

Changing Institutional Sector Representation and Characteristics of Adult Learners across the Great Recession

Academic Years 2007-08 through 2015-16

The Questions

- Did the Great Recession drive persistent enrollment and financial need changes, both overall and relatively among adult learners compared to traditional students?
- Whether or not these numbers changed, did the differences between the financial need characteristics of the two populations close, expand, or remain constant?

Enrollment by Age, Institutional Type, & Institutional Control

Academic Years 1987, 1997, 2007, 2011, 2013, & 2015

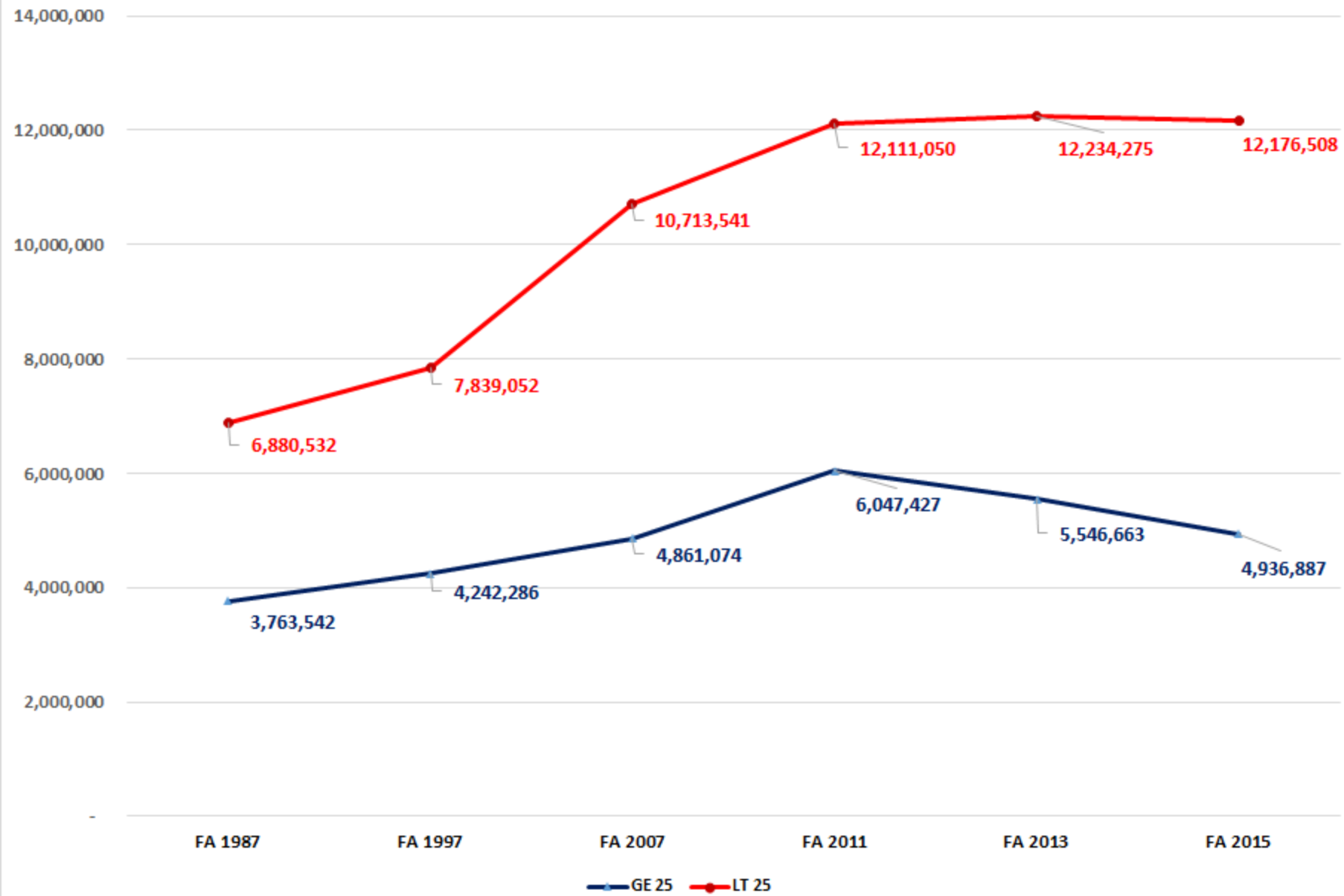
**Table 1. US Undergraduates Age GE 25 and Age LT 25 Enrolled by Institutional Control and Type
Fall 1987, 1997, 2007, 2011, 2013, and 2015**

