

*Since its founding in 1881, the American Association of University Women has been committed to making the dream of higher education a reality for all women.*

Higher education is no longer a luxury—it's a necessity. At current rates, the United States will add nearly 17 million jobs by 2020 due to growth and replacement, and those jobs will require at least some postsecondary education.<sup>1</sup> Moreover, the number of jobs requiring a graduate degree is estimated to grow by about 2.4 million by that same year.<sup>2</sup>

As the skill requirements of jobs continue to increase, access to postsecondary education for all students should as well. Even in these difficult economic times, it is critical that we invest in higher education, which is the most direct route to innovation, job creation, and long-term economic self-sufficiency. State funding for public education is \$10 billion below prerecession levels, negatively affecting the quality and affordability of college.<sup>3</sup>

About 33 percent of Americans age 25 and older hold four-year college degrees.<sup>4</sup> In fall 2014, female students made up 57 percent of enrollment in degree-granting postsecondary institutions. This is a drastic rise from 41 percent in 1970.<sup>5</sup> The proportion of female graduate students grew from 35 percent to 59 percent during this same period.<sup>6</sup> During the 2011–12 school year, women earned 57.1 percent of all bachelor's degrees, 60 percent of all master's degrees, and 51.8 percent of all doctoral degrees awarded in the United States.<sup>7</sup>

In addition to expanding four-year and graduate degree attainment, U.S. community colleges have taken a growing role in our higher education system as they educate and train our workforce. One-third of all higher education students attend community college, including 40 percent of undergraduates. As AAUW's recent research explains, women make up the majority of students in all sectors of higher education, including community colleges. More than 4 million women

attend community colleges, which is more than the number of undergraduate women attending either public or private nonprofit, four-year institutions. These 4 million women include more than 1 million mothers, of whom half are married and half are unmarried. The number of unmarried or single parents among undergraduate students has nearly doubled in the last 20 years.<sup>8</sup>

#### Securing Pell Grant Funding

One component of student access to higher education in the face of rising tuition and decreasing state investment is meaningful grant aid.<sup>9</sup> The federal Pell Grant program provided grants to more than 8.3 million students in 2014–15.<sup>10</sup> During that award year, about 55 percent of Pell Grant funds went to financially independent undergraduate students. Among dependent Pell Grant recipients, 83 percent came from families with annual incomes below \$40,000, and about 33 percent of all Pell Grant recipients were classified as independent with dependent children.<sup>11</sup>

The maximum Pell Grant covered 91 percent of the average tuition and fees at a public four-year institution in 1993–94 but only 60 percent in 2016–17. In addition, the maximum Pell Grant in 2016–17 only covered 29 percent of tuition, fees, and room and board.<sup>12</sup> The maximum Pell Grant was \$5,815 for the 2016–17 award year.

The U.S. Congress must ensure that the maximum Pell Grant is maintained. Though the program has previously been excluded from sequestration, Pell Grants must be protected if those cuts continue. In addition, AAUW encourages Congress to move Pell Grants entirely to mandatory funding to ensure that even with projected increases the program is not subject to annual appropriations disagreements.

Finally, to address the specific needs of nontraditional students, AAUW encourages changes to the Pell Grant program to allow students to access more than one grant in a school year and to increase income protection allowance, which determines how much aid working students qualify for.

### Managing Student Debt

Because grant aid and family incomes have not risen at the same rates as college tuition, the dream of a college education has become more of a challenge in recent years, prompting about two-thirds of college graduates to borrow. In 2015–16, undergraduate students received an average of \$14,460 in aid per full-time equivalent student, including \$8,390 in grants (of all types), \$4,720 in federal loans, and \$1,290 in a combination of tax credits and deductions and Federal Work Study.<sup>13</sup>

Loan repayment is a significant burden for women, who earn less on average over the course of their lives than their male counterparts do. AAUW's report *Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation* found that the median student loan debt burden was slightly higher in 2009 for women than men. In addition, between 2009 and 2012, men who graduated in the 2007–08 school year paid off an average of 44 percent of their student debt, while women in that group managed to pay off only 33 percent of their student debt. The gap in student loan repayment is even larger for black and Hispanic women with college degrees; they paid off less than 10 percent of their debt in the same time period despite working full time. This is not surprising since the gender pay gap is larger for black and Hispanic women, even among college graduates.<sup>14</sup>

While AAUW and other advocates work to close the gender pay gap and even the playing field for women workers, we also know that income-contingent and income-based loan repayment plans (IBR) are crucial for women in particular to manage their debt, since these plans allow struggling borrowers to customize loan repayments to reflect their economic circumstances. A streamlined IBR program is key to ensuring more borrowers can easily learn about and access the program without confusion as to which income-based or contingent plan they qualify for.

In addition to making repayment more manageable for borrowers, AAUW encourages Congress to make refinancing possible for both federal and private

student loans. Borrowers should be able to refinance student loans the same way that they can with other financial products. AAUW also supports provisions to make private student loans dischargeable in bankruptcy: While we hope that programs such as IBR and refinancing can help borrowers avoid bankruptcy, the ability to discharge private student debt in this worst-case scenario is imperative.

### Data and Metrics

A general theme emerges for AAUW when considering the various affordability- and outcomes-oriented metrics. It is important that data be disaggregated by gender and by race and ethnicity. This includes in the College Navigator tool, which helps students understand critical consumer information about schools and currently includes some information disaggregated gender and by race and ethnicity.<sup>15</sup>

In addition, our current federal data source on higher education outcomes does not adequately represent some students and schools. First, the Integrated Postsecondary Education Data System (IPEDS) reports graduation rates or completion rates only for full-time, first-time degree or certificate-seeking students who begin in the fall. This excludes many students. In addition, students who complete their associate's degrees or certificates before transferring to a four-year institution are counted as graduates but are not included as transfer students in the IPEDS data. Given the realities of how today's students pursue their educations, this oversight simply makes no sense.

