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Abstract
Fourteenth place. That's where the United States ranked in the proportion of 25- to 34-year-olds who achieved postsecondary degrees, according to a 2012 report by the Organisation for Economic Cooperation and Development. Unless the U.S. increases the share of the population that has completed a college degree, the country will lack the educational skills and training required to meet the workforce demands of a global economy. Sixty-three percent of job researchers predict, will require education beyond high school in 2018. For the U.S. to be competitive on a global scale, it must devote more effort to closing the considerable gaps in degree attainment that persist across demographic groups. The groups least likely to earn a degree are students from lower-income families, blacks, Hispanics, and those whose parents have not attended college.

Disciplines
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Fourteenth place. That's where the United States ranked in the proportion of 25- to 34-year-olds who achieved postsecondary degrees, according to a 2012 report by the Organisation for Economic Co-operation and Development. Unless the U.S. increases the share of the population that has completed a college degree, the country will lack the educational skills and training required to meet the workforce demands of a global economy. Sixty-three percent of job researchers predict, will require education beyond high school in 2018. For the U.S. to be competitive on a global scale, it must devote more effort to closing the considerable gaps in degree attainment that persist across demographic groups. The groups least likely to earn a degree are students from lower-income families, blacks, Hispanics, and those whose parents have not attended college.

Federal policies provide crucial support to students working to earn a degree—but states play the primary role in determining the educational attainment of their population. The opportunity to enroll in and complete college varies from state to state, as well as within states. Here are three key ways states can help more students obtain higher levels of education:

1. Make college more affordable

Students from lower-income families are most affected when states fail to keep college affordable. Controlling college costs requires states to pay attention to their funding for higher education institutions, their role in setting tuition rates, and the ways they structure and fund financial aid policies. Even with an effective need-based aid policy, negative consequences may arise. Illinois, for example, responded to funding shortfalls for its aid program by dispersing grants on a first-come, first-served basis. This approach left many community college students out of luck, since these students tended to apply after the state had already dispersed all available aid. Georgia's student aid program uses revenues from a state lottery to fund its HOPE Scholarship and Grant programs, but this approach backfires in two ways: Lower-income individuals are more likely than other groups to purchase lottery tickets and are less likely to benefit from the lottery proceeds (because they are less likely to enroll in college).

States need to develop and implement a long-term strategy. Although more work is required, Maryland has improved college affordability by freezing tuition rates, limiting increases, and creating an investment fund to stabilize appropriations to public institutions.

2. Let students keep academic credit they've already earned

Too many students lose academic credit as they try to move from high school into college or from
one higher education institution to another. States need to ensure that students can seamlessly move to a new institution.

Although many states have established commissions to help ensure that high school graduates are academically prepared for college-level demands, too many students enter college requiring developmental education. Dual enrollment, early college high schools, and other school-college transition programs can improve academic readiness, but to prepare students across the board, we need state policies that identify and assess college-ready knowledge and skills (as defined collaboratively by higher education and K-12 schools).

Texas is making progress in this area. In 2003, the legislature designated a curriculum for college preparation as the default program for high school students. The state is also implementing end-of-course tests to determine the college readiness of high school juniors and creating 12th grade transition courses for struggling students.

States must also do more to ease the transition from community college to a four-year institution. Eighty-one percent of students begin community college with the goal of earning a bachelor's degree or higher. Yet only about one-fifth of community college students transfer to a four-year college or university within five years of first enrolling. Those who do often lose credits.

States have adopted a range of policies to improve the transfer process. The Illinois Articulation Initiative has attempted to make it easier for students to transfer general education courses between participating institutions. The Technical College System of Georgia recently switched from a quarter to a semester system with the goal of better facilitating the transfer between the state’s technical colleges and public four-year institutions. It is also seeking regional accreditation of its institutions to make it easier for students to transfer to the state’s university system. Maryland and Texas strengthened their transfer policies by creating associate degrees in specific fields of study (such as teacher education and engineering) that transfer in full to a state four-year institution.

### 3. Use available resources better and differently

States need to reach and serve as many students as possible, but few states have enough money to build new campuses. States have adopted a range of strategies to increase the availability of postsecondary educational options, including establishing branch campuses and expanding distance education options. More, however, must be done to maximize the effectiveness of these efforts. To increase the production of bachelor's degrees, Washington created branch campuses for its two research universities (Washington State University in 1989 and the University of Washington in 1990). But this strategy failed to meet enrollment targets due to the high costs of research universities for students and taxpayers and because these institutions were built in regions inconvenient for students who needed them most.

Some states are attempting to increase bachelor's degree production by allowing community colleges to award such degrees. In 2010, 18 states had granted approval to at least one community college to offer a four-year degree. This strategy, however, could distort the traditional mission of community colleges and increase costs as community colleges upgrade libraries and laboratories and hire more expensive faculty.

States must also recognize the potential negative consequences of allocating more funds to build a state’s research capacity. Texas has narrowed some of the gaps in higher education attainment, but continued progress may be difficult as the state also seeks to expand the research capacity of seven public universities. Signaling the high price of creating nationally or globally competitive research universities, in 2009 Texas redirected public endowment revenue, which had supported comprehensive four-year institutions, to the effort to expand research.

### A problem worth tackling

The forces that limit degree attainment—and contribute to persisting gaps in degree attainment across groups—are not new. But the need for state policymakers to adopt a comprehensive approach to addressing these forces is greater than ever before. The question is: Do we want to live in a society that is economically prosperous? If so, then additional effort—among leaders in all 50 states—is required to raise overall higher education attainment.

### About the Authors

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