

## Rice and Hauptman

### Moving Beyond Student Aid

The 1998 reauthorization of the Higher Education Act (HEA) once again focused on the traditional student aid programs of grants, loans, and work-study. It also created three new initiatives to promote early intervention programs for disadvantaged youth, innovation in technology and distance learning, and improvements in teacher quality.

Although modestly funded and experimental, each initiative recognizes that neither student aid nor the effective use of the technology, by themselves, can motivate youth to stay and excel in school or improve the quality of their education. Taken together, the initiatives hold forth the promise of enhancing the federal role in expanding access to college for targeted groups of students.

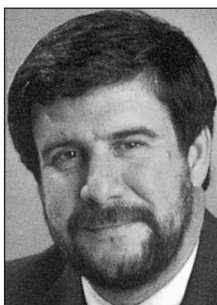
Too often, policymakers ignore the many challenges entailed in the effective implementation of new legislation. To address this problem, the Brown Center on Education Policy at the Brookings Institution, in cooperation with the U.S. Department of Education, sponsored a Brookings Forum to develop a framework to help guide the success of the new initiatives.

**S**ince the passage of the Higher Education Act in 1965, providing financial assistance to students has been the principal way the federal government has supported higher education. Title IV of the HEA includes the major federal student aid programs: Pell grants, student loans, and campus-based programs. It also contains the so-called TRIO programs, which provide a range of support services for disadvantaged students. Other HEA titles provide categorical aid to colleges and universities, including libraries, international programs, cooperative education, and innovation. In fiscal year 2000, funding under this legislation was \$15.5 billion, with the Title IV programs comprising nearly 90 percent of the total (Table 1).

There is little doubt that federal student aid programs contribute greatly to the expansion of educational opportunities. Millions of students who otherwise could not afford college have enrolled because of the availability of federal dollars. Still, despite the federal investment of more than \$100 billion in student aid over the past three decades, students from low-income families are only two-thirds as likely to go to college as students from high-income families, and minority students are only three-fourths as likely as white students to continue their education beyond high school. Low-income and minority students



Lois Dickson Rice is a Guest Scholar in the Economic Studies Program at the Brookings Institution.



Arthur M. Hauptman is a public policy consultant in Arlington, Virginia, specializing in higher education finance issues.

## Implementing Three New

are also disproportionately enrolled in two-year and vocational institutions. Clearly, student aid alone has not succeeded in remedying these inequities.

### The Three New Higher Education Initiatives

As with previous renewals, the debate over the 1998 HEA reauthorization focused on the federal student aid programs. Congress, for the most part, made only minor modifications to them, but wisely moved to enact three important new initiatives proposed by the Clinton administration—GEAR-UP (Gaining Early Awareness and Readiness in Undergraduate Programs), LAAP (Learning Anywhere Anytime Program), and Title II Teacher Quality. Each recognizes that the quality of K-12 schooling must be improved, particularly for disadvantaged youth, who need better teachers, greater access to new technologies, more and better support services, and guarantees of college financial aid delivered at a much earlier age—challenges that all go far beyond those confronted by traditional student aid programs.

**GEAR-UP** Privately-funded early intervention programs such as “I Have a Dream” are highly successful. Such efforts seek to reach students well before they are ready to enter college, providing them with an enriched curriculum, tutoring, mentoring, and support services, and guarantees of future aid if they perform well in school. The benefits are clear. For example, in a New York City school with a projected high school graduation rate of 25 percent, 90 percent of the first “I Have a Dream” class finished high school or received a General Educational Development diploma (GED). In Houston, a similar program increased by two-thirds the number of students completing high school and by fivefold the number entering college. GEAR-UP seeks to build on the successes of such private programs through the creation of partnerships among colleges and universities, middle schools, community groups, and businesses. GEAR-UP also incorporates an existing program that encourages states to start or expand their early intervention efforts.

**LAAP** Distance learning through the use of educational technologies is critical to meeting the growing demand for higher education, particularly among older students and those seeking training and retraining. But until recently, the federal government has played a minor role in promoting the use of technology as an alternative to traditional modes of instruction. LAAP expands the federal role through matching grants designed to foster new partnerships, thereby leveraging federal dollars to promote innovation in distance learning and technology at traditional colleges and universities and to encourage the creation of new institutions and consortiums using emerging technologies.

