

Community College Poverty 101: Prerequisite: Low Funding High Enrollment

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Introduction

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- **Community college students, particularly women in poverty, face several obstacles when pursuing education**
- **Declining TANF funding with emphasis on work-first programs**
- **Reduced state-based financial aid to Ohio community colleges**

- On August 22, 1996 President Bill Clinton signed into law The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (**PRWORA**)
- The bill is a welfare reform measure that reduced the number of people on welfare as well as the time they could receive benefits
- The purpose of the PRWORA is to mandate work requirements for people receiving benefits so that they can become tax paying citizens.

- **Temporary Aid for Needy Families (TANF) replaced Aid for Dependant Family and Children (AFDC)**
- **TANF has a work requirement and states are evaluated by the federal government based on their TANF work participation rates**
- **However, TANF benefits have fallen relative to the poverty rate**
- **Also, the TANF work-first requirement prohibits many in poverty from pursuing a college degree**

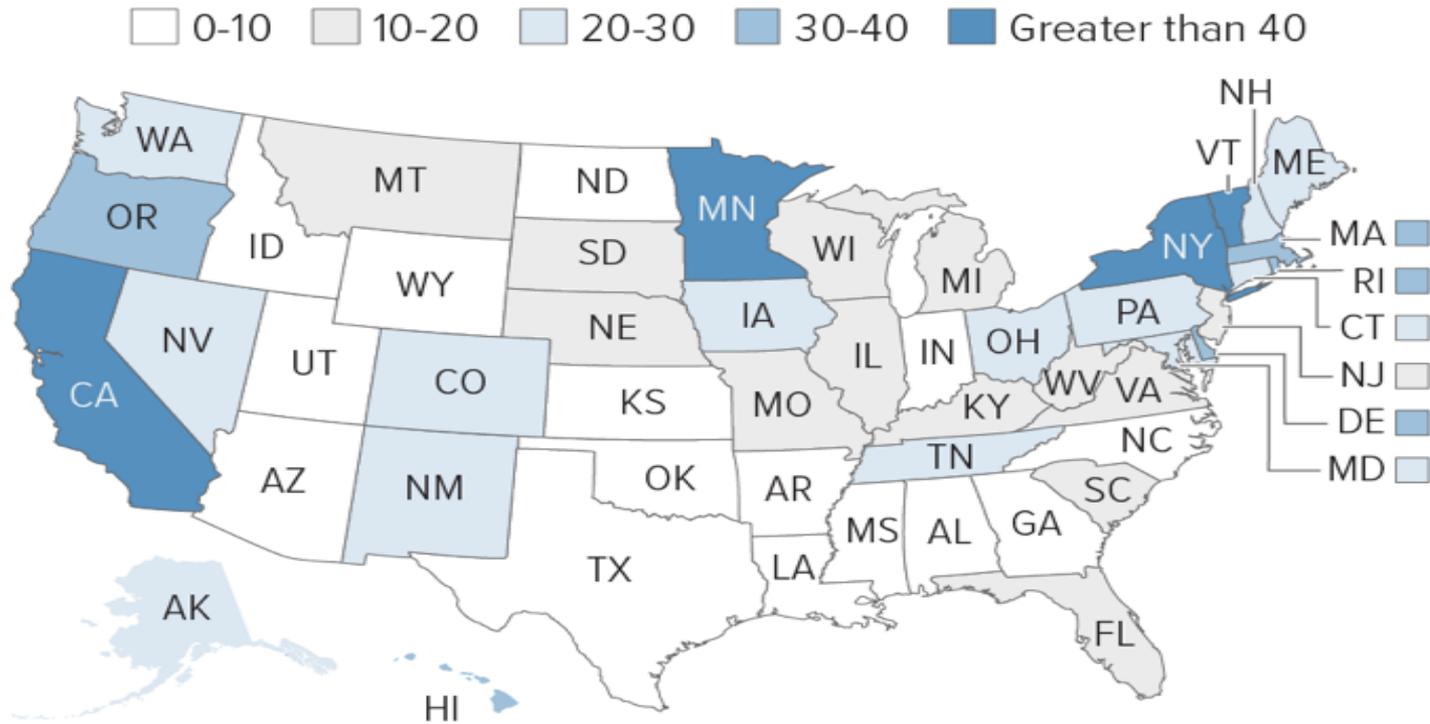
Under TANF, vocational educational training can be counted as a “core activity” but only for 12 months, not enough time to pursue a degree