The National Student Clearinghouse has improved data collection around transfer rates but does not disaggregate the information by gender or race and ethnicity. Without corrections to these data problems we may see a more negative or overly positive picture of a community college than is true, making that data less useful for all stakeholders. AAUW supports efforts to tackle some of these issues through ending the prohibition on a student unit record.

### Additional Resources

*Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation*

AAUW

[www.aauw.org/research/graduating-to-a-pay-gap](http://www.aauw.org/research/graduating-to-a-pay-gap)

*Women in Community Colleges: Access to Success*

AAUW

[www.aauw.org/resource/women-in-community-](http://www.aauw.org/resource/women-in-community-)

## colleges

*Trends in Student Aid 2016*

College Board

[trends.collegeboard.org/student-aid](https://trends.collegeboard.org/student-aid)

The Project on Student Debt

The Institute for College Access and Success

[projectonstudentdebt.org](https://projectonstudentdebt.org)

*You provide the voice; we'll provide the megaphone. Sign up to take action for women and girls today:  
[bit.ly/AAUWActionNetwork](https://bit.ly/AAUWActionNetwork).*

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<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics. (2013). Employment Projections: 2012–2022 Summary. Table 7.

[www.bls.gov/news.release/ecopro.nr0.htm](http://www.bls.gov/news.release/ecopro.nr0.htm)

<sup>2</sup> Ibid

<sup>3</sup> Center on Budget and Policy Priorities. (2016). *State Cuts to Higher Education Threaten Quality and Affordability at Public Colleges*.

[www.cbpp.org/research/state-budget-and-tax/funding-down-tuition-up](http://www.cbpp.org/research/state-budget-and-tax/funding-down-tuition-up)

<sup>4</sup> U.S. Department of Commerce, Economics and Statistics Administration. (2016). *Educational Attainment in the United States: 2015*.

[www.census.gov/content/dam/Census/library/publications/2016/demo/p20-578.pdf](http://www.census.gov/content/dam/Census/library/publications/2016/demo/p20-578.pdf)

<sup>5</sup> U.S. Department of Education, National Center for Education Statistics. (2015). *Digest of Education Statistics*, Table 303.10.

[nces.ed.gov/programs/digest/d15/tables/dt15\\_303.10.asp](http://nces.ed.gov/programs/digest/d15/tables/dt15_303.10.asp)

<sup>6</sup> U.S. Department of Education, National Center for Education Statistics. (2014). *Digest of Education Statistics*, Table 303.8.

[nces.ed.gov/programs/digest/d13/tables/dt13\\_303.80.asp](http://nces.ed.gov/programs/digest/d13/tables/dt13_303.80.asp)

<sup>7</sup> U.S. Department of Education, National Center for Education Statistics. (2015). *Digest of Education Statistics*, Table 318.3.

[nces.ed.gov/programs/digest/d15/tables/dt15\\_318.30.asp](http://nces.ed.gov/programs/digest/d15/tables/dt15_318.30.asp)

<sup>8</sup> AAUW. (2013). *Women in Community Colleges: Access to Success*. [www.aauw.org/research/women-in-community-colleges](http://www.aauw.org/research/women-in-community-colleges)

<sup>9</sup> Center on Budget and Policy Priorities. (2014). "States Are Still Funding Higher Education below Pre-Recession Levels."

[www.cbpp.org/cms/?fa=view&id=4135](http://www.cbpp.org/cms/?fa=view&id=4135).

<sup>10</sup> U.S. Department of Education. (2016). *2014–2015 Federal Pell Grant End-of-Year Report*. Table 6, Table 13. [www2.ed.gov/finaid/prof/resources/data/pell-](http://www2.ed.gov/finaid/prof/resources/data/pell-2014-15/pell-eoy-2014-15.html)

[2014-15/pell-eoy-2014-15.html](http://www2.ed.gov/finaid/prof/resources/data/pell-2014-15/pell-eoy-2014-15.html)

<sup>11</sup> Ibid

<sup>12</sup> College Board. (2016). *Trends in Student Aid 2016*. [trends.collegeboard.org/student-aid](https://trends.collegeboard.org/student-aid)

<sup>13</sup> College Board. (2016). *Trends in Student Aid 2016*. [trends.collegeboard.org/student-aid](https://trends.collegeboard.org/student-aid)

<sup>14</sup> AAUW. (2012). *Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation*. [www.aauw.org/research/graduating-to-a-](http://www.aauw.org/research/graduating-to-a-pay-gap)

[pay-gap](http://www.aauw.org/research/graduating-to-a-pay-gap). AAUW. (2016). "Pay Gap Especially Harmful for Black and Hispanic Women Struggling with Student Debt." [www.aauw.org/2016/02/08/pay-gap-](http://www.aauw.org/2016/02/08/pay-gap-especially-harmful-for-black-and-hispanic-women-struggling-with-student-debt)

[especially-harmful-for-black-and-hispanic-women-struggling-with-student-debt](http://www.aauw.org/2016/02/08/pay-gap-especially-harmful-for-black-and-hispanic-women-struggling-with-student-debt)

<sup>15</sup> U.S. Department of Education, National Center for Education Statistics. (2016). College Navigator. [nces.ed.gov/collegenavigator/](http://nces.ed.gov/collegenavigator/)