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AACC Statement on the American Enterprise Institute’s “Completion Matters: The High Cost of Low Community College Graduation Rates”

The American Enterprise Institute’s Education Outlooks article, “Completion Matters: The High Cost of Low Community College Graduation Rates” (April, 2012) represents shoddy work on an extremely important topic. The so-called analysis is a pseudo-academic attack on community colleges.

Before discussing some of the “study’s” fundamental shortcomings, it is worth stating that anyone with even a basic understanding of American higher education is aware that community colleges are intensively focused on improving their completion rates. Community colleges are in a ferment of activity designed to increase degree and credential attainment. Virtually all campuses are focused on ensuring that this goal is achieved without a diminution of community colleges’ historic commitment to broad access and working with students as they are, not as one might wish them to be, particularly in terms of academic preparation. Community colleges do not need an AEI “study” to help them appreciate the magnitude, and the import, of the challenge they face—or the costs of failure.

The report’s methods and assumptions, and therefore its findings, are problematic in a number of respects. Consider the following:

- For a report that is focused on graduation rates and “drop outs,” it is astonishing that it fails to use readily available Department of Education completion rate data. The report uses the 150% “Student Right to Know” graduation rate rather than the more accurate 200% window that ED has made broadly available. Community college graduation rates increase by 24.8% (from 22.1% to 27.6%) under this more accurate lens. The study further fails to consider the fact that many of the students who have not graduated at even 200% of the “normal time” as reported to ED, ultimately DO graduate. The report deliberately avoids this obvious fact.

- Leaving a community college is not a permanent decision (drop-out). Many students do in fact re-enroll and are more aptly known as “stop-outs.” Federal data indicate that 62% of those who leave a community college in the first year re-enroll at an institution of higher education within the next five years. The omission of this simple but overwhelmingly important fact severely undermines the study’s credibility.

- The report assumes that those who leave a community college earn the same as high school diploma holders, rather than those who have “some college.” By definition, students who start and leave a community college have attained "some college." In 2011, median weekly earnings for high school graduates were $638 as compared to $719 for those with "some college." The unemployment rate was also 0.7% lower for those with "some college."

- The report dramatically understates the number of community college students who transfer to another institution of higher education. The authors reduce the number of students who transfer by estimating the number of students who transfer and then graduate from another institution. Despite significant obstacles, community college students who transfer to four year colleges attain the B.A. at the same rate as do native four
year college students. Once accepted by four-year institutions, community college students are generally as academically successful.

- Lastly, the study touts for-profit colleges as a model that community colleges should emulate. AACC begs to differ. The 200% graduation rate for four-year for-profit colleges is 26.1%, a rate below that of community colleges (27.6%), and this does not account for many of the community college students who subsequently transfer.

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