



Investing in Indiana's Adult Workers: Increasing Financial Aid Opportunities

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INDIANA INSTITUTE FOR
WORKING FAMILIES

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About This Report

- The Institute has done extensive research on adult workers and working families.
- Disconnect between the postsecondary education system and adult workers.
- Funding from Lumina Foundation for Education to examine the financial aid system



Investing in Indiana's Adult Workers: Increasing Financial Aid Opportunities

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- Was released in June of 2009**
- Report covered several areas including:**
 1. The Imperative for Educating Adult Workers
 2. Unique Characteristics of Adult Students and the Barriers They Face
 3. Status of Indiana's Financial Aid Programs and Policies
 4. Best Practices Addressing Barriers to Postsecondary Education for Adult Students
 5. Policy Recommendations to Increase Access to Postsecondary Education for Adult Workers in Indiana



The Imperative for Educating Adult Workers

Educational Crisis

The United States is the **only country** competing in the global economy in which younger adults **are less educated** than the previous generation.



The Imperative for Educating Adult Workers

In Indiana

- Nearly 525,000 Hoosiers have not completed high school (or equivalent)
- Over 650,000 low-income Hoosiers have completed high school but have no college education
- Indiana's two- and four-year institutions award fewer credentials and degrees relative to the population in need than the national average



The Imperative for Educating Adult Workers

As a result

- Indiana faces a significant problem with the skills and education levels of its workforce.
- Even if Indiana were to outperform all other states in high school and college completion rates for traditional-age students **the state would still fall short** of meeting the need for a **globally competitive workforce.**



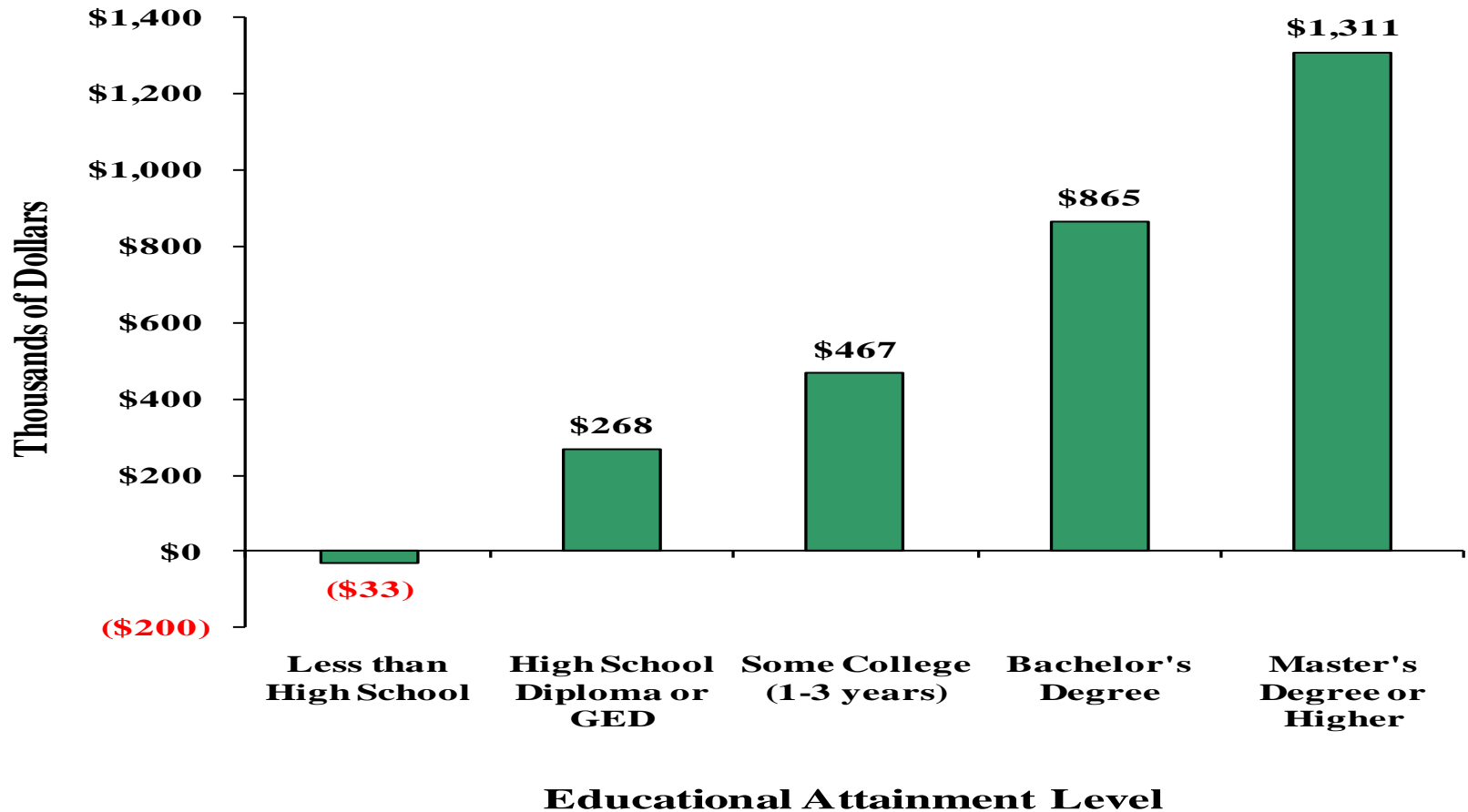
The Imperative for Educating Adult Workers

