



President's **FOCUS**

Monthly Report to the Board

April 2019

Student Retention: The Role of External Factors

My previous reports this year have explored retention in the context of factors the College can affect directly: academic support, onboarding, finances, transfer, developmental education, and fostering a student's connection to the College community. Improvements to many of these aspects of the educational process have been shown to be associated with student retention. That said, there are a significant number of factors over which the College has limited control, which also have direct impacts on retention.

It has long been observed that the strength of the local and national economies influence students' likelihood of enrollment, and their decisions to stay in school, rather than work in a robust economy. An analysis published in *Inside Higher Ed* concluded that community college enrollment drops 2.5 percent for every one point change in the national unemployment rate. For MC students, such patterns likely impact retention as well, since the decision about whether to work or stay enrolled is more likely to be made from semester to semester than for students at four-year institutions. Community colleges have to make the "opportunity cost"—the wages that will be lost by staying in school—as minimal as possible, according to Nate Johnson, the author of "The Unemployment-Enrollment Link," an article that appeared in *Inside Higher Ed* in March 2015. While MC works to accomplish this by facilitating financial aid applications and providing scholarships and emergency aid from



the Montgomery College Foundation, the health of the broader economy is a factor over which we have limited control.

External decisions regulating financial aid for students can also have a significant influence on their likelihood of return. The availability of Pell grants, for example, has been shown to directly impact enrollment, and by extension, retention. After year-round Pell grants were eliminated in 2012, they were reinstated for the summer of 2018. The national results at community colleges were striking: almost 83 percent of responding colleges reported increases in Pell-grant recipients in summer 2018 over the previous one, according to data from the American Association of Community Colleges. Half of the reporting colleges recorded enrollment increases of 15 percent or more in a period when falling enrollments had been the norm. Summer Pell grants clearly reduced the opportunity costs of working as compared with taking classes.

A related, federal regulatory factor that may also impact retention is the requirement that financial aid students meet standards of Satisfactory Academic Progress (SAP). The idea behind SAP standards is that students receiving financial aid should maintain a certain grade point average and stay on track to finish their program. For instance, a new student must earn a 1.25 GPA to continue to receive federal financial aid. Once a student hits 12 credits, then the minimum GPA shifts to 1.75. SAP standards also include rules about course completion—earning an F or withdrawing from a course counts against a student. In addition, there is a limit on the number of credits a student can attempt, based on the number of credits in the degree or certificate requirements. Montgomery College suspends approximately 2,000 students each academic year from federal financial aid eligibility because they fail to meet the SAP standards; approximately 55 percent of those suspended do not re-enroll at MC. After the review of SAP at the close of the spring 2017 semester, 2,385 students were placed on financial aid suspension. In addition, approximately 400 students lost a portion or all of their federal financial aid in spring 2017 because their enrollment did not meet federal program compliance rules.

Federal modifications in the calculation and appeals process in 2013, likely explain these changes: successful appeals of SAP have dropped over 70 percent within the past three academic years recorded (2013–2014 through 2015–2016). The College is currently working to address the drop in appeals with our Academic Program Compliance and Academic Progress coaches. Final numbers will not be available until the end of this semester, but there has been a steady decline in



students who fail to complete all of their courses—from 675 in spring 2016, to 550 in spring 2017, to 523 spring 2018. Federal rules governing the application of SAP is another external factor to which the College must continually respond.

Several other federal regulations impact retention, although their impact may not be as easy to calculate. Presidential executive orders, as well as Department of Education policy positions, may also discourage students from staying enrolled due to a hostile campus climate, fear for their own physical safety, or concern over revelation of their immigration status. Multiple executive orders in 2017 and 2018 governing the entry to persons from specific regions to the US—often referred to as the ‘travel ban’—created anxiety among Muslim students, foreign nationals from the restricted countries, and foreign-born students more widely. While the College took steps to reassure students of their safety, it is likely that some did not re-enroll for fear of exposing their personal data to scrutiny.

Undocumented students make up another vulnerable group whose progress in college may be interrupted by political rhetoric around immigration at the national or local level. More than 1,200 students who are Dreamers or DACA recipients have attended Montgomery College since 2012, and 192 of them have earned an associate’s degree or certificate. Although it is difficult to assess the motives of such students’ re-enrollment patterns, it is possible that heightened anti-immigrant sentiment would make them more cautious about re-enrollment. While a fall 2017 survey of non-returning students did not mention immigration anxieties specifically, most of the responding students would have been enrolled in the pre-2017 era during which anti-immigrant rhetoric was not nationally prevalent.

While the College has taken some ambitious legal steps to protect Dreamer students, there are still limits to what it can do in terms of protecting undocumented students from federal statutes. Marked hostility from the executive branch certainly contributes to a climate of tension for students who lack proper documentation.

The Department of Education’s move to prevent transgendered students from being classified as a protected category—so that they might submit complaints in cases of insufficient adaptations by schools—may also have discouraged some of them from re-enrolling. While such a dynamic is difficult to assess, a study by the Centers for Disease Control found that 27 percent of



transgendered students report feeling unsafe at or going to school, suggesting that physical safety is a real concern for this group.

Local and statewide regulations can also impact retention. The 2013 passage of the College and Career Readiness and College Completion Act (CCRCCA) had a positive impact on the College. The recent boom in dual enrollment is strengthened by the CCRCCA's mandate that the public schools cover tuition for those student demonstrating financial need.

A final factor that may impact retention is connected to the demands of the external labor market. The Center for Education and the Workforce (CEW) at Georgetown University, has recently noted the importance of stackable credentials and short-term certificates that can prepare students relatively more quickly for higher paying jobs. As more of these become available—MC's workforce development programs are leading the way in this area—students may see the value that staying enrolled can contribute: improving their job prospects at faster rates than in the past.

Clearly, many external factors that may affect students' decisions about whether to stay in school. While the College works diligently to re-balance the opportunity cost of attendance, students still face challenges that are worsened by economics, federal financial aid rules, and even national rhetoric about who "belongs" in the US. Just one of these, or a combination, may convince a student that these barriers are too high to justify continued enrollment. Awareness of these factors at the College is vital to our work of helping students maximize their chances of retention and, ultimately, completion.