In 2015 Ohio asked the federal government for a 36 month waiver in order to allow for more education based training

The Trump Administration denied the request in 2017

States' TANF Cash Assistance Programs Reach Few Poor Families

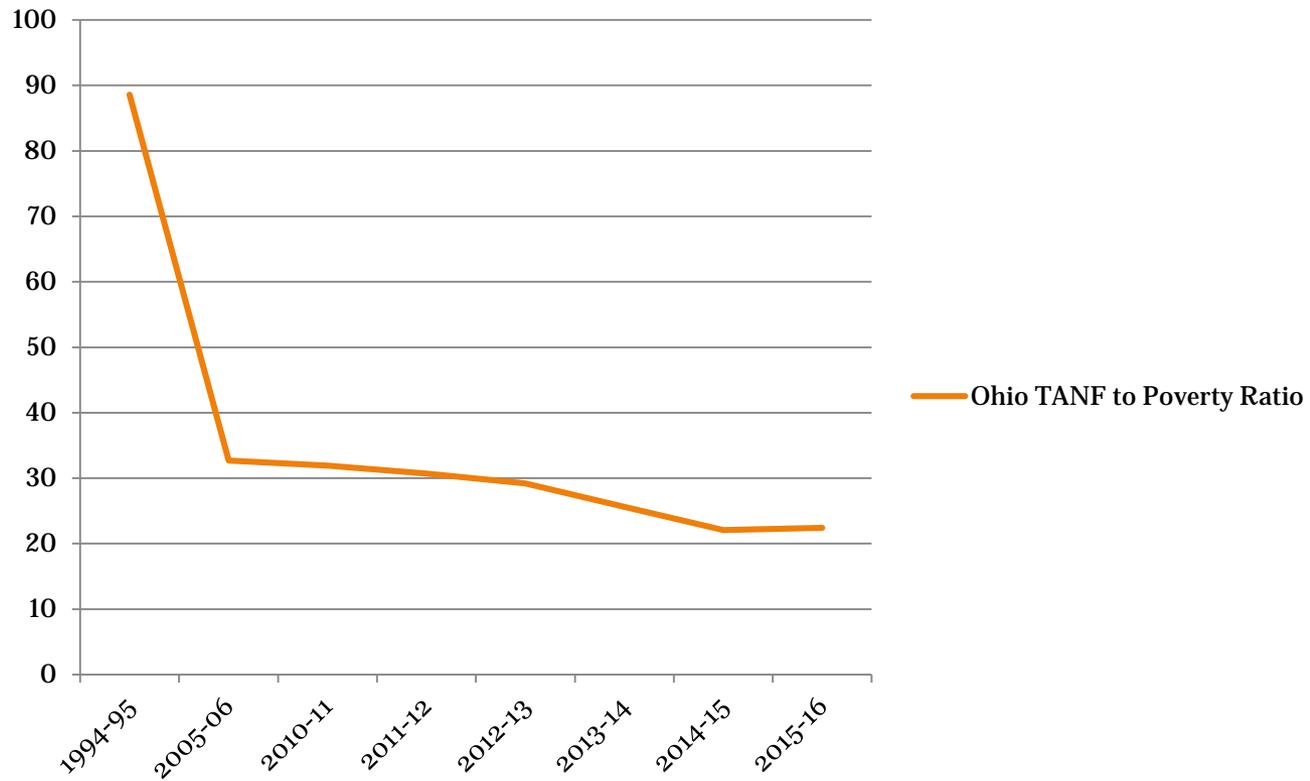
Number of families receiving TANF benefits for every 100 families with children in poverty in 2016



Note: TANF = Temporary Assistance for Needy Families. Figures reflect two-year averages for 2015-16.

Source: CBPP analysis of poverty data from the Census' Current Population Survey and TANF caseload data collected by CBPP from state agencies.

