



# Improving Latino College Completion

## What State Legislators Should Know

By Julie Davis Bell and Brenda Bautsch

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In the next few years, state legislators will deal with many significant and pressing policy issues, including continued tight state budgets. One of the most urgent challenges for state legislatures is designing effective policies to significantly improve the educational attainment of its citizens, which is fundamental to improving state economic vitality. Most states have set ambitious goals to improve the number of citizens who have postsecondary credentials, particularly associate or bachelor's degrees.

To ensure state economic vitality, states will need to dramatically increase the number of people who receive a college degree. Many states are focusing on increasing the attainment of Latino and African American students, who continue to lag significantly behind white students. The future of state economic strength depends upon successfully educating these students.

The purpose of this legislative brief is to raise awareness about the urgency for state legislatures to focus on improving Latino/Hispanic college completion. It also highlights strategies that can help these students succeed. In this brief, the terms Latino and Hispanic are used interchangeably.

### Latinos Are the Fastest Growing Population

In most states, Latinos are the fastest growing populations, but they traditionally have been the least successful in the education system. As Latino students enter the education system and prepare for employment, it is essential that state policy to ensure their success is developed and implemented.

- Currently, one in five students in the nation's K-12 schools is Hispanic.<sup>4</sup> Approximately 7 percent of Latinos nationally in K-12 education potentially are undocumented.<sup>5</sup>
- The U.S. Census Bureau predicts that, by 2020, one in five college-age adults will be Hispanic.
- According to the U.S. Department of Education, 88 percent of Hispanic undergraduates are U.S. citizens, 11 percent are resident aliens, and 1 percent are foreign/international students, including undocumented students.<sup>6</sup>
- Almost 50 percent of Latino undergraduates have parents whose highest educational attainment is high school or less (48.5 percent). These students are first generation college-goers—the highest level of any racial or ethnic group.<sup>7</sup>
- The Latino population is growing in all states. About 70 percent of Latino undergraduate students reside in four states—California, Florida, New York and Texas—and Puerto Rico.<sup>8</sup> However, some of the largest Hispanic population growth (in terms of percentage increase) is occurring in areas of Georgia, Iowa, Maryland, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia.<sup>9</sup>

Improving education attainment is a state and national imperative:

- By 2018, 63 percent of jobs will require a postsecondary degree.<sup>1</sup> It is also estimated that approximately 70 percent of the fastest-growing jobs require a postsecondary degree.<sup>2</sup>
- The United States now ranks 12<sup>th</sup> internationally—behind Canada, South Korea, Russia and Japan—in the number of 25- to 34-year-olds with a postsecondary degree.<sup>3</sup>
- For the first time ever, the younger U.S. generation is less educated than the older generation.
- Other countries are dramatically improving the education levels of their citizens.
- Improved education means improved state economies and higher standards of living.

## Latino Families Value Education

Latino students and families value education. In fact, Latinos value higher education more than do Americans as a whole. Eighty-seven percent of Latinos in a recent poll said a college education is extremely or very important, compared with 78 percent of the overall U.S. population.<sup>10</sup>

Other barriers may prevent Latinos from completing their education, including finances, the absence of family members who have college experience, inflexible schedules, family and work obligations, and a lack of information about financial assistance and college life.

## Large Gaps Exist in the Education Pipeline

The education pipeline illustrates where students drop out of the education system. Latino students are more likely to drop out at all the points in the pipeline. Understanding where Latino students fall out of the pipeline can help states target appropriate policies.

For every 100 students...