Sector	Age	FA 1987	FA 1997	FA 2007	FA 2011	FA 2013	FA 2015
Private for-Profit 4-Year	GE 25	12,229	61,637	481,159	911,917	770,518	616,006
Private for-Profit 2-Year	GE 25	48,258	60,581	139,989	248,376	202,017	144,074
Independent 4-Year	GE 25	410,174	507,692	537,172	607,494	653,292	636,325
Independent 2-Year	GE 25	24,022	18,858	18,253	22,999	18,186	27,891
Public 4-Year	GE 25	1,011,498	1,112,280	1,147,296	1,382,892	1,352,089	1,313,149
Public 2-Year	GE 25	2,257,361	2,481,238	2,537,205	2,873,749	2,550,561	2,199,442
Private for-Profit 4-Year	LT 25	23,702	49,515	239,705	339,007	299,521	228,931
Private for-Profit 2-year	LT 25	73,589	76,290	164,332	233,472	201,959	134,150
Independent 4-Year	LT 25	1,337,818	1,483,740	1,905,161	2,051,421	2,171,515	2,123,322
Independent 2-year	LT 25	58,067	39,306	24,226	26,564	23,093	27,445
Public 4-Year	LT 25	3,286,080	3,502,799	4,622,909	5,223,221	5,413,260	5,599,200
Public 2-Year	LT 25	2,101,276	2,687,402	3,757,208	4,237,365	4,124,927	4,063,460
Subtotal	GE 25	3,763,542	4,242,286	4,861,074	6,047,427	5,546,663	4,936,887
Subtotal	LT 25	6,880,532	7,839,052	10,713,541	12,111,050	12,234,275	12,176,508
Total	All	10,644,074	12,081,338	15,574,615	18,158,477	17,780,938	17,113,395

Table 1/Charts 1 – 4, including 1987 & 1997: for context

- **Adult learners – defined as 25 and older, consistent with federal reporting purposes, such as the Census and IPEDS, vs 24 for Independent status**
 - Numbers increased substantially between 2007-08 and 2011-12, compared to the 1987 base.
 - However, despite the widely publicized public perception, the percentage increase remained below that for traditional age students over the same span of years
 - Since 2011-12, the headcount has declined, but remains above the observed value for 2007-08
- **Focusing on growth over the years, from the beginning of the Great Recession to its functional end**
 - Officially began during the 2007-08 Academic Year (AY), but late enough that most families already had funds in place for student charges
 - Officially ended in 2009, based on quarterly increasing productivity as measured by GDP
 - Actual recovery, as measured by job growth, lagged through 2010
 - Actual recovery, as measured by wage growth, lagged through 2016

Chart 1. US Undergraduates Age GE 25 and Age LT 25, Fall 1987 - 2015



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- **Traditional age enrollments grew overall through the 2013-14 reporting year**
 - **At a slower rate than between AY 1997-98 and 2011-12, possibly due to ...**
 - **Competing job opportunities**
 - **Declining HS graduates in states with a history of high postsecondary participation**
 - **Increasing economic barriers tied to parental job and income challenges**
 - **The decline of 58,000 between 2013-14 and 2015-16 – LT 0.5 percent – is too small to warrant explanation**
 - **A change in students' decision processes?**
 - **A reduction in high school completers?**
 - **A shift to LT two-year institutions - which represent tracking challenges**
 - **Adult enrollments begin to decline overall after AY 2011-12**
 - **Losses in public and for-profit, possibly due to...**
 - **Increasing job opportunities**
 - **Challenges to the for-profit sector**
 - **Reduced pool of potential students to replace those departing**