Ohio TANF to Poverty Ratio



Source U.S. Department of Health and Human Services (HHS)

Theory

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- The combined effect of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and reduction of state based financial aid is associated with less opportunities for people experiencing poverty in Northeast Ohio to attend area community colleges

Literature Review

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- Mazzeo, Rab and Eachus (2003)-Since passage of PRWORA the number of recipients in post secondary education has declined. States have discretion on how to promote post secondary education
- Stewart (2016)-Despite PRWORA resulting in a reduction in cash assistance, work requirements have not significantly reduced poverty in Ohio
- Bartik and Hershbein (2018)- individuals whose family income was over 1.8 times the poverty level was more likely to have higher earnings than individuals whose family was 1.8 times below the poverty level
- Pizzolato and Olson (2016)-epistemologies are important to develop in order to sustain economic self-sufficiency. Women in study felt institutionalized and not in control of self

- **Gurmu, Ihlanfeldt and Smith (2008) –”evidence that individual and family characteristics (such as, the education of the recipient and the number of children and adults in her family) are important determinants of the employment probability of welfare recipients”. Location not as important**

Hypothesis

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- **Federal TANF based work-first regulations and a decline in state financial aid to students in need is associated with a decline in community college enrollment in Ohio**

Data

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Student mothers spend more time on caregiving than student fathers do.

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- More than 1 million mothers attend community college.
- Many student parents spend 30 hours or more a week on care giving.
- A majority of student mothers say they spend 30 hours or more a week on care giving.

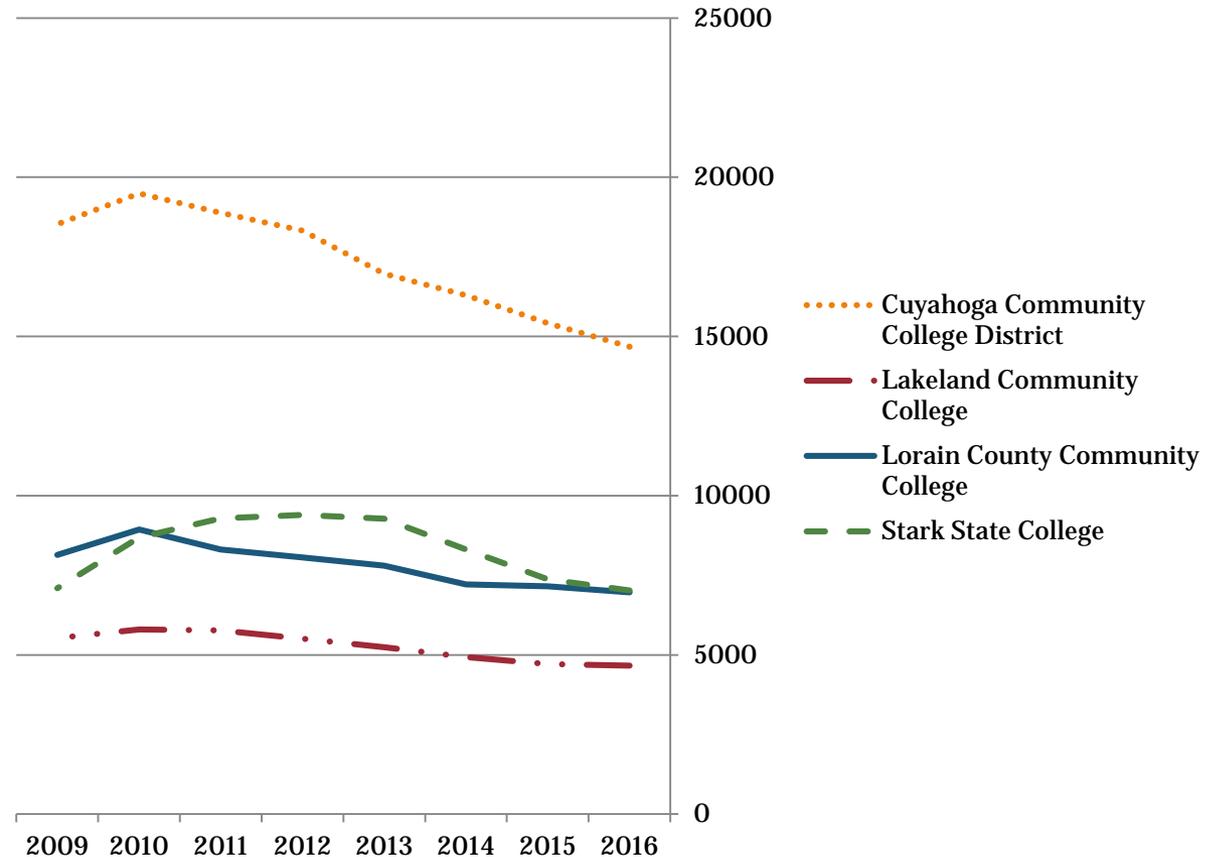
Source: American Association of University Women

