October 21, 2011

American Association of Community Colleges Statement on "The Hidden Costs of Community Colleges" Report

The study titled "The Hidden Costs of Community Colleges," issued October 20, 2011 by the American Institutes for Research (AIR), attempts to estimate the total fiscal impact of all students who leave community college before or at the end of their first year. The study is flawed because of faulty assumptions, overstatement of cost, and the failure to recognize the tremendous amount of work being done by community colleges to improve student outcomes.

Faulty Assumptions in the AIR Study:

- Contrary to the study’s assumption, leaving a community college is not a permanent decision (drop-out). Many students do in fact re-enroll and are 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.

Overstatement of Cost:

- The authors overstate the cost of those community college students who do leave college permanently after their first year. This is because the report assumes that all these students have received the average amount of student aid received by a community college student, when more than one-third of all community college students receive no student aid whatsoever. Therefore, the report overstates the student financial aid costs of those who do not persist.

- The report assumes that each and every student who does not persist into the second year (even if they do not eventually re-enroll) has wasted the public funds expended on them. This is demonstrably not the case. Many students take a few courses, gain the skills that they need, and then return to their working lives much better equipped to handle their jobs, or to get a new one. Degree completion is extremely important, but there are cases when students fulfill their educational objectives without attaining a degree. Unfortunately, existing data systems do not usually allow for these successes to be documented.

No Recognition of the Community College Commitment to Completion:

The report fails to recognize the enormous amount of ongoing work being done to enhance completion at community colleges.

- At the national level, AACC and five other national organizations have signed a public “call to action” to significantly increase the numbers of students who complete degrees or other credentials with value in the work place. The associations have urged member institutions to adopt the commitment at the institutional level, and many have responded (www.aacc.nche.edu/newsevents/News/articles/Pages/091020101.aspx).

- In addition, AACC is a founding partner of the Achieving the Dream initiative that now involves 150 community colleges that are committed to using data on student outcomes to close achievement gaps and improve student performance (www.achievingthedream.org).
• The Voluntary Framework of Accountability, a multi-year project led by AACC, is strategically designed to provide community college accountability and to promote institutional effectiveness and improved student outcomes (www.aacc.nche.edu/vfa).

• At the state level, a number of states have developed their own initiatives to improve student completions.

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