

Midwestern Higher Education Compact
presentation to the
Missouri Coordinating Board for
Higher Education
and Strategic Planning Workgroups

July 29-30, 2015

Accessibility Indicators

Postsecondary Enrollment: Strength

- » Direct enrollment rate at associate's/certificate colleges (24%) is higher than national average.
- » Enrollment of older adults (aged 25-49) is equal to national average (7%).
- » Enrollment of low-income students equals national average (39%).

Postsecondary Enrollment: Need for Improvement

- » Direct enrollment rate at four-year institutions (38%) is lower than national average.
 - Note that 50% of projected job openings that require postsecondary education will require a bachelor's degree or higher.

Academic Preparation: Strength

- » High school graduation rate (84%) is above national average.
- » 72% of students who take the ACT in Missouri met or exceeded college readiness benchmark score in English.

Academic Preparation: Need for Improvement

- » Preschool enrollment (45%) is below national average of 46%.
- » Fewer than half of students score at or above proficiency level in science, math, or reading on NAEP tests.
- » Gap in academic achievement between low- and higher-income emerges by 8th grade: 24 to 27 percentage points in NAEP proficiency scores.
- » Gap in high school completion rate: White (89%), Hispanic (80%), and Black (73%)
- » Less than half of students who take the ACT in Missouri met or exceeded college readiness benchmark scores in reading, math, and science.

Accessibility Policy Goals

Improve College Readiness

» Preschool

» K-12

- Expand dual enrollment: associated with improvements in first-year college GPA and college degree completion rates among low socio economic status students (An, 2012, 2015)
- College preparatory curriculum
- High school graduation requirements aligned with college admissions requirements

Improve College Readiness

- » Student engagement incentives: Consider a two-tier system of need-based grant aid that incentivizes high level of academic preparation.
 - Example: Indiana is part of O'Bannon Award program.
 - Regular diploma student receives 80% of institution's tuition and fees.
 - Honors diploma student with a 3.0 GPA receives 100 percent of tuition and fees.
 - Full tuition discount is more effective incentive than partial tuition in increasing college prep course-taking (Domina, 2013).

Affordability Indicators

Affordability: Strength

- » The net price of enrollment at a public four-year college is below the national average and lower than the net price in peer states.
- » Average student loan debt for alumni of public four-year institutions (\$22,590) is below national average.

Affordability: Need for Improvement

- » Relative to current income, the net cost of college is much more affordable for median-income students than for low-income students. Families with median incomes in Missouri would need to allocate between 13 and 25% of their incomes to pay for college. In contrast, college attendance for low-income students requires between 23 and 48% of family income.
- » Need-based grant aid average award decreased from \$2,129 in 2008 to \$1,209 in 2012.

Affordability Policy Goals

Reduce the Net Price of College for Low-Income Families

- » Maximize effect of aid by providing grants to students with greatest financial need (Baum et al., 2012).
 - The proportion of grant aid allocated on the basis of financial need has fallen from 90 % in 1992 to 73% in 2010.
 - Lower-income students exhibit greater price sensitivity than higher-income students: graduation rates of low-income students but not high-income students are associated with net price (Bowen, Chingos, & McPherson, 2009).