Northeast Ohio Community Colleges

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- Cuyahoga Community College District
- Lakeland Community College
- Lorain County Community College
- Stark State College

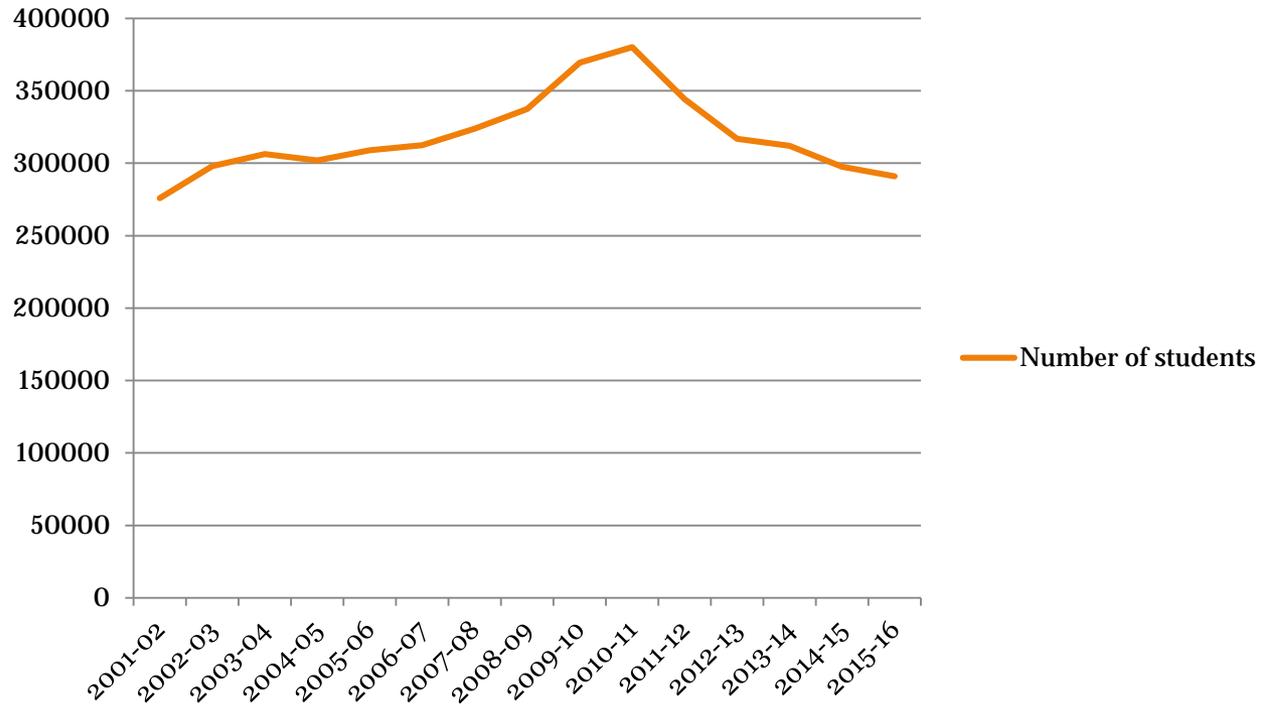
Since 2009
women
attendance at all
Northeast Ohio
community
colleges has
declined



Women Attendance at NE Ohio Community Colleges 2009-2016

Source: Integrated Postsecondary Education Data System <https://nces.ed.gov/ipeds/>

Students Enrolled in Post Secondary 2 year or less Institutions in Ohio



SOURCE: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), 12-month Enrollment component (provisional data).