Chart 2. Growth in US Undergraduates Age GE 25 and Age LT 25, Fall 1987 - 2015

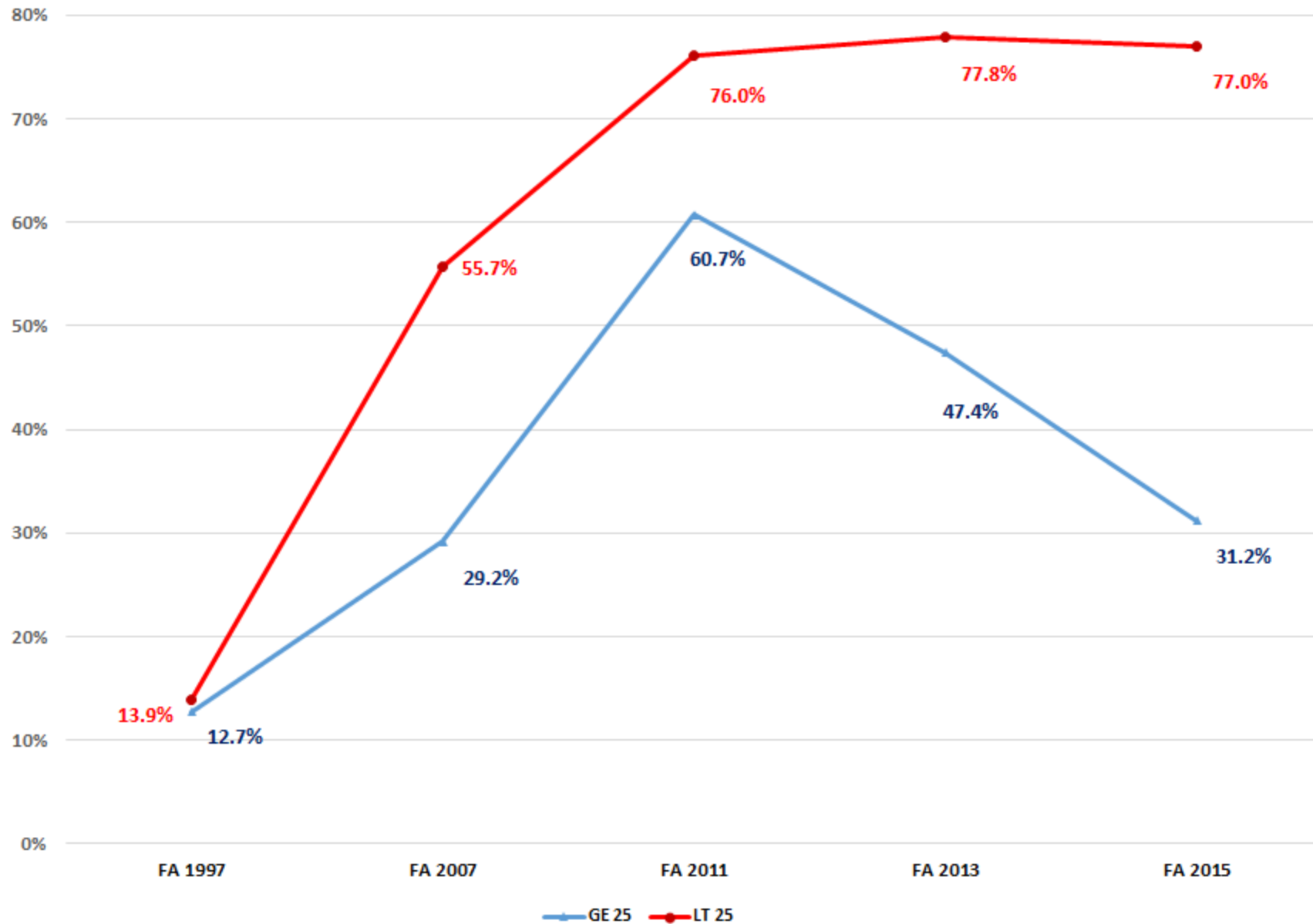


Chart 3. US Undergraduates Age GE 25 and Age LT 25 Enrolled by Institutional Control
Fall 1987 - 2015