Hoosier Hot Fifty Jobs

- Produced by the Indiana Department of Workforce Development
- Current list of the fifty high-wage occupations projected to have the largest growth in Indiana from 2006-2016
- Thirty-seven of Indiana's Hot Fifty Jobs require postsecondary education



The Imperative for Educating Adult Workers





The Imperative for Educating Adult Workers

Education not only increases personal income, it improves:

- Work participation rates;
- Contributions to state and federal tax revenues;
- Economic competitiveness of the region and nation;
- Working conditions, fringe benefits, longer vacation time, and better health care; and
- Levels of civic engagement.



Unique Characteristics and Barriers Facing Adult Students

Adult Students

- Who is an “adult student?”
 - Officially defined by the federal financial aid system.
 - Non-traditional or independent students.
- A student is automatically considered an adult student if he or she:
 - Is 24 years old or older;
 - Is attending graduate school; or
 - Is married, has dependent children, is a military veteran, or is an orphan or ward of the court.



Unique Characteristics and Barriers Facing Adult Students

Characteristics of Indiana Postsecondary Students 2001-2006

	Traditional Students	Non-Traditional Students
	19-24 Years Old	25 Years Old and Older
Attend postsecondary education on a part-time basis	33%	39%
Enrolled in a certificate program	6%	12%
Enrolled in an associate's degree program	26%	40%
Enrolled in a bachelor's degree program	61%	35%
Are Female	54%	57%
Are Minority	13%	19%
Have a GED	3%	9%
Have a GPA above 3.5	15%	19%
Require English remediation	3%	3%
Require math remediation	8%	10%



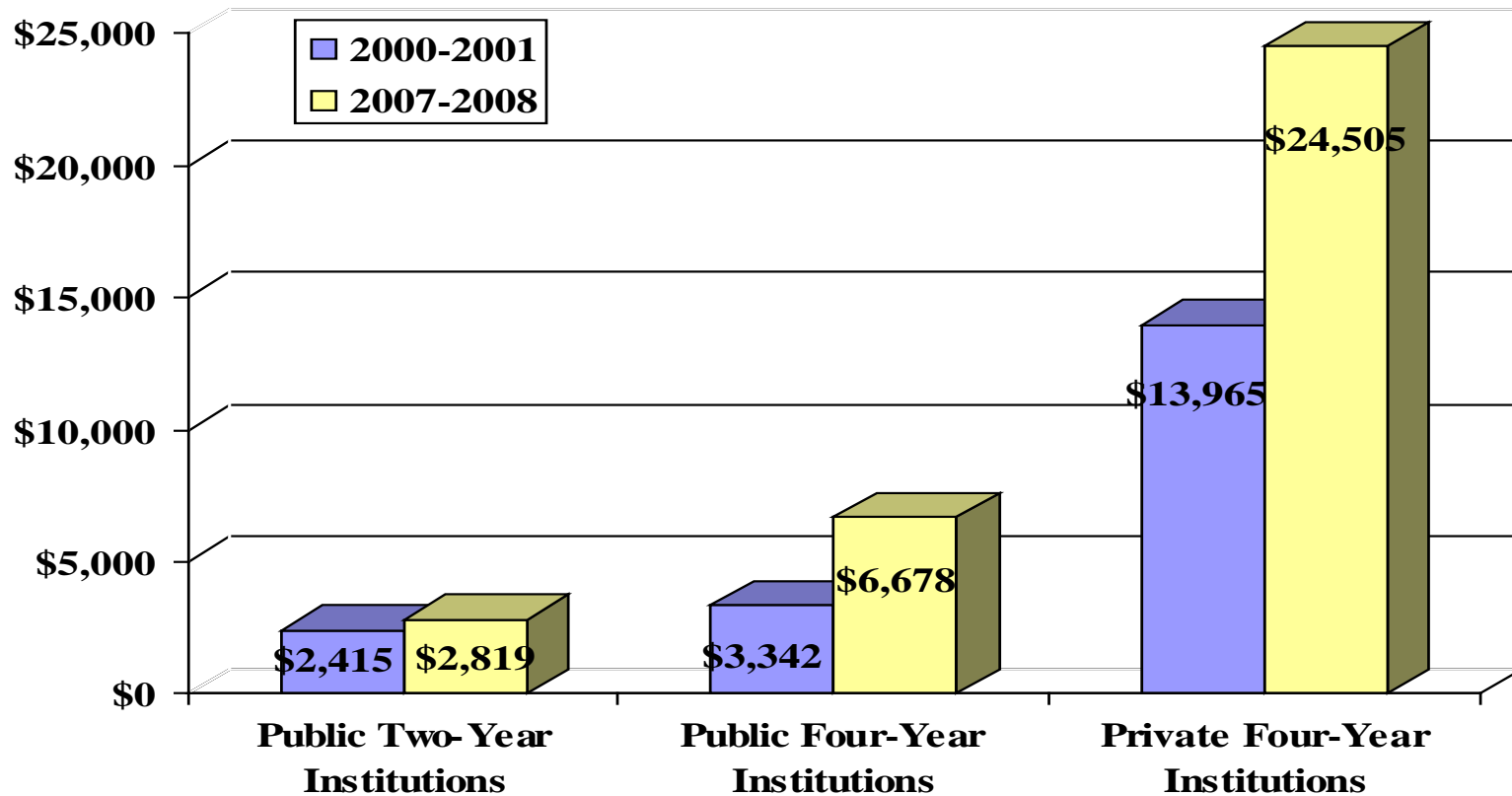
Unique Characteristics and Barriers Facing Adult Students