- In 2010 Ohio replaced the Ohio Instructional Grant (OIG) with the Ohio College Opportunity Grant (OCOOG)
- During the Great Recession Ohio cut OCOOG funding and also the way it was awarded
- OCOOG is a “last dollar” grant which means other sources such as Pell grants must be applied to tuition and fees before OCOOG can be considered

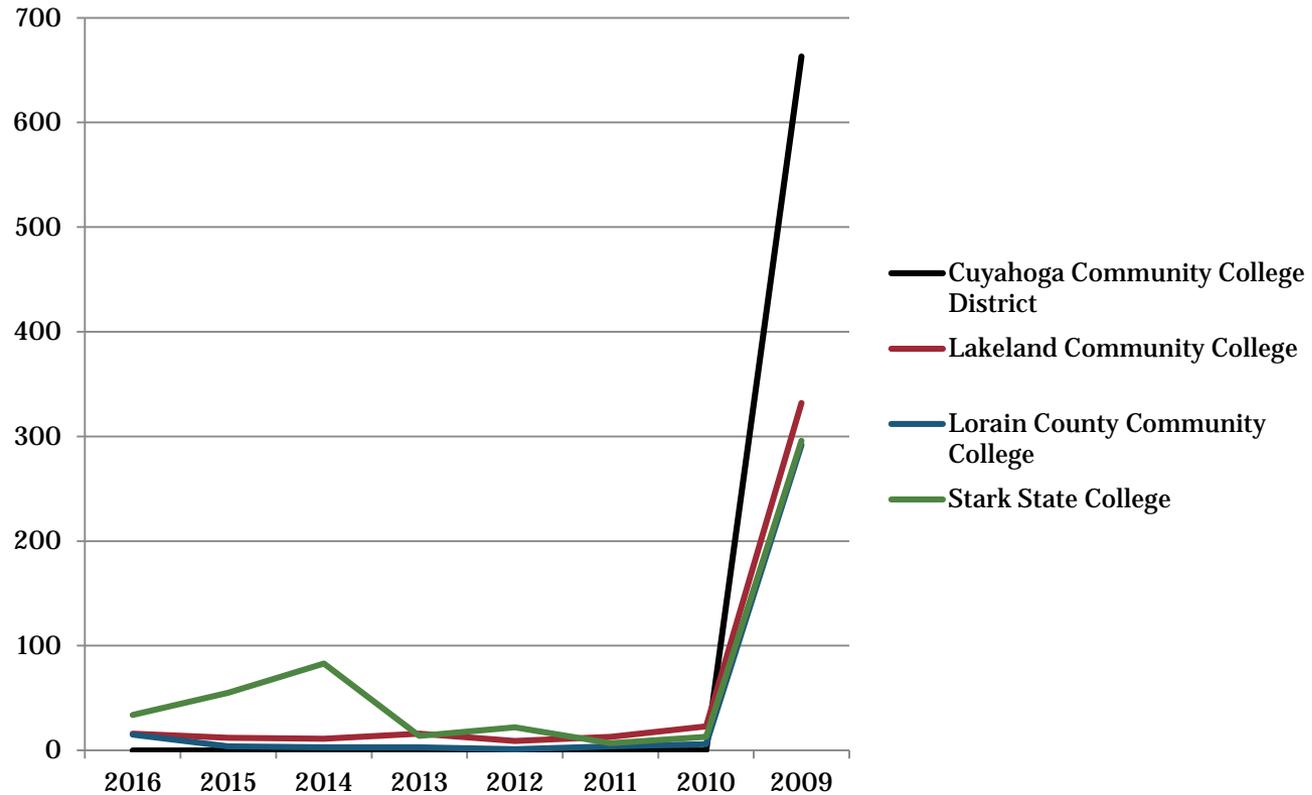
Community College Dilemma

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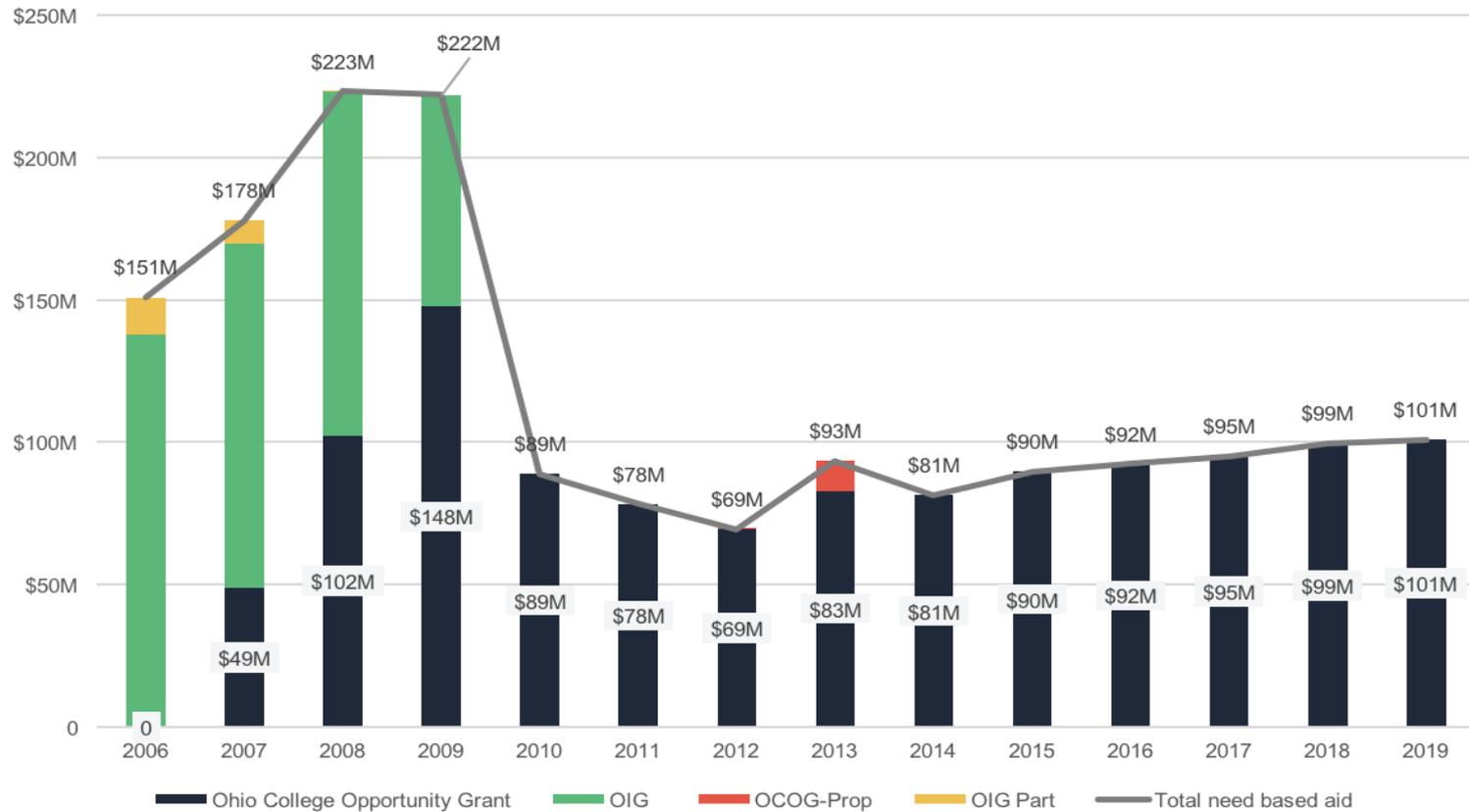
- State calculates tuition and fees for Pell grant same as OCOG formula
- Therefore, students attending community colleges in Ohio cannot use OCOG grant even if in need.
- State theory behind OCOG funding was to allocate more to schools with higher costs
- Hurts students with fewest resources

Source: Policy Matters Ohio <https://www.policymattersohio.org/>

Number of Full-Time First-Time Undergraduates Receiving State/Local Grant Aid 2009-2016



