



LEADS

*Published by the Center for Education Policy and Leadership (CEPAL)
Department of Education Policy and Leadership/University of Maryland*

LEADS, a publication of the Center for Education Policy and Leadership (CEPAL) at the University of Maryland, College Park, features research by university faculty and students that addresses contemporary education policy and leadership issues. LEADS aims to provide educators and policymakers with research they can use to strengthen the education of all students. We call this publication LEADS to highlight the importance of research in suggesting ideas, resources, and actions for educational improvement.

This issue of LEADS is based on original empirical research conducted by Laura Perna, Assistant Professor of Education Policy and Leadership, and graduate students from the University of Maryland. Findings come from two studies of the relationship between public policies and higher education enrollment patterns: one that utilized National Educational Longitudinal Survey data to examine this relationship across all fifty states and one that looked specifically at trends in Maryland. This research was supported in part by a grant from the Lumina Foundation for Education.

Public Policy and the Enrollment Gap: The Impact on Higher Education

Individuals who earn a college degree are more likely than their non-college educated counterparts to enjoy middle and upper-middle class socio-economic status, promotions within their work places, and high quality working conditions. However, college-age students of color and those from low-income families attend and complete college at much lower rates than their white and wealthier peers. Although overall rates of college attendance for college age students have been on the rise since the 1970s, African-American, Latino, and low-income students have enrolled in institutions of higher education at significantly lower rates during that period than their white and higher-income peers. In the past decade, federal and state governments have enacted various public policies to reduce these "enrollment gaps" with many lawmakers arguing that equity in access to higher education serves the public good. Lawmakers also have argued that the benefits of higher education accrue not only to individuals but "spillover" to the general public through improved national economic productivity, reduced crime, increased civic engagement, and lower social welfare expenditures. To what extent have these recent public policies helped shrink the persistent higher education enrollment gap?

Public Policies Have Not Eliminated Enrollment Gaps

University of Maryland researchers found that despite the presence of federal and state policies that aim to shrink enrollment gaps in higher education, low-income students and students of color remain under-represented in various institutions of higher education both in the state of Maryland and nationwide. The University of Maryland researchers argue that higher education policies have not achieved equity goals. Specifically, in the 1990s:

- Analyses of national data show that, despite the presence of various state-level public policies to reverse this trend, higher education opportunity is stratified by socioeconomic status (SES). Even after controlling for measures of individual characteristics and state public policies, low-SES high school graduates are less likely than other high school graduates to enroll in any type of college or university in the fall after graduating from high school. Among those who enroll, low SES students are more likely than those from middle-SES backgrounds to enroll in an in-state public two-year institution versus an in-state public four-year institution or an out-of-state institution. Only 20% of students who initially enroll in a two-year college transfer to a four-year institution within five years of first enrolling.
- Maryland launched several initiatives to address this enrollment gap including increasing average state financial aid awards to low-income students. However, at the same time, state appropriations for four-year non-historically black colleges and universities (non-HBCUs) decreased significantly and tuition grew at a higher rate at these institutions than at other state institutions of higher education. During the same period, the Black-White gap in participation rates at public four-year non-HBCUs grew from 14 percentage points in 1992 to 18 percentage points in 1998. Blacks represented 31% of high school graduates in 1998, but only 12% of first-time, full-time freshmen at public four-year non-HBCUs and 9% of first-time, full-time freshmen at private four-year institutions.

One relatively bright spot has been that tuition has increased at lower rates at historically black colleges and universities than at other four-year institutions which has helped preserve access to higher education for Blacks in the state of Maryland over the past decade. Reflecting the greater affordability of HBCUs relative to other types of four-year institutions in the state, enrollment rates for Blacks increased relatively faster at HBCUs than at other types of four-year institutions. In fall 1998, the four HBCUs enrolled 38% of the state's Black first-time full-time freshmen.

Several current trends are expected to increase enrollment gaps in the state of Maryland. Recent increases in tuition for public colleges and universities necessitated by reductions in state appropriations to higher education are likely to impact Black, Hispanic, and low-income enrollment disproportionately, given past trends that reveal these groups are particularly sensitive to changes in tuition. Recently established programs designed to increase the affordability of higher education for students from middle- and upper-income backgrounds, such as the Maryland Prepaid College Trust and the Maryland College Tuition Savings Plan, divert resources away from need-based financial aid funding and accordingly low-income students and Black and Hispanic students who on average come from families with insufficient disposable incomes to take advantage of these programs. Demand for available enrollment slots is likely to increase during the next decade due to expected population growth and may exceed supply as declines in state funding for higher education potentially reduce available slots in public institutions. Low income students and students of color historically have lost during such periods of scarcity.

Implications for Policy and Practice

State education policymakers, education advocates, and others who seek to address these enrollment gaps can do so by working to:

- Stabilize tuition increases so they are modest and predictable and provide guidance to parents and others about financial planning for projected increases;
- Increase appropriations for need-based financial aid to keep up with tuition increases and to expand the number of participating students;
- Continue to improve academic preparation of all high school students, especially those from underrepresented groups, to increase their eligibility for admissions and merit-based financial aid;
- Include equity as a benchmark in assessing the success of all higher education policies, not only those with equity goals, to ensure that other policies do not work against shrinking the enrollment gap.

This issue of LEADS is adapted from:

Perna, L.W., Steele, P., Woda, S., & Hibbert, T. (In press). An exploration of the relationship between state public policies and racial/ethnic group differences in college enrollment in the state of Maryland. *Review of Higher Education*.

Perna, L.W., & Titus, M. (2004). Understanding the choice of college attended by low-income students: The role of state context. *Review of Higher Education*, 27(4).