Individual barriers for adult students:

- *Affordability*
- *Non-Tuition Costs*
- *Family and Work Commitments*
- *Aspiration*

Tuition Costs and Fees of Indiana Postsecondary Institutions, for Academic Years 2000-2001 and 2007-2008

Unique Characteristics and Barriers Facing Adult Students





Unique Characteristics and Barriers Facing Adult Students

In addition adult students face Institutional Barriers

- *Access to Courses and Student Support Services*
- *Physical Barriers*
- *Need for Remediation*



Status of Indiana's Current Financial Aid Programs and Policies

Financial Aid Program and Policy Barriers

- *Free Application for Federal Student Aid (FAFSA)*
- *The March 10th deadline*
- *Expected Family Contribution (EFC)*
- *Part-time enrollment*



Status of Indiana's Current Financial Aid Programs and Policies

Comparison of Calculated Need for Dependent and Independent Students

Income = \$30,000	Dependent	Independent Single	Independent Single with Child
Full-Time Average			
Total cost	\$12,800	\$12,800	\$12,800
EFC	\$1,089	\$8,940	\$1,837
Pell Grant	\$3,260	Not eligible	\$2,460
Calculated need	\$8,451	\$3,860	\$8,503
Half-Time Average			
Total cost	\$7,500	\$7,500	\$7,500
EFC	\$1,089	\$8,940	\$1,837
Pell Grant	\$1,630	Not eligible	\$1,230
Calculated need	\$4,781	None	\$4,453