Ohio state support for need-based financial aid by year

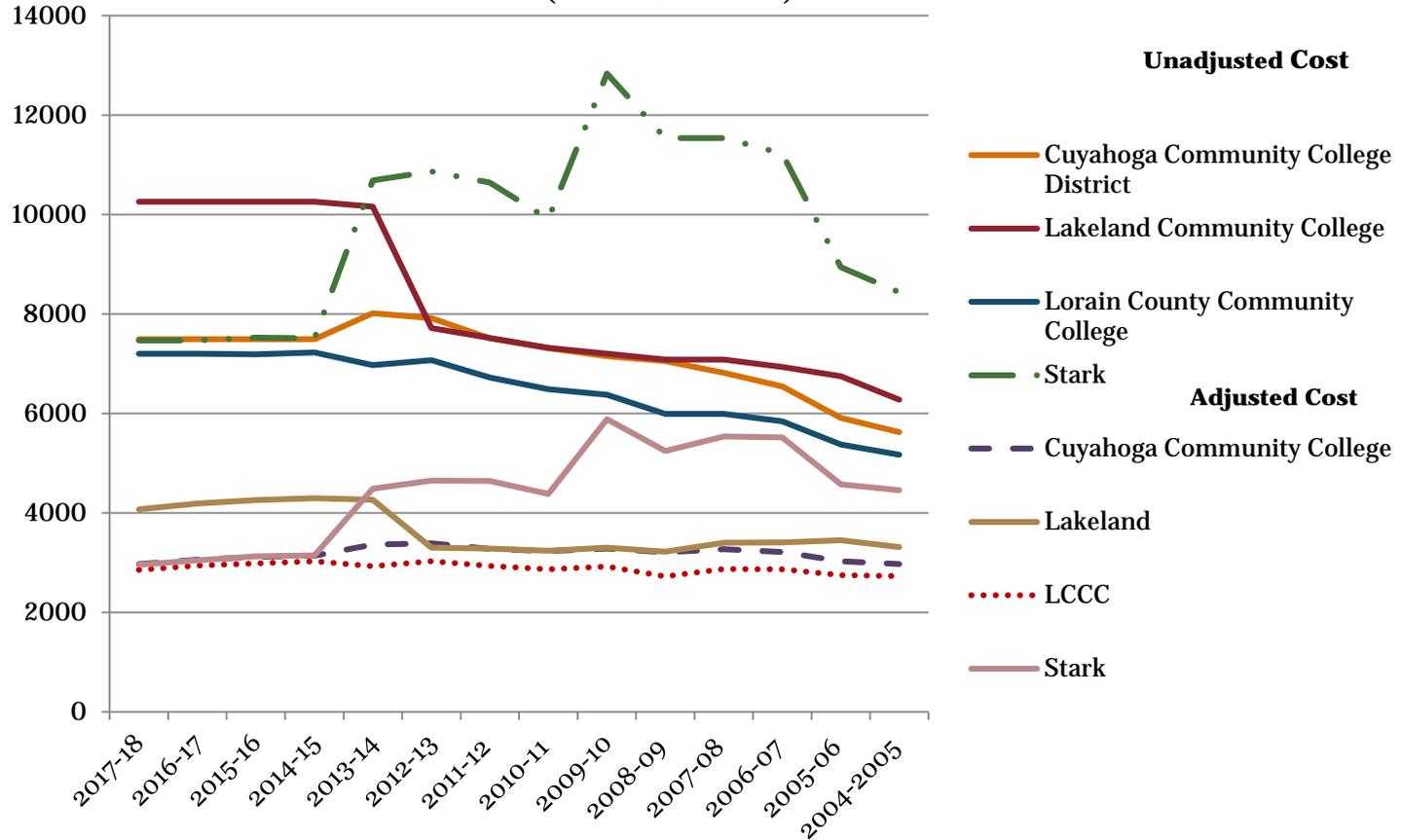


Source: Policy Matters Ohio <https://www.policymattersohio.org/>

- Since 2004 the unadjusted costs of attendance at Northeast Ohio community colleges has exceeded the inflation adjusted costs making it more difficult for people in poverty to enroll and complete their program of study
- Also, since 2011 there has been a decline in the number of students eligible for financial aid (0-\$30,000 income)

