



PATHWAYS TO POSTSECONDARY SUCCESS

Maximizing Opportunities
for Youth in Poverty

PATHWAYS to Postsecondary Success is a series of mixed-methods studies of the educational pathways of California's lower income youth. Through a series of research briefs and reports, the project aims to advance research on poverty, produce useful tools that improve educational practice, and inform the U.S. policy agenda on the relationship between poverty and education.

California's College Stopouts calls attention to the negative effects of discontinuous college enrollment and describes how financial factors play a significant role in stopout patterns, especially for students from lower-income backgrounds.

POLICY REPORT

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California's College Stopouts: The Significance of Financial Barriers to Continuous School Enrollment

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In California, the majority of four-year and community college students do not complete their intended degrees and certificates on time (Chronicle of Higher Education, 2013; Fain, 2013). Many of these students “stop out”—that is, they leave college with the intention of returning later. Discontinuous enrollment is highest for students with lower academic preparation and lower socioeconomic status (Ewert, 2010; Goldrick-Rab, 2006). This is particularly troubling in light of the recent economic recession and the rising cost of higher education, which have both made paying for college more difficult. Students from low-income backgrounds in particular may find they need to take time off from school to save money or to help their families pay their bills. Unfortunately, college students with discontinuous enrollment have significantly reduced likelihood of ever completing their degrees (Cabrera, Burkum, La Nasa, & Bibo, 2012), making this an urgent problem for higher education researchers and policymakers.

In this policy brief, we describe the range of influences on the attendance patterns of California's college students, focusing in particular on economic factors. Drawing from the mixed-methods California Young Adult Study (CYAS), we classify stopouts as students who enrolled in public or private community or four-year colleges and took a break from school for a term (quarter or semester) or more, not including summer, with the intention of returning. We include individuals who were on break from school but still planned to pursue postsecondary degrees, as well as those who had previously taken time off and successfully re-enrolled in postsecondary institutions.

Who stops out of higher education?

Over one third of students—and more men than women—stopped out of college. Overall, 37% of CYAS survey respondents who attended college reported stopping out at some point (Figure 1). Male students were more likely to stop out than female students (42% compared to 31%, respectively).

Some students of color and those from low-income backgrounds were more likely than others to stop out. For example, 44% of Latino youth stopped out, compared to 34% of white youth. Results further suggest that African Americans exhibited high stopout rates, while Asian Americans exhibited comparatively low stopout rates.¹



This policy brief draws from the 2011–2012 California Young Adult Study (CYAS), a mixed-methods investigation of the postsecondary educational, employment, and civic engagement experiences of California’s youth. The CYAS includes telephone survey data from 2,200 randomly selected young adults, ages 18–26, who attended school in California before the age of 17.

The findings presented here rely on responses from 1,489 young adults who reported enrolling in public or private community colleges or four-year institutions. When sampling weights are applied in the analysis of cross-sectional survey data, results are representative of the study population. We also draw on 120 in-depth follow-up interviews conducted in person with college students who had participated in the broader CYAS. This sample includes 44 college stopouts (26 from community colleges and 18 from four-year institutions). For more information on the study methodology, visit: <http://www-bcf.usc.edu/~vterriqu/>.

Students who grew up in poverty were more likely to stop out than students from more affluent backgrounds. Almost one half (49%) of students from low-income backgrounds stopped out of college.² In comparison, only 31% of students from middle- and higher-income backgrounds did so. Most of these lower-income students were from historically underrepresented racial/ethnic backgrounds (Latino and African American), helping to explain why members of these groups disproportionately reported leaving school temporarily.

Community college students were more than twice as likely as four-year college students to stop out. More than half (52%) of the CYAS respondents who were community college students had stopped out at some point. In comparison, less than one fourth (22%) of those enrolled in four-year institutions had done so.

Why do students stop out of higher education?

Many students stopped out of college because they could not afford to stay in school. When they were asked why they had taken a break from school, 41% of students said they could not afford to continue (Figure 2). Other top reasons for leaving included not knowing what to study (33%) and wanting to pursue travel and other interests (32%). Just over a quarter of students (27%) reported taking time off because they did not feel prepared, and another 18% claimed that they did not like school. Less common reasons for stopping out included work-related matters, family concerns, health concerns, and child-care needs.