Status of Indiana's Current Financial Aid Programs and Policies

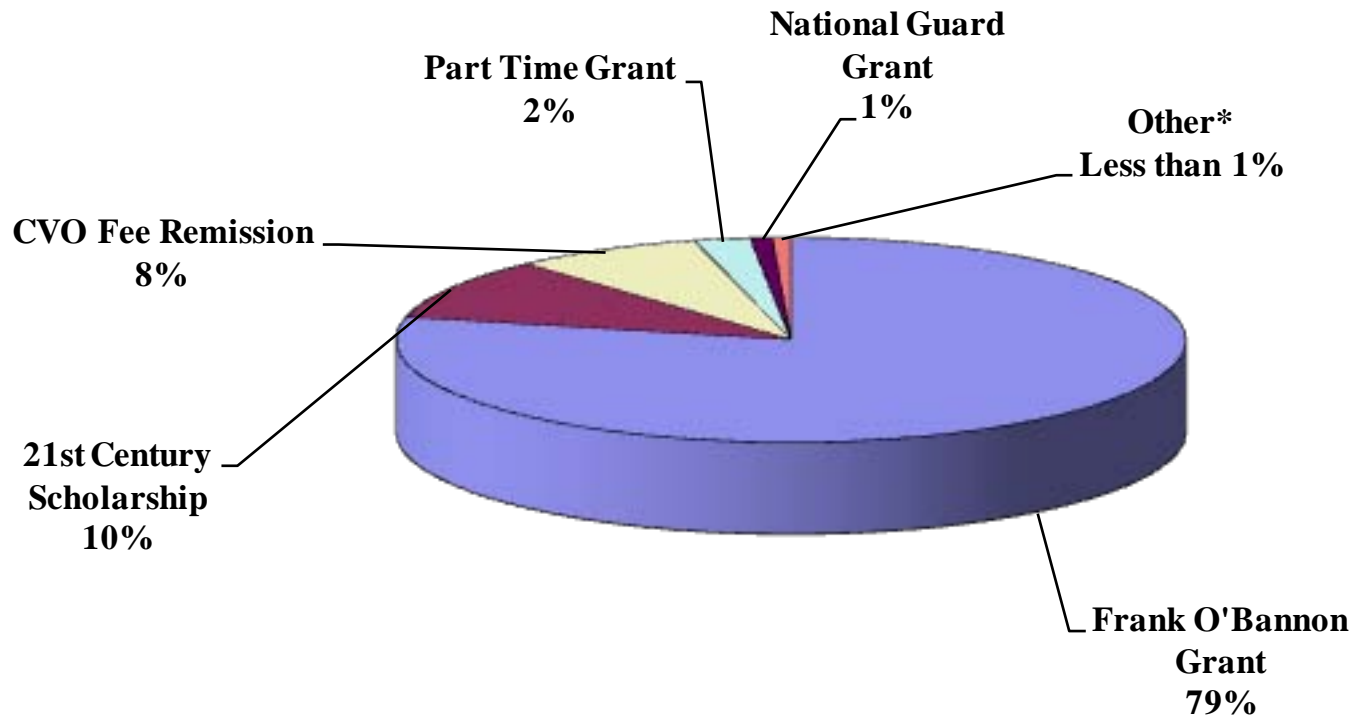
Indiana's Financial Aid Programs

- Twenty-First Century Scholars is national model
- Indiana ranked in the top five states for providing the largest amount of financial aid per capita for of 18 to 24 years old (2005-2006)
- During the 2007-2008 academic year, Indiana allocated over \$233.5 million in financial aid dollars through its state grant programs



Status of Indiana's Current Financial Aid Programs and Policies

2007-2008 Financial Aid Expenditures by Program





Status of Indiana's Current Financial Aid Programs and Policies

Financial aid for part-time adult students

– Part-Time Grant program

- Accounted for \$5.35 million (2.23%) of the state's \$233 million in financial aid dollars during the 2007-2008 academic year



Status of Indiana's Current Financial Aid Programs and Policies

Financial aid for part-time adult students

- Children of Veterans and Public Safety Officers
(7.8 % of total financial aid in 2007-2008)
- Indiana National Guard and Supplemental Grant
($< 1\%$)
- Nursing Scholarship ($<.5\%$)



Status of Indiana's Current Financial Aid Programs and Policies

Adequacy of Indiana's Current Financial Aid Programs and Policies

**The Institute evaluated adequacy of these
programs and policies based on:**

- *Access*
- *Affordability*
- *Persistence*



Status of Indiana's Current Financial Aid Programs and Policies

- **Findings:**

- There is a distinct disconnect between the State's goals for educating adult workers and the funding allocations allotted to the financial aid programs that benefit adults
- Indiana is making an investment in college students – just not adult students



Best Practices and Solutions in Addressing Barriers to Postsecondary Education for Adult Students

What are other states doing?

Best Practices for:

- Promoting Access*
- Increasing Aspiration*
- Promoting Affordability*
- Promoting Persistence*



Policy Recommendations

The report includes 18 policy recommendations, which focus on five main areas:

- I. Remove barriers within the State's financial aid system which prevent adult students from qualifying for financial aid.**

- II. Increase the number of Hoosier adults enrolled in postsecondary institutions**



Policy Recommendations

III. Increase retention and completion rates of Indiana students by providing supportive services, incentives, and programs designed for adult students.

IV. Increase educational opportunities for low-income adults

V. Improve the collection of data and information on postsecondary education attendees



Conclusion

Ultimately, a skilled and educated workforce will increase Indiana's economic competitiveness, bolster its economy, improve its communities, and increase the quality of life for Indiana's working families.



For More Information

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