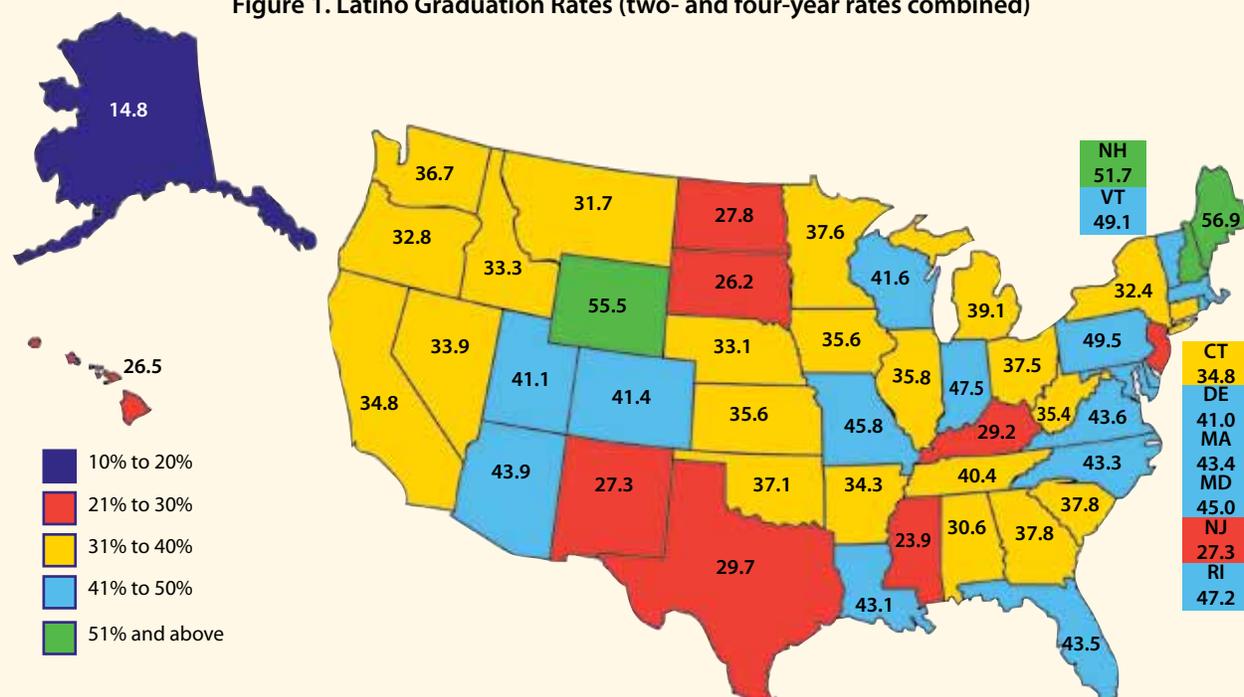
Overall, college completion rates for U.S. students are poor, but Latino completion rates are dismal. Of 100 ninth grade Latino students, only 13 will graduate from college and obtain their degree within six years.

Although Hispanics fall behind whites at every step of the education pipeline, high school graduation rates and college enrollments have been on the rise for Latino students. Between 2007 and 2008, Hispanic college enrollment grew by 15 percent, compared to a 3 percent growth in white student enrollment.<sup>11</sup>

## Latinos Lag Behind in Educational Attainment

In 2007-2008, the average graduation rate nationally for white students was 49 percent, compared to an average of 36 percent for Latino students. Figure 1 depicts Latino college graduation rates by state. Most Latino students attend college in California, Florida and Texas, where graduation rates are 35 percent, 44 percent and 30 percent, respectively.<sup>12</sup>

Figure 1. Latino Graduation Rates (two- and four-year rates combined)

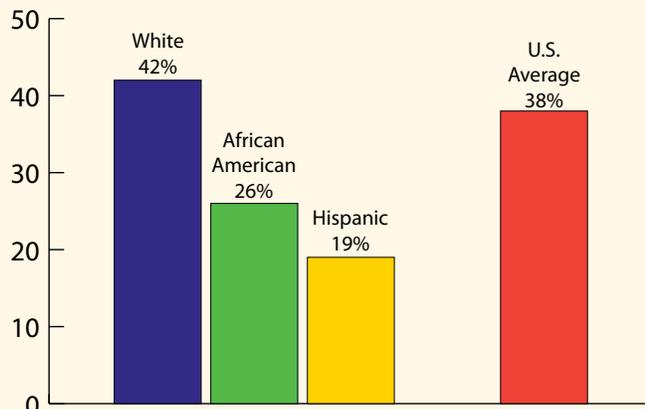


Source: NCES, IPEDS 2007-08 Completions File; c2008-a Final Release Data File. NCDES, IPEDS 2007-08 12-Month Unduplicated Headcount Enrollment File; efy 2008 Final Release Data File. U.S. Census Bureau, 2008 American Community Survey Public Use Microdata Sample File.

Of all Americans ages 25 to 64, about 38 percent held a two- or four-year college degree in 2008 (Figure 2). Looking at attainment levels by racial/ethnic groups reveals a large gap between minorities and whites. Even though Hispanics represent a growing and significant population group in the nation, only 19 percent of Hispanic adults have a college degree.

Closing the gap between minorities and whites is essential for increasing overall U.S. education attainment.

Figure 2. Percent of Americans Ages 25-64 Who Hold a Two- or Four-Year College Degree, by Population Group, 2008



Source: Lumina Foundation for Education, *A Stronger Nation Through Higher Education*, 2010.

## There Is a Significant Return on Investment to the State for Improving Latino College Completion

In these tight budget times, legislators want to know that there is a positive return on investments. States spend \$70 billion annually on higher education, and legislators want to ensure state funds are spent effectively and efficiently. Very clearly—education pays.

- The average worker with a bachelor’s degree earns 66 percent more in lifetime earnings than a high school graduate.<sup>13</sup>
- States reap the rewards of an educated and productive citizenry by meeting future workforce needs, improving the state’s economy, and improving the state’s and the individual’s quality of life.
- Educated individuals not only earn more, but they place less demand on state social services and are more engaged and active in civic affairs.
- For each high school graduate who earns a college degree, personal income will increase by nearly \$35,000, and Medicare and Medicaid expenses will decrease by approximately \$1,850.
- If the United States were to increase its college attainment rate from 38 percent to 50 percent, there would be an additional \$475 billion in personal income, \$10 billion saved in Medicaid expenses and \$4.8 billion saved in Medicare expenses.<sup>14</sup>



### Calculating These Figures:

The average state subsidy (the full cost of attending college minus tuition) or investment in students in higher education is:

- \$8,050 per student at a public research institution
- \$7,500 per student at a public bachelor’s institution
- \$6,600 per student at a public master’s institution
- \$7,400 per student at a community college<sup>15</sup>

The returns on that investment for each student in terms of increased income, and to the state on only one indicator of return on investment—savings in Medicaid and Medicare costs—are shown in Table 1.

**Table 1. Annual Returns per Resident at Each Stage of Educational Attainment**

Income and Government Health Expenses	Less Than High School	High School Graduate or GED	Some College, No Degree	Associate or Bachelor’s Degree	Graduate or Professional Degree	Additional Earnings and Savings for HS Degree	Additional Earnings and Savings for College Degree	Total Savings
Average Personal Income	\$17,282	\$27,379	\$34,662	\$52,002	\$85,480	\$10,098	\$24,622	\$34,720
Average Spent per Person on Medicaid by Government	\$1,620	\$762	\$550	\$243	\$121	\$858	\$519	\$1,377
Average Spent per Person on Medicare by Government	\$633	\$405	\$313	\$158	\$97	\$228	\$247	\$475

## Proven Policies and Strategies that Work for Latino Students

Research and practice indicate that different students need different supports and options to be fully successful in the education system. Affordability is the top reason that Latino students do not complete a college degree. The second most common reason for not finishing college is family responsibilities.<sup>16</sup> In addition, first-generation students lack basic knowledge and information about college options, financial aid and the college experience.

Some lessons for legislators about strategies that work for Latino students include the following.

- Support and embrace institutions that commit to serving Latino students. Use funding or other incentives as encouragement and reward for successful graduation of Latino and other minority students.
- Provide better consumer information targeted to Latino students and families. Latino families often lack information about the type of college they are qualified to attend, the cost of college, the availability of student financial assistance, and what college life is like.
- Latinos also are often “loan-adverse.” They may be reluctant to assume student loans to pay for college, even though the investment pays off with higher lifetime earnings.
- Provide options for students to receive career and workforce training as part of their high school and college experience.
- Press institutions to measure and report the comparative effectiveness of their programs.
- Consider funding or incentives to help institutions expand student support services that help students progress from first year to graduation.
- Fully leverage federal funding such as the TRIO programs, which award grants to institutions for student support.
- Ensure strategies are available to support students along the pathway, such as research apprenticeships, participation in living/learning communities, tutoring and mentoring services. Latino students often need more personal and institutional supports than other students.
- Ensure that Latino students have options for taking courses and obtaining a degree on their own time—evenings, weekends and through technology. Latino students may need additional flexibility to accommodate work and living responsibilities.
- Help reduce remediation of Latino students by improving high school standards, better linking K-12 exit standards with college entrance requirements, providing summer bridge and orientation programs to help high school graduates prepare for their first year of college, and providing first-year seminars and learning communities to help support college students.
- Develop successful partnerships between institutions and community sectors that are positioned to provide and support access. For example, local college access networks provide one-on-one counseling and support to students who need it most.
- Ensure that teachers and counselors pay attention to early warning signals that the student may drop out in high school or college.<sup>17</sup>

## Resources

Learn more about Latino students and policies and strategies that work to improve college completion at these valuable sites.