Figure 1

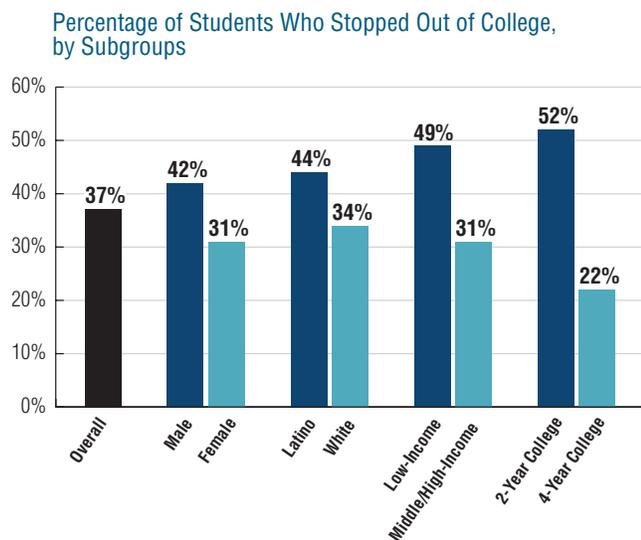
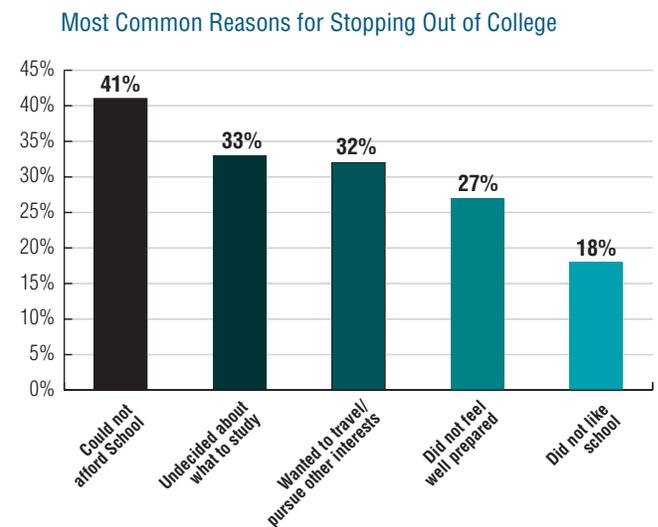


Figure 2



STUDENT VOICES

Saving Money for School

“When I started college, I thought I was financially set. But when the tuition increased, it became really hard for me to be able to pay. So, I’m taking some time off. I’m trying to save up money to pay for the basic things and for school.”

(University of California student, Latino male, age 21)

“I had to take a break from school to save up money. I’m currently working two jobs, and I plan to go back next semester. The problem is that tuition keeps on going up.”

(California State University student, white female, age 23)

How do economic factors affect different groups of students?

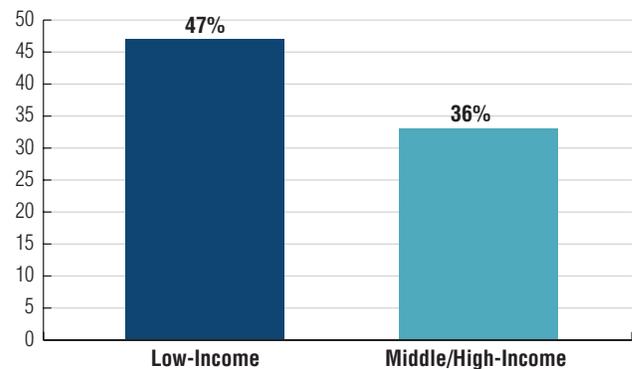
Financial issues affected students from all income backgrounds, albeit to varying degrees and in different ways. College has become cost-prohibitive for many of California’s low-income students. In fact, 47% of stopouts from low-income backgrounds reported that they left college because they could not afford it (Figure 3). But college persistence is not just a problem facing students from economically disadvantaged backgrounds—more than one third (36%) of stopouts from middle- and high-income backgrounds also reported leaving school because they could not afford it.

Community college students may face a wider range of financial obstacles than students enrolled in four-year institutions. Our in-depth interviews with 26 community college stopouts indicate that they often faced significant financial strains in their personal and family lives that limited their ability to pay for community college. They struggled to cover food and living expenses, and many were required to help support their parents and families.

Interviews with 18 stopouts who attended four-year colleges highlighted financial challenges that more often had to do with the skyrocketing cost of tuition than with financial obligations to their families or

Figure 3

Stopouts Who Could Not Afford to Remain in School, by Family Income Level



financial challenges more broadly. Several of these interview respondents said they took time off from school to work and save money, so they could later return.

Current stopouts were more likely to report financial difficulties than those who stopped out in the past and successfully returned to school.