# Higher Education Initiatives

**Title II Teacher Quality** Current and projected shortages in the number of qualified elementary and secondary teachers is a daunting problem. In the next decade, the nation must recruit an estimated two million new teachers. These shortages are a function of the burgeoning Baby Boomer generation, whose children and grandchildren are crowding the nation's schools, and of the inability of colleges and universities to produce teachers competent in both pedagogy and subject matter. The Title II Teacher Quality provisions attempt to address these concerns by consolidating the disparate teacher programs in earlier federal legislation, and by making grants to: institutions and consortiums that seek to improve the quality of teacher training in nontraditional ways; states to improve teacher preparation, licensing, and retraining; and partnerships between colleges and community groups to recruit and provide support to new teachers.

## How the Initiatives Differ from Student Aid Programs

Mike Smith, acting deputy secretary of education at the time of the Forum, set the stage for the discussion, saying that the three initiatives represent a real change in the federal role, particularly because they are being implemented in a different style and with a different conception of the final product. His comments and the ensuing discussion identified three significant differences between the initiatives and traditional student aid programs. First, unlike student aid programs, the initiatives seek to achieve higher standards and quality through better academic preparation of students and improved instruction, thereby reinforcing the goals of the Elementary and Secondary Education Act. Second, the initiatives promote much needed new links among schools and colleges, business, local communities and states. Third, as part of its implementation, each initiative demands ongoing monitoring, including measurement and evaluation of results, so quality programs can be replicated in other environments.

**Emphasizing Better Schooling** In his keynote remarks at the Forum, Representative Chaka Fattah of Pennsylvania, a key sponsor of GEAR-UP, emphasized the importance of programs to supplement student aid. He noted that of the first 500 students to participate in the "Philadelphia Futures" program, not one dropped out of high school after getting a commitment that their college costs would be met, and 94 percent actually enrolled in postsecondary institutions. The goal of GEAR-UP, Fattah said, is to give students from low-income families the same expectations about their future as middle-class students. To

**Table 1:**

**Department of Education Appropriations for Postsecondary Education, Fiscal Year 2000**

Programs	Appropriations (millions of dollars)	Percent of Total
<b>Student aid programs</b>		
Pell Grants	7,640	49.1
Loans (subsidy value)	4,469	28.7
Campus-based aid	1,695	10.9
All Student aid	13,804	88.7
<b>Non-student aid programs</b>		
TRIO programs	645	4.1
New Initiatives		
GEAR-UP	200	1.3
LAAP	23	0.1
Teacher Quality	98	0.6
Others	784	5.0
All non-student aid	1,750	11.3
<b>Total</b>	<b>15,554</b>	<b>100.0</b>

*Despite the federal investment of more than \$100 billion in student aid over the past three decades, students from low-income families are only two-thirds as likely to go to college as students from high-income families.*

succeed, GEAR-UP must provide students with the courses they need to succeed in college, tutoring and mentoring, and the certainty that college assistance will be available. Like many other speakers at the Forum, he stressed the importance of cooperation among business, schools, colleges, and communities.

**Building Partnerships** Much of the Forum focused on the importance of building new partnerships, in contrast to the federal student aid programs, which are the foundation upon which other sources of aid are built. That the federal government now provides or sponsors three-quarters of all financial aid underscores the near-exclusive federal role.

Many of the proposed partnerships are fairly traditional: federal-state, public-private, and school-university. But some are not, such as building bridges among various federal programs and creating consortiums of institutions, which is especially critical in the distance learning and teacher quality initiatives. Business is also a nontraditional partner with higher education. Unlike K-12 education, where the private sector has taken the lead in school reform, business has been less involved in efforts to improve higher education access and quality. The new initiatives seek to change this imbalance.

**Requiring Evaluation and Feedback** Each new initiative contains a strong evaluation component and builds on continuous feedback. The emphasis on research and measurement of performance contrasts with the federal student aid programs in which few evaluations exist and standards of performance are weak. Under the aid programs, students maintain their eligibility for federal aid simply by showing “satisfactory academic progress.” Little federal aid is awarded based on student merit, and there are few incentives in the programs for institutions to improve student retention and graduation rates. By emphasizing evaluation, the new initiatives represent an opportunity to strengthen the federal role in improving the quality of higher education.

### **Four Steps to Ensure the Success of the Initiatives**

- Securing adequate funding to maintain the momentum generated by the initiatives.
- Building better bridges and partnerships among colleges and universities, and with other groups, including the business community and K-12 education.
- Focusing on the outcomes of higher education rather than simply access to educational opportunity.
- Building strong and mutually reinforcing relationships among the new initiatives, the existing student aid programs, and TRIO support services.