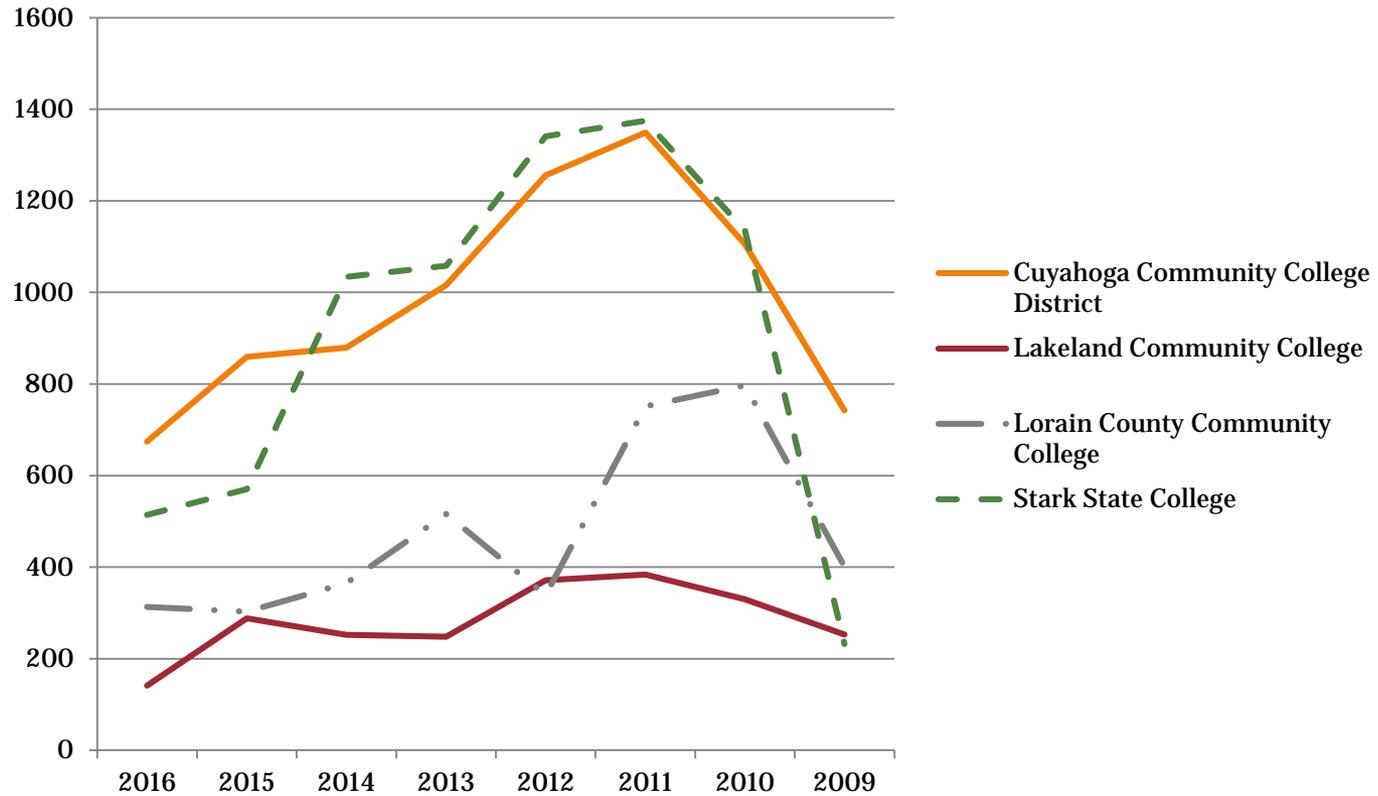
Northeast Ohio Community Colleges Unadjusted and Adjusted Costs of Attendance

(1982-84 = 100)



Source: Integrated Postsecondary Education Data System <https://nces.ed.gov/ipeds/>

Number in income level (0-30 000) that Received Financial Aid 2009-2016



Source: Integrated Postsecondary Education Data System <https://nces.ed.gov/ipeds/>

Findings

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- Since the end of the Great Recession there has been a decline in women attendance at Northeast Ohio community colleges
- Inconclusive on what factors are contributing to declining enrollment, further study is needed
- TANF work-first mandates in addition to reduced state aid could be a contributing factor
- If Democrats gain more seats in Congress, Ohio should resubmit TANF 36 month waiver request
- State legislature needs to re-evaluate Ohio College Opportunity Grant (OCOG) policy because it appears to disproportionately affect students in poverty

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