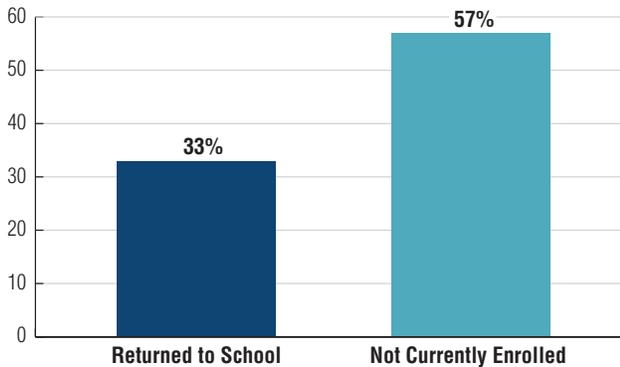
Approximately 63% of the stopouts in our study had taken a break from school in the past but had successfully re-enrolled in college. The other 37% were out of school when they responded to the survey. One third (33%) of former stopouts said they had left school because they could not afford it (Figure 4). In comparison, more than one half (57%) of current stopouts reported leaving school for this reason, and nearly 70% reported that they would be very likely to return if it did not cost so much for them to do so.

It is important to note that we relied on students’ self-reports of their reasons for leaving school, sometimes after several years had passed. These findings should therefore be interpreted with caution. Nevertheless, the difficulties that current stopouts reported in paying for school raise questions about their ability to re-enroll, especially within the context of an economic recession and record level tuition costs in public universities in California.

Financial aid can help students avoid stopping out of college. Previous research has established that financial aid facilitates continuous enrollment by alleviating monetary concerns and financial strain (Alon, 2011; DesJardins, Ahlburg, & McCall, 2006). Indeed, we

Figure 4

Stopouts Who Reported Leaving School for Financial Reasons, by Current Enrollment Status

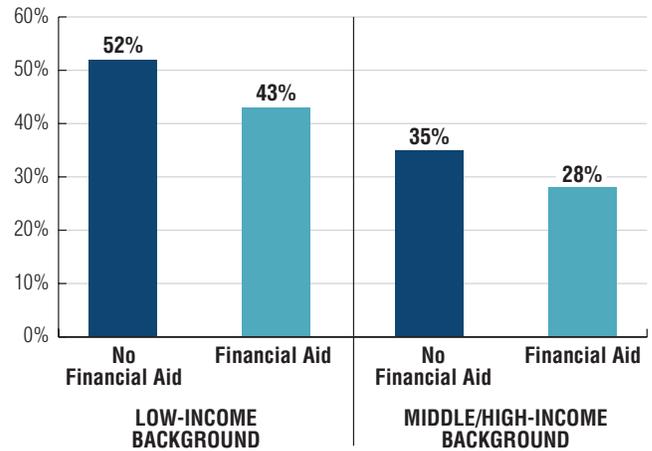


found that students from a range of socioeconomic backgrounds were less likely to stop out if they had applied for and received financial aid.

We used CYAS data to compare students with similar high school academic preparation to determine the likelihood that they would stop out of higher education at some point in the future (Figure 5). We found that a low-income student without financial aid has a 52% chance of stopping out, compared to 43% for a student from a similar financial background who does receive aid. Meanwhile, the likelihood of stopping out for a middle/high-income student who does not receive aid is 35%, compared to 28% for a student

Figure 5

Predicted Probabilities for Stopping Out, by Financial Aid Receipt and Income Level



Note: Predicted probabilities are based on logistic regression analyses that control for high school grade point average and enrollment in advanced coursework.

from a middle/high-income background who does receive it. Interview data confirm these findings; most students who received aid said it played an important role in their ability to pursue their education, in part because it allowed them to focus on their studies without having to work too many hours.

Unfortunately, financial aid does not solve all problems. Even with aid, students' financial worries may remain. For example, some interview respondents described very tight budgets that forced them to make difficult decisions regarding how to balance their academic course loads, the number of hours they worked, and whether they paid their bills. In fact, among CYAS survey respondents who were currently enrolled in college and received financial aid, one in five (19%) reported that they were unable to pay their utility expenses at some point within the past year.

What does this mean for policy and practice?

A significant proportion of college students take an extended break from school at some point. Those who stop out delay their time to degree and are at risk for never completing their postsecondary education. Students from historically underrepresented racial and ethnic backgrounds, students from lower-income families, and community college students are at

STUDENT VOICES

Financial Aid

“When I was in college, financial aid would cover my semester costs, including my books and food. My mom didn’t have to worry about me.”

(Community college student, Asian American male, age 21)

“My parents are both teachers, so I don’t qualify for need-based financial aid. Money is a big obstacle to finishing school, and the loans are piling up.”

(California State University student, African American male, age 25)

STUDENT VOICES

Balancing Tight Budgets

"I am taking a break from school. Financially, I wasn't able to keep up with the payments because the cost is going up and my parents can't help any more than they already do. I have to help them out!"

