010 Guide to Extra Help for Low-Income Adult Students.”

\$ Consumer Education

\$ Public Benefits

- TAFDC
- Food Stamps
- Health Care/Child Care
- Unemployment Insurance
- Subsidized housing
- Federal Tax Credits

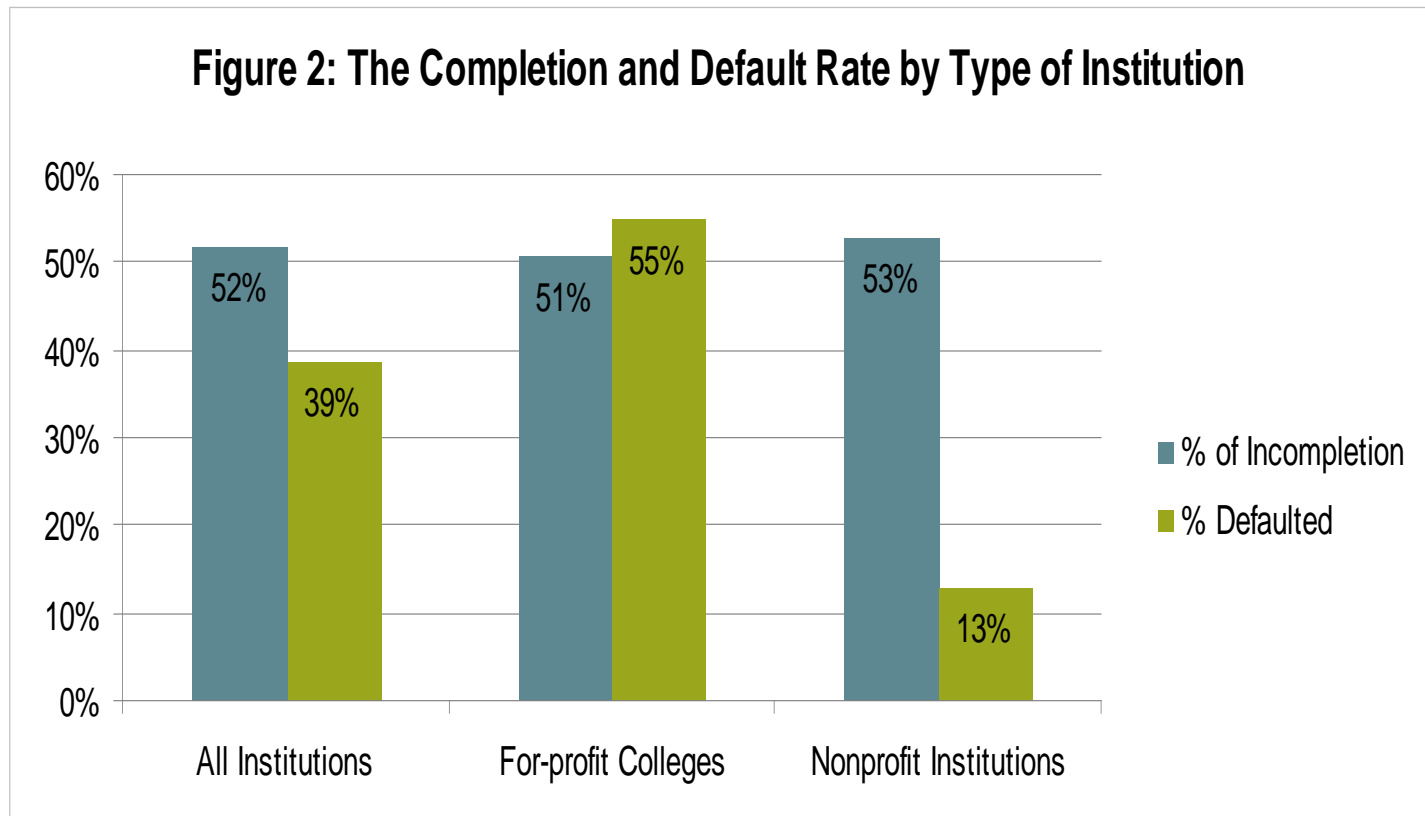
Excessive Student Debt

- For-profit students >2x as likely to default as nonprofit students
- national default rate **11.6 %** at for-profit colleges, **4.0%** at private nonprofit four-year institutions, and **6.0%** at public four-year institutions
- For-profits teach 10% of students but use 25% of federal Pell grants

CWU Experience

- 79% students seeking loan assistance attended 1 or more for-profits
- 55% of loans taken for for-profit in default vs. 13% for non-profit
- Less than 50% students complete any type of higher education

The Double Whammy!



Policy Change

- Educational Rewards bill
- TAFDC reform
- Student consumer protection

Help Wanted!

- Talk to your students about these issues
- Share their stories
- Testify, write letters, visit legislators
- Sign up for our advocacy list