**Adequate Funding** Like many new programs, the initiatives face a familiar obstacle: some educational constituency groups simply favor more funding for existing student aid and support services programs. More than 600 colleges and universities and 80 percent

of the states applied for GEAR-UP grants in the first year, and a similar number of institutions applied for LAAP, including nearly 400 partnering organizations. Despite this high level of interest, many higher education associations oppose funding the initiatives until Pell Grants and the other student aid and support programs receive additional funding. Most Forum participants stressed that the initiatives complement the student aid programs and should not be viewed as competing for scarce resources. Without adequate funding, the new initiatives are likely to falter. However, the emphasis on partnerships, consortiums, and matching funds in each of the initiatives should leverage federal funds.

Critics of the new initiatives, especially GEAR-UP, point out that the TRIO support service programs have been operating for more than thirty years with a good record of achievement. They would prefer to fund TRIO more adequately rather than divert resources to GEAR-UP and the other initiatives. But the TRIO programs help less than 10 percent of the eligible population, and they do not extend to middle schools—the primary focus of GEAR-UP.

**Building Better Bridges Among Higher Education, K-12, and Business** Steven Zwerling of the Ford Foundation spoke of the foundation’s experience in supporting reform of schools and colleges to help low-income students advance. After traditionally funding K-12 education separately from higher education, the foundation now emphasizes a cross-sectoral approach that recognizes the interconnection of the different levels of education. Zwerling said the country needs to think in terms of “education reform,” as opposed to “school reform,” and to focus on the entire educational and training spectrum. This conclusion prompted Ford to provide “the connective tissue to make the initiatives work” and partner with the Department of Education, community, and educational groups.

In his luncheon address, Ray Orbach, chancellor at the University of California at Riverside, struck a similar theme. He attributed his institution’s successful efforts in increasing the enrollment and graduation rates of minority students to a comprehensive approach that involves the entire campus—faculty, students, and administrators—with local schools, students, parents, businesses, and community groups. The Riverside program includes extensive outreach, revised institutional student aid policies (especially reductions in loan burdens), learning centers on campus, and efforts to improve the curricula and course offerings for low-income students.

Sally Klausen, president of Southeastern Louisiana University (SLU), emphasized the importance of building bridges with the surrounding community. At SLU, the need for remediation among new students fell sharply and graduation rates improved because the university provided financial incentives to faculty willing to work with local schools.

*The goal of GEAR-UP is to give students from low-income families the same expectations about their future as middle-class students.*

Throughout the Forum, participants emphasized the need for partnerships with business, states, and communities to leverage the modest federal funds devoted to the new initiatives. But how can these traditional and not-so-traditional partnerships succeed? David Mundel of IBM Research argued that long-term incentives may be critical. He urged policymakers to consider rewarding performance over time at the community or state levels.

Improving the quality of teaching is another obvious way to strengthen the connection between K-12 and higher education. Michael Timpane of the RAND Corporation noted that the new Title II initiative is a rediscovery of an earlier federal mission of supporting the reform of teacher education, a mission from which the government has removed itself. Terry Dozier of the U.S. Department of Education noted that the preparation of teachers must be a university-wide commitment, not just the responsibility of schools of education. Others suggested there must be strong collaboration between the arts and science faculty and education faculty. They also suggested the potential for partnerships involving consortiums of higher education institutions with local school districts and nonprofit organizations, along with integration of technology in curriculums and instructional practices on university campuses and in-school classrooms, and support services from colleges for newly-graduated teachers.

The Title II initiative encourages cooperation between higher education institutions and states that are responsible for licensing and certification. Ed Crowe of the U.S. Department of Education suggested that the key to successful change is the involvement of top state policymakers: governors, legislative leaders, higher education officials, chief state school officers, and business leaders.

**Measuring Student and Institutional Performance** Emphasizing and rewarding outcomes in each of the new initiatives was a prevalent Forum theme. Performance measures include: increases in the number of at-risk students who go to college and receive their degrees; gains in the competencies of students who enroll in distance courses; and improvements in the training, retraining, and licensing of teachers.

David Longanecker, who was assistant secretary for postsecondary education when the initiatives were enacted and who now heads the Western Interstate Commission for Higher Education, said that it will be difficult to evaluate the initiatives if policymakers do not adequately measure program effectiveness. He suggested that nontraditional measures may be needed, including efforts to discern the value added in what students learn.

The discussion at the Forum emphasized that technology is critical in improving student performance and outcomes. Technological advances expand opportunities to measure value added under a wide range of education formats. Bob Albrecht, head of the new



Western Governors University, spoke of the potential for competency-based distance education in which both initial student capabilities and subsequent achievements are measured through standardized competency tests. The need to measure performance and outcomes reinforces the importance of adequate evaluations of the initiatives so that successful experiments are allowed to multiply while unsuccessful ones are abandoned.