Delta Cost Project  
[www.deltacostproject.org](http://www.deltacostproject.org)

Excelencia in Education  
[www.edexcelencia.org](http://www.edexcelencia.org)

Institute for Higher Education Policy  
[www.ihep.org](http://www.ihep.org)

Lumina Foundation for Education  
[www.luminafoundation.org](http://www.luminafoundation.org)

National Center for Higher Education  
Management Systems  
[www.nchems.org/www.higheredinfo.org](http://www.nchems.org/www.higheredinfo.org)

National Center for Public Policy in  
Higher Education  
[www.highereducation.org](http://www.highereducation.org)

National Conference of State Legislatures  
[www.ncsl.org](http://www.ncsl.org)

Pew Hispanic Center  
[www.pewhispanic.org](http://www.pewhispanic.org)

## Notes

1. Tony Carnevale, *Help Wanted: Projections of Jobs and Education Requirements Through 2018* (Washington, DC: The Georgetown University Center on Education and the Workforce, 2010).
2. T. Alan Lacey and Benjamin Wright, "Occupational employment projections to 2018," *Monthly Labor Review Online* 132, no. 11 (November 2009): 90.
3. Organisation for Economic Co-operation and Development, *Education at a Glance 2009* (Paris: OECD, 2009), 30.
4. Pew Hispanic Center, *Statistical Portrait of Hispanics in the United States, 2008*, Table 24 (Washington, D.C.: Pew Hispanic Center, 2010).
5. Richard Fry and Jeffrey Passel, *Latino Children: A Majority Are U.S.-Born Offspring of Immigrants* (Washington D.C.: Pew Hispanic Center, 2009).
6. U.S. Department of Education, *Web Tables-Profile of Undergraduate Students: 2007-08* (Washington D.C.: NCES, 2010), Table 3.10.
7. U.S. Department of Education, *Web Tables-Profile of Undergraduate Students: 2007-08* (Washington D.C.: NCES, 2010), Table 3.11.
8. Deborah Santiago, *Latinos in Undergraduate Education, 2008* (Washington, D.C.: Excelencia in Education, 2008).
9. Richard Fry, *Latino Settlement in the New Century* (Washington, D.C.: Pew Research Center, 2008).
10. Ricardo Alonso-Zaldivar and Trevor Tompson, "87% of Hispanics value higher education; 13% have college degree," *The Associated Press*, July 30, 2010.
11. Richard Fry, *Minorities and the Recession-Era College Enrollment Boom* (Washington, D.C.: Pew Research Center, 2010).
12. In this brief, graduation rates refer to the percent of first-time, full-time freshman who complete an associate or bachelor's degree within three years for associate degrees and six years for bachelor's degrees. This is the standard definition used by the U.S. Department of Education.
13. Sandy Baum, Jennifer Ma, and Kathleen Payea, *Education Pays 2010* (Washington D.C.: The College Board, 2010).
14. Data provided from the National Center for Higher Education Management Systems, 2010.
15. Delta Cost Project, *Snapshots of State Subsidy Patterns, by Sector* (Washington, D.C.: Delta Project on Postsecondary Education Costs, Productivity, and Accountability, 2010).
16. Alonso-Zaldivar and Tompson, 2010.
17. For more information about strategies that work, see Excelencia in Education and The National Center for Public Policy in Higher Education, *Benchmarking Latino College Completion to Meet National Goals: 2010 to 2020* (Washington D.C.: Excelencia in Education, 2010); and National Conference of State Legislatures, *The Path to a Degree: A Legislator's Guide to College Access and Success* (Denver, Colo.: NCSL, 2009). Workforce, 2010).

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