(Community college student, Latina female, age 21)

"I've taken a break. I realized that as long as I am enrolled in college, I won't have enough money to support myself. I'll need to work full-time for a little while, but then this means I will get less financial aid, which will make it hard to re-enroll. I'm really worried about how I'm going to pay the bills when I go back. Rent is so expensive!"

(Community college student, White male, age 20)

significant risk of stopping out. And cost may be even more problematic for students who are currently stopped out of higher education, as they struggle to regain their financial footing in the uncertain economic context of the Great Recession. Overall, students who face larger financial obstacles are at the greatest risk of stopping out, while those who receive financial aid are less likely to do so.

California has one of the nation's most admired systems of public higher education, but this system cannot fulfill its mission if students are unable to afford the fees. Students and their families must be equipped with the information and resources that will allow them to prepare for and persist toward postsecondary degrees. With that in mind, we offer several interrelated recommendations for policy and practice.

- **At the state level, funding for higher education must increase.** Importantly, California must raise revenue through means other than tuition increases. The passage of Proposition 30 by California voters in 2012 will help diminish the rising costs of higher education through increased tax revenue, but this will not completely alleviate the financial challenges that students encounter while trying

to stay in school. As findings from this report suggest, more funding for higher education will increase the accessibility of postsecondary education for a more diverse group of talented youth and will help ensure that students from all income levels complete their degrees in a timely fashion.

- **At the postsecondary level, students need greater support as they secure financial aid and strive for continuous enrollment.** Too many students who qualify for aid do not apply for it because they are unaware of their eligibility or are confused by the complexity of the financial aid application process (Yonezawa, 2013; Bettinger, Long, Oreopoulos, & Sanbonmatsu, 2012). Moreover, some students may deliberately forego financial aid in the form of loans for fear they will be unable to pay the money back (Cunningham & Santiago, 2008). Community college students, who disproportionately come from lower-income backgrounds and enter postsecondary education with less academic preparation, face these challenges as they encounter learning environments with fewer resources and structures to support continuous enrollment (DesJardins, Ahlburg, & McCall, 2006; Rosenbaum, Deil-Amen, & Person, 2006). Because we know that those who take advantage of financial aid and have continuous support are less likely to experience discontinuous enrollment, the following changes are essential:
 - **Financial aid must be accessible and understandable to all students with need.** Students will especially benefit from more transparent, up-front information about the anticipated size of their cumulative loans and the various repayment options available, including the consequences of leaving school before earning a degree.³
 - **Sustained, formalized support must be provided for community college students.** Some students face difficulties paying for living expenses in spite of receiving financial aid; additional grants or low-cost loans may help such students maintain continuous enrollment. Likewise, resources should be devoted to support services that address any financial and/or academic challenges students may encounter.

ter. This support, including ongoing financial planning assistance, will ensure that students are able to enroll in and complete the classes required for degree completion. Programs must include broad outreach to ensure that students not only know that they exist, but also how they can access them.⁴

- **Throughout the K–16 pipeline, students and their families must be provided with essential “college knowledge.”** Clear, accurate information about enrolling in and paying for college equips students for continuous postsecondary enrollment, yet families from lower-income backgrounds do not always receive it (McDonough, 2004). Comprehensive guidance must be made available to all students and their families as early as possible in the educational pipeline. Early planning for college—including timely and ongoing communication about the availability and possibility of financial aid—is essential to enrollment and degree completion (Destin & Oyserman, 2009; Elliott, Choi, Destin, & Kim, 2011; Jones, 2013; Kelchen & Goldrick-Rab, 2012).

By investing greater resources—financial and otherwise—into its system of higher education, California can increase college student retention and, in turn, degree completion. This will boost the productivity of the workforce and the long-term economic and social contributions of today’s young California residents.

Notes

We would like to thank Karen Jarsky for her helpful assistance.

- 1 These estimates are not included in Figure 1 because of small survey sample sizes.
- 2 We have classified students as being from low-income backgrounds if, while they were still in high school, they were eligible for free and reduced lunch or their parents relied on public assistance.
- 3 The importance of clear information about financial aid is described in another PATHWAYS brief entitled, *Increasing Federal Financial Aid Access for California Community College Students* (Yonezawa, 2013). This brief can be accessed at http://pathways.gseis.ucla.edu/publications/201304_FinancialAidPR.pdf
- 4 For more detail on the value of student support services, especially for low-income students, see Park, Cerven, Nations, and Nielsen

(2013), which can be accessed at http://pathways.gseis.ucla.edu/publications/201302_WhatMattersPR.pdf

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