### **Strengthening the Connection Between Student Aid and the Initiatives**

Because of the differences between the new initiatives and traditional student aid and support service programs, change must occur in two ways. The initiatives must complement the student financial aid programs and student financial aid policies should be designed to improve the new initiatives' chances of success.

Linda Shiller, of the Vermont Student Assistance Corporation, which directs two TRIO programs and has received a GEAR-UP grant, stressed the importance of building partnerships and mutual support between GEAR-UP and TRIO. Take the best of both, Schiller said, and create new strategies for promoting the goal of improving educational opportunities for disadvantaged students. The Forum also made clear that it is not enough for the initiatives to reinforce the goals of the student aid programs. Rather, student aid programs must be modified to ensure the success of each of the initiatives.

For GEAR-UP, the most crucial task may be to simplify the student aid application process. At-risk students need an early understanding of their eligibility for the amount of student aid necessary to cover college costs. One of the more intriguing ideas to emerge from the Forum came from Juliet Garcia, president of the University of Texas, Brownsville, who suggested creating "education empowerment zones." Under her proposal, which is similar to Representative Fattah's original legislation, all students in high-risk schools would automatically qualify for student aid simply because they attended those schools.

For LAAP, critical issues include how to price distance offerings and whether to conform student and eligibility for distance learners with current definitions or develop a new framework. Should distance learners be fully eligible for federal student aid? Should living expenses be included when calculating the eligibility of distance learners, or should allowable costs be limited to tuition, fees, and equipment such as computers? These and other questions may be addressed through the distance learning student aid demonstrations, which also were authorized in the 1998 legislation and are intended to allow both new and more traditional institutions to experiment with different forms of student aid delivery for distance learners.

For improving teacher quality, the traditional approach of providing loan forgiveness for students who become teachers could be supplemented by new efforts to provide financial incentives to good students who enter and remain in teaching. Less traditional approaches

*We need to think in terms of education reform, as opposed to school reform, and focus on the entire educational spectrum.*

*The views expressed in this Conference Report are those of the authors and are not necessarily those of the trustees, officers, or other staff members of the Brookings Institution.*

Copyright © 2000 the Brookings Institution

*Brookings gratefully acknowledges the generosity of the Cabot Family Charitable Trust and B. Francis Saul II for their support of this Conference Report and the Policy Brief series.*

# The Brookings Institution

1775 Massachusetts Ave. N.W.  
Washington, DC 20036

NONPROFIT ORG.  
U.S. POSTAGE  
PAID  
BOWIE, MD  
PERMIT NO. 4434

## Recent Policy Briefs

- *The Internet and the New Economy*  
Alan Blinder (June 2000)
- *Engaging Problem Countries*  
Richard N. Haass and Meghan L. O'Sullivan (June 2000)
- *The Plight of Academic Medical Centers*  
Henry J. Aaron (May 2000)

## Related Books

- *A Legacy of Learning*  
David Kearns and James Harvey (2000)
- *Conflicting Missions? Teachers Unions and Educational Reform*  
Tom Loveless (editor, 2000)
- *The Price of Admission: Rethinking How Americans Pay for College*  
Thomas Kane (1999)
- *Earning and Learning: How Schools Matter*  
Susan Mayer and Paul Peterson (1999)
- *The Black-White Test Score Gap*  
Christopher Jencks and Meredith Phillips (1998)

A videotape of the Brookings Forum upon which this Conference Report is based is available from C-SPAN by calling 1 (877) 662-7726 and referring to ID #125521.

should also be explored. Dickinson College, for example, offers \$20,000 to students who study to become teachers. Half the sum is used to reduce their loan burden and the other half is available for teaching aids, such as technology and other materials, once they begin teaching.

## Conclusion

The Forum emphasized that education is a continuum and that critically-needed education reform demands a cross-sectional approach that encompasses all education and age levels. The new initiatives, both individually and collectively, provide incentives to improve the link between postsecondary institutions and elementary and secondary schools as well as with the providers of training and retraining for older students.

As policymakers debate future federal education legislation, including the upcoming renewal of the Elementary and Secondary Education Act, they should explore ways to encourage more partnerships among businesses, communities and educational institutions at all levels.

*This Conference Report and previous Policy Briefs are also posted on the World Wide Web and linked from the Brookings home page at*

***[www.brookings.edu](http://www.brookings.edu)***

*If you have questions or comments about this Conference Report, please send an email message to [policybriefs@brookings.edu](mailto:policybriefs@brookings.edu)*

*Authors' responses will be posted on the Brookings website.*