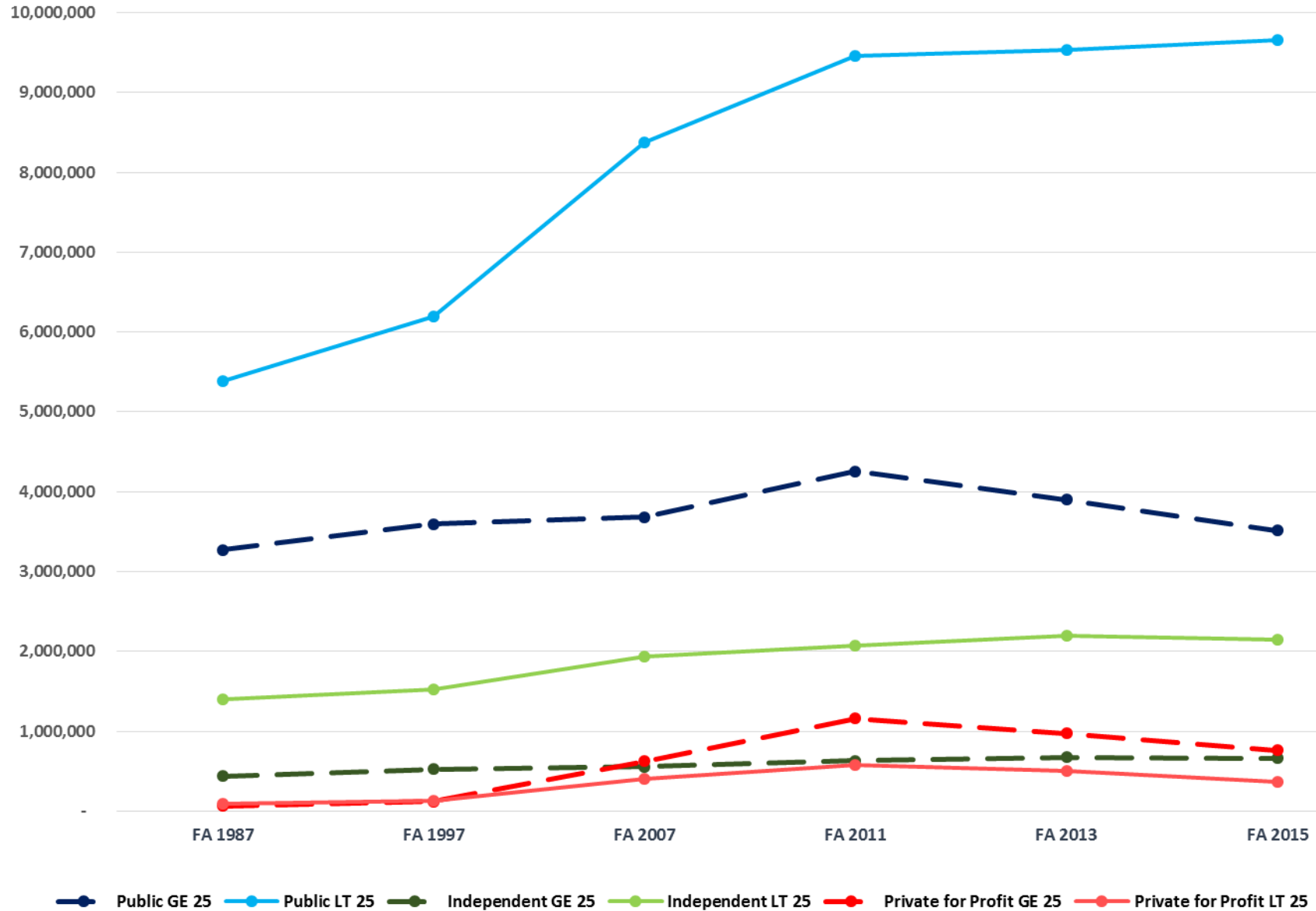
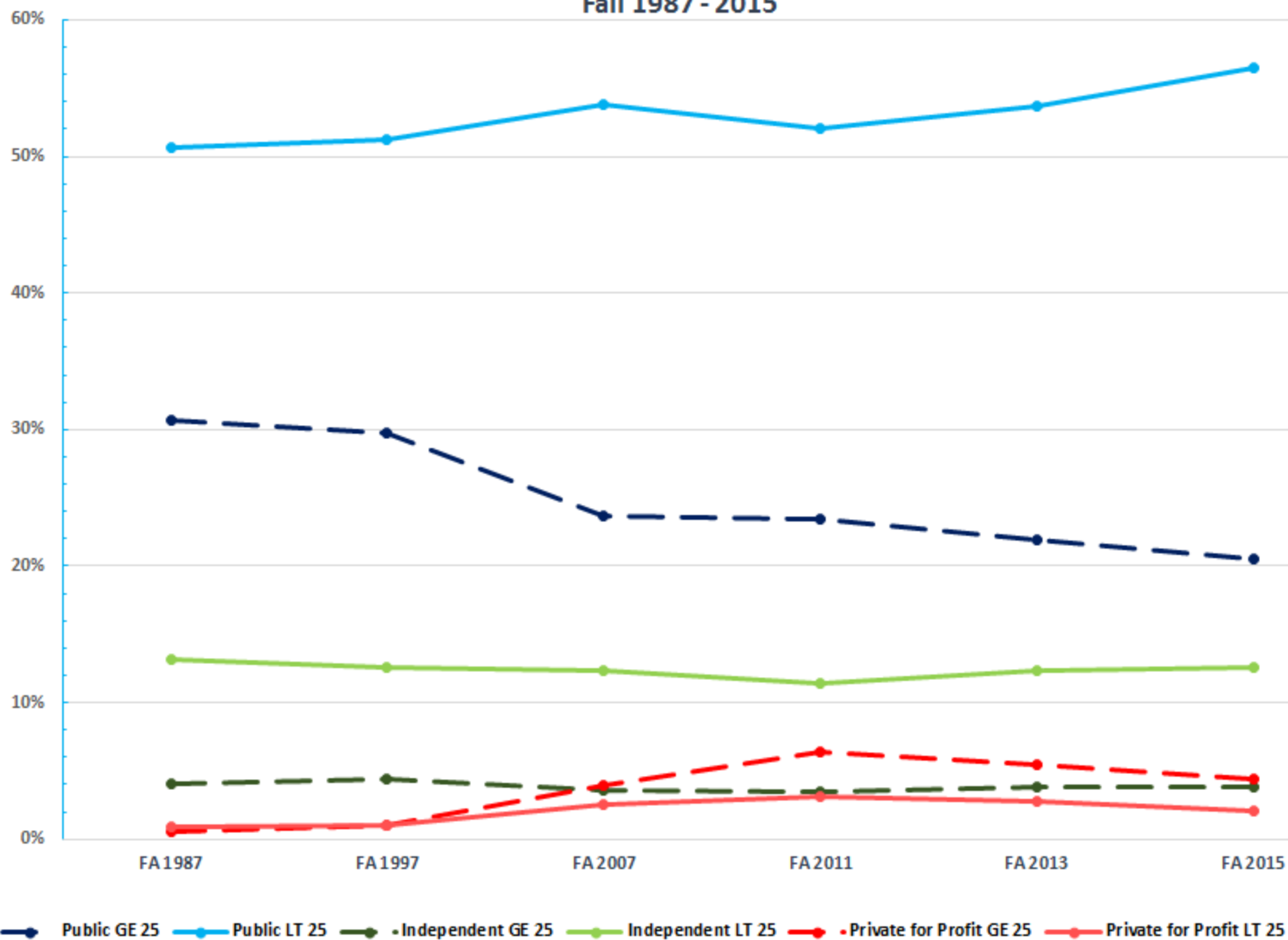


Chart 3a. Distribution of US Undergraduates Age GE 25 and Age LT 25
Enrolled by Institutional Control
Fall 1987 - 2015



Sector Impact across the Great Recession

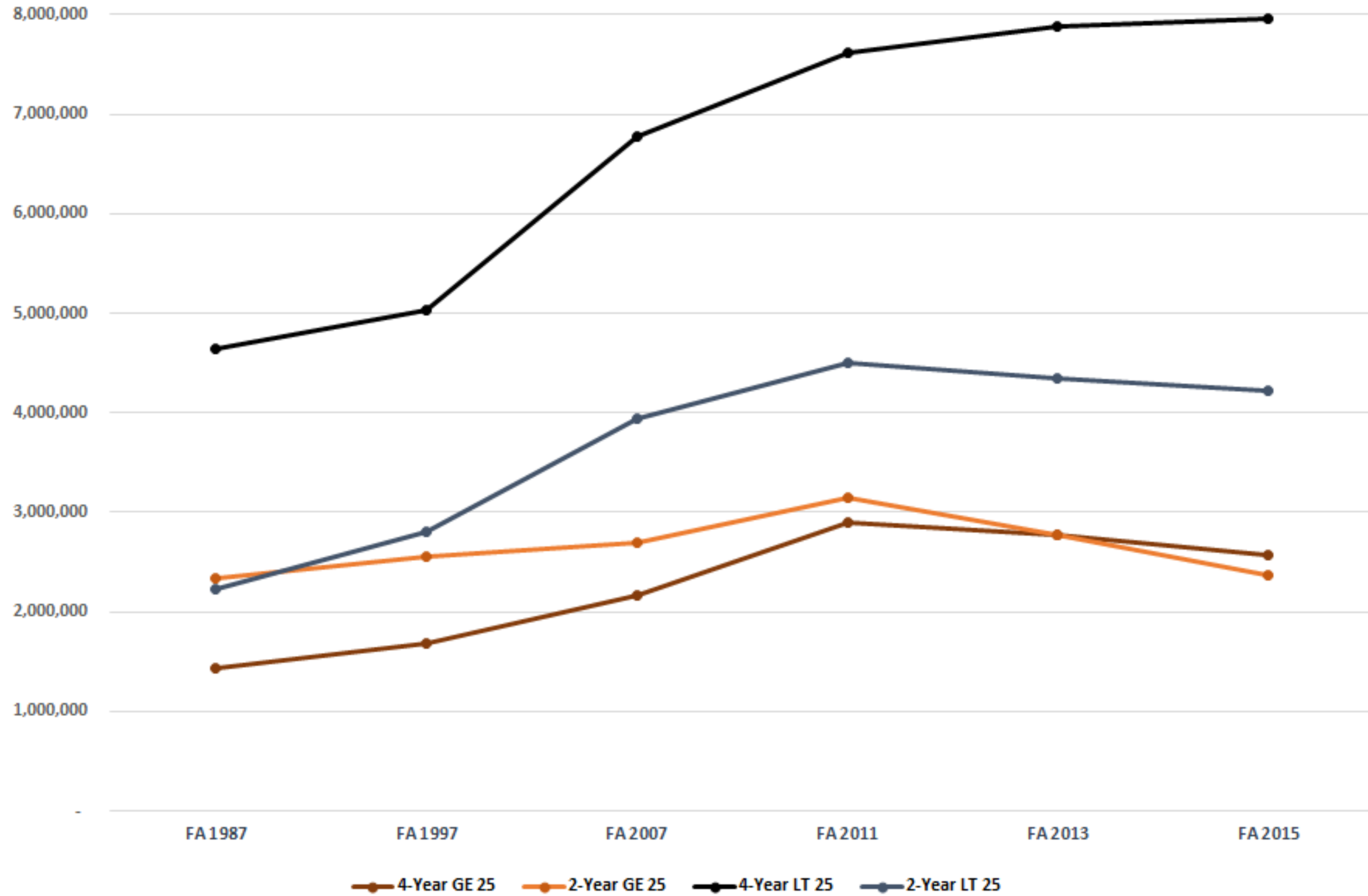
- **Traditional Age Student Enrollment**

- Sharp declines in both two and four-year for-profit
- Mixed change in the two public sectors – up in four-year, but down at community colleges
- Losses in public and for-profit, possibly due to
 - Increasing job opportunities
 - Challenges to the for-profit sector from confirmed negative news reports
 - Reduced pool of potential students to replace those departing
 - Small increase in the independent – non-profit private – sector
 - Possible growth in the LT two-year public and for-profit sectors

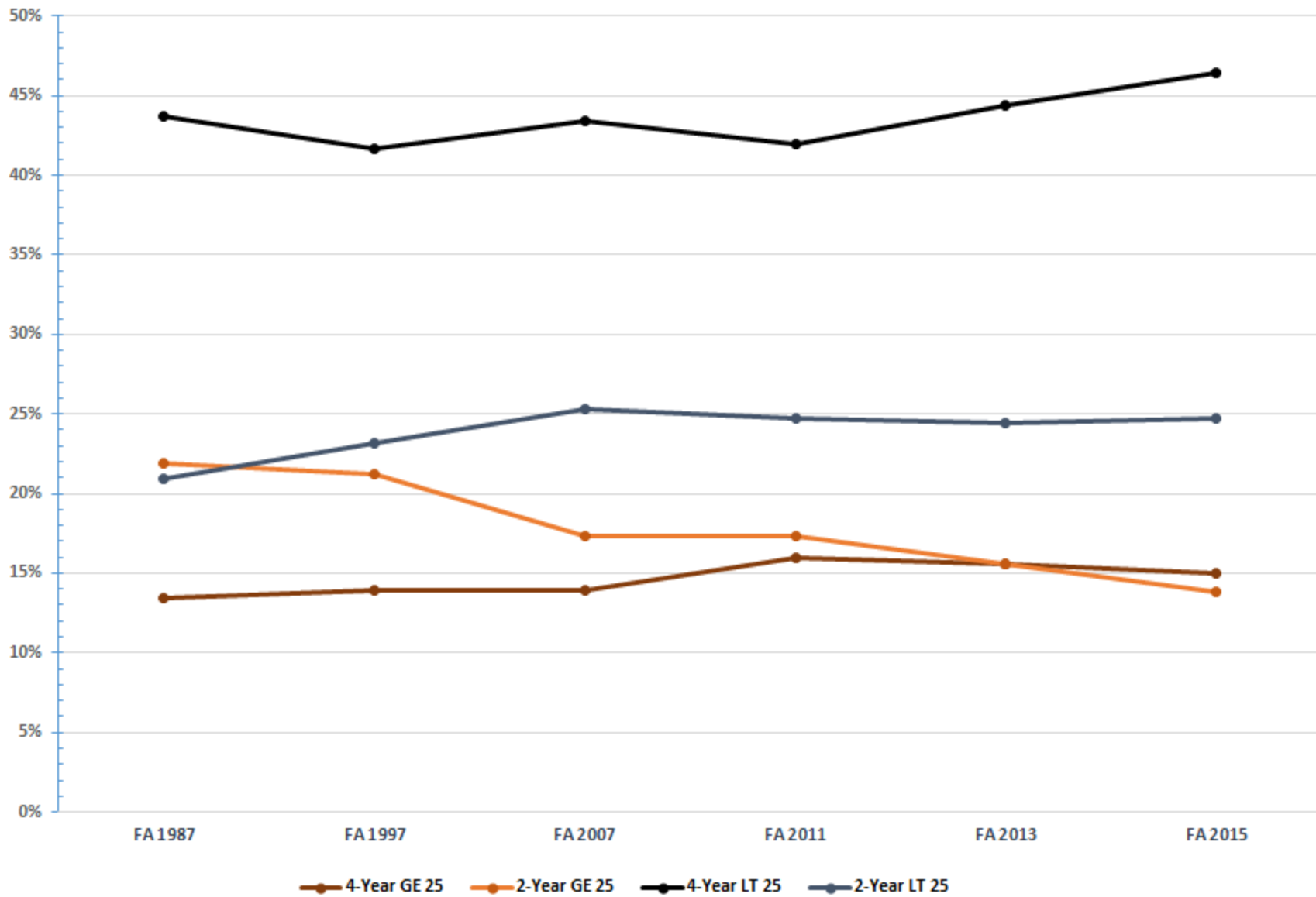
- **Adult Student Enrollment**

- Sharp declines in both two- and four-year for-profit
- Decline in the public sectors, greater at community colleges than at four-year
- Overall modest increase at the two independent sectors
 - More effective recruiting
 - Expansion of offerings, especially online, coupled with focused promotion, of career-ready majors
 - Increased and more effective communication of financial aid availability

**Chart 4. US Undergraduates Age GE 25 and Age LT 25 Enrolled by Institutional Type
Fall 1987 - 2015**



**Chart 4a. Distribution of US Undergraduates Age GE 25 and Age LT 25
Enrolled by Institutional Type
Fall 1987 - 2015**



Financial Need and Pell Grants

GE 25 and LT 25 Years of Age

Table 2. Pell Grant Recipient Award and Financial Need Characteristics Academic Years 2007-08, and 2011-12 through 2014-15

	AY 2007-08		AY 2011-12		AY 2012-13		AY 2013-14		AY 2014-15	
	Adult	Under 25	Adult	Under 25	Adult	Under 25	Adult	Under 25	Adult	Under 25
Recipients	2,264,795	3,278,098	4,131,228	5,313,140	3,825,582	5,133,131	3,601,087	5,061,566	3,369,563	4,945,970
Average Income	\$ 18,249	\$ 21,454	\$ 18,232	\$ 22,114	\$ 18,480	\$ 21,984	\$ 18,937	\$ 22,785	\$ 19,294	\$ 23,276
Median Income	\$ 15,259	\$ 19,442	\$ 14,510	\$ 19,652	\$ 14,516	\$ 18,584	\$ 14,852	\$ 17,852	\$ 17,003	\$ 18,628
Average Pell Award	\$ 2,448	\$ 2,786	\$ 3,360	\$ 3,706	\$ 3,361	\$ 3,741	\$ 3,375	\$ 3,818	\$ 3,395	\$ 3,880
Average EFC	685	791	561	785	486	754	506	765	\$ 507	786
Recipients - %	40.9%	59.1%	43.7%	56.3%	42.7%	57.3%	41.6%	58.4%	40.5%	59.5%
Pell Award Dollars - %	37.8%	62.2%	41.3%	58.7%	40.1%	59.9%	38.6%	61.4%	37.3%	62.7%
% EFC=0	5.3%	4.9%	13.5%	11.7%	14.2%	12.0%	13.4%	11.3%	13.5%	11.5%
Increase % EFC = 0 vs. 2007-08			157.3%	139.6%	169.5%	145.1%	155.0%	130.8%	156.9%	134.9%

Source: Federal Pell Grant Program End of Year Reports

From Supplemental Table 52a, Pell Grant Program End of Year Reports, providing EFC and Income statistics for recipients by age

○ The statistics must be understood in context:

○ Recipients

- Headcount changes reflect enrollments
- Distribution of recipients and recipient award dollars seem to be returning to pre-Recession levels

○ EFC

- Both populations saw a decline
- Using zero income as a surrogate for EFC = 0, the proportion and distribution of recipients appears to be stable since 2011-12
- Without recalculating EFC for each recipient for 2011-12 through 2014-15, using the criteria in effect for 2007-08, we cannot know how much of the increase since 2007-08 is an effect of the recession versus changing standards
 - Rising auto-zero cutoff
 - Simplified NA

○ Income

- Average incomes now exceed pre-recession levels for both populations
- Median incomes for traditional student families still lag; those for adult learners have increased
- Aggregate data cannot reveal if the observations reflect
 - Who attended college as the Recession waned
 - Declining incomes within those sequentially enrolled
 - Those returning to original positions, but at reduced salaries, or to new, entry level, lower paying positions, replacing permanently displaced experienced employees

Chart 5a. Pell Grant Recipients

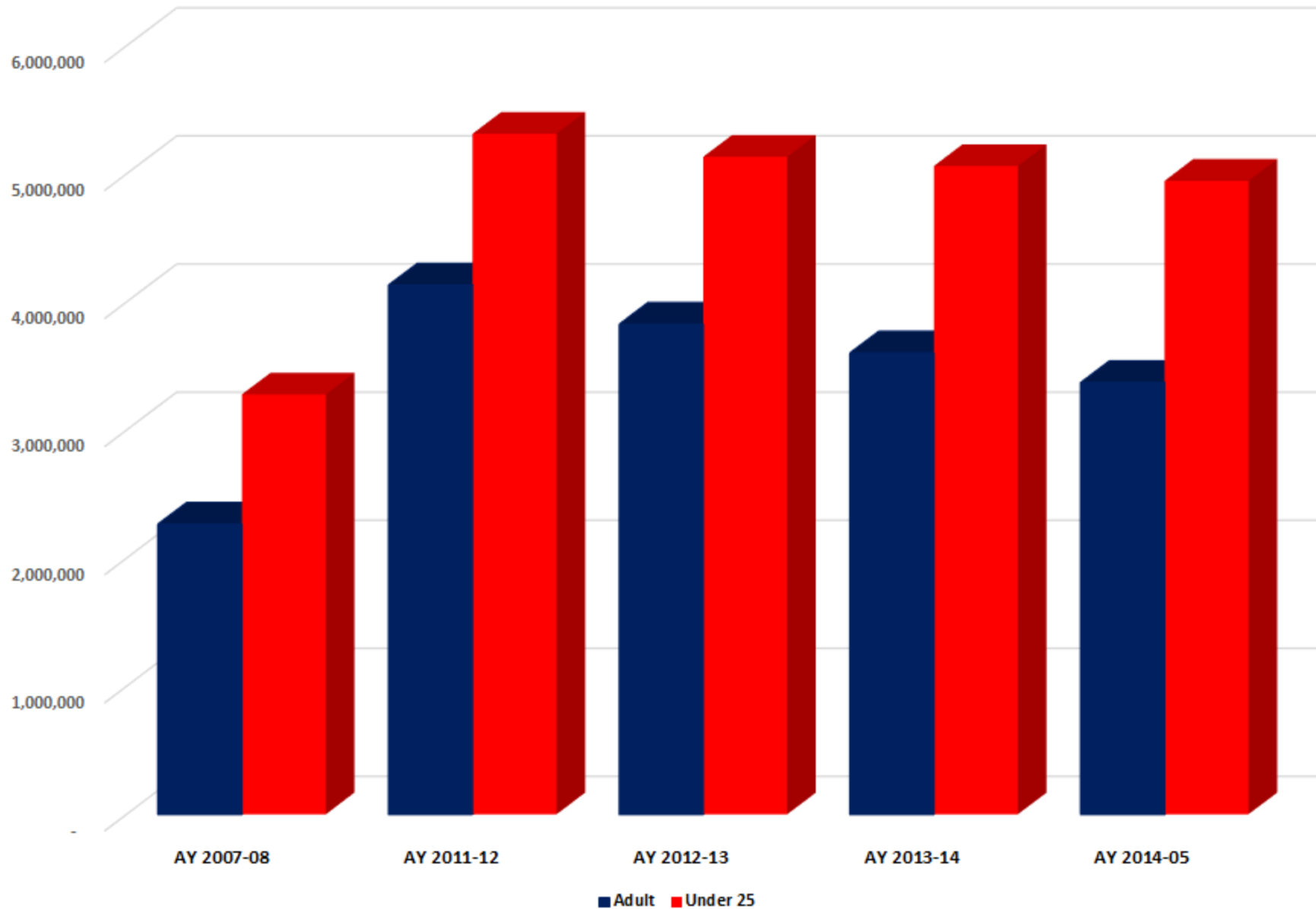


Chart 5b. Pell Grant Recipient Distribution by Age

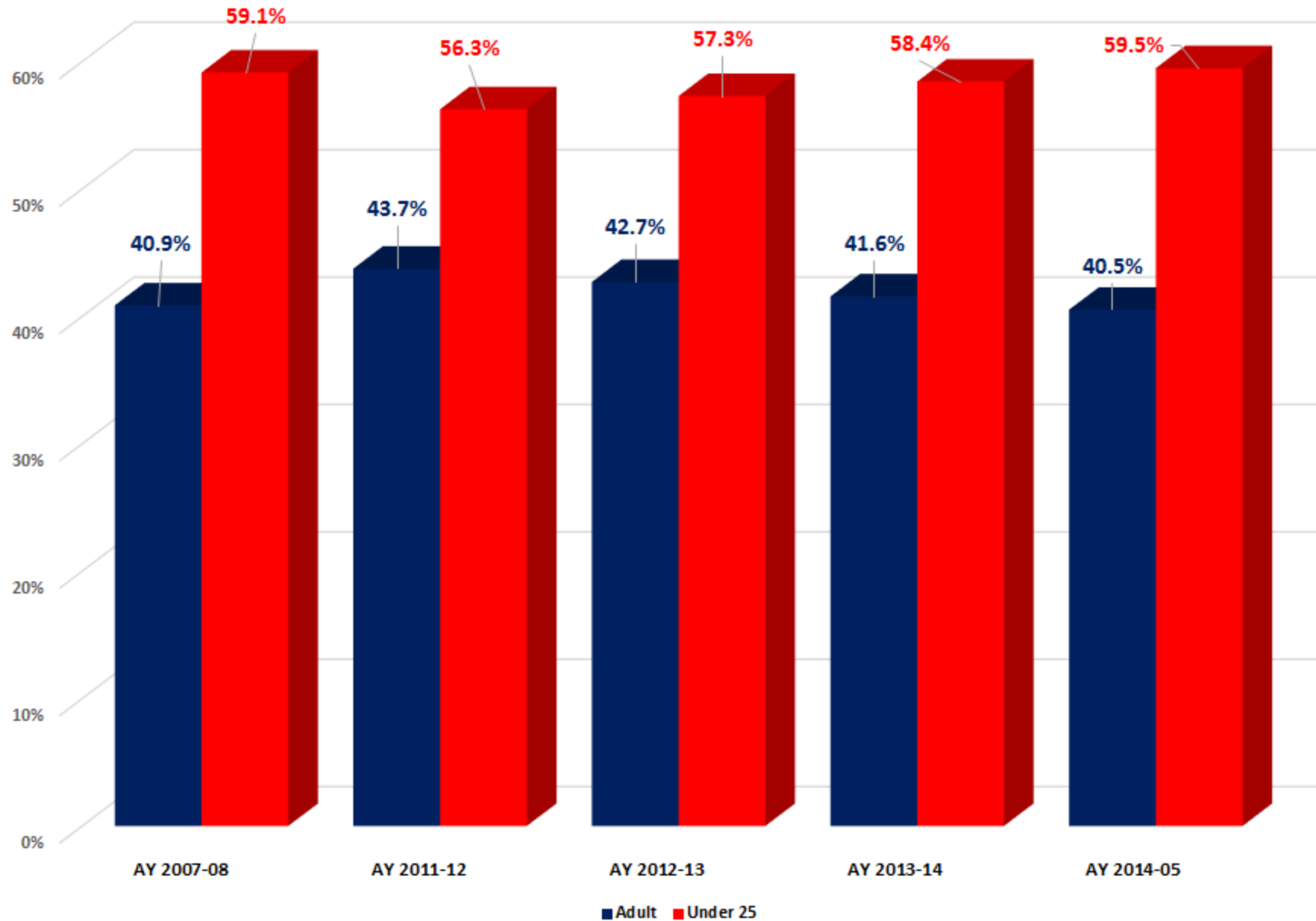


Chart 6a. Average Pell Recipient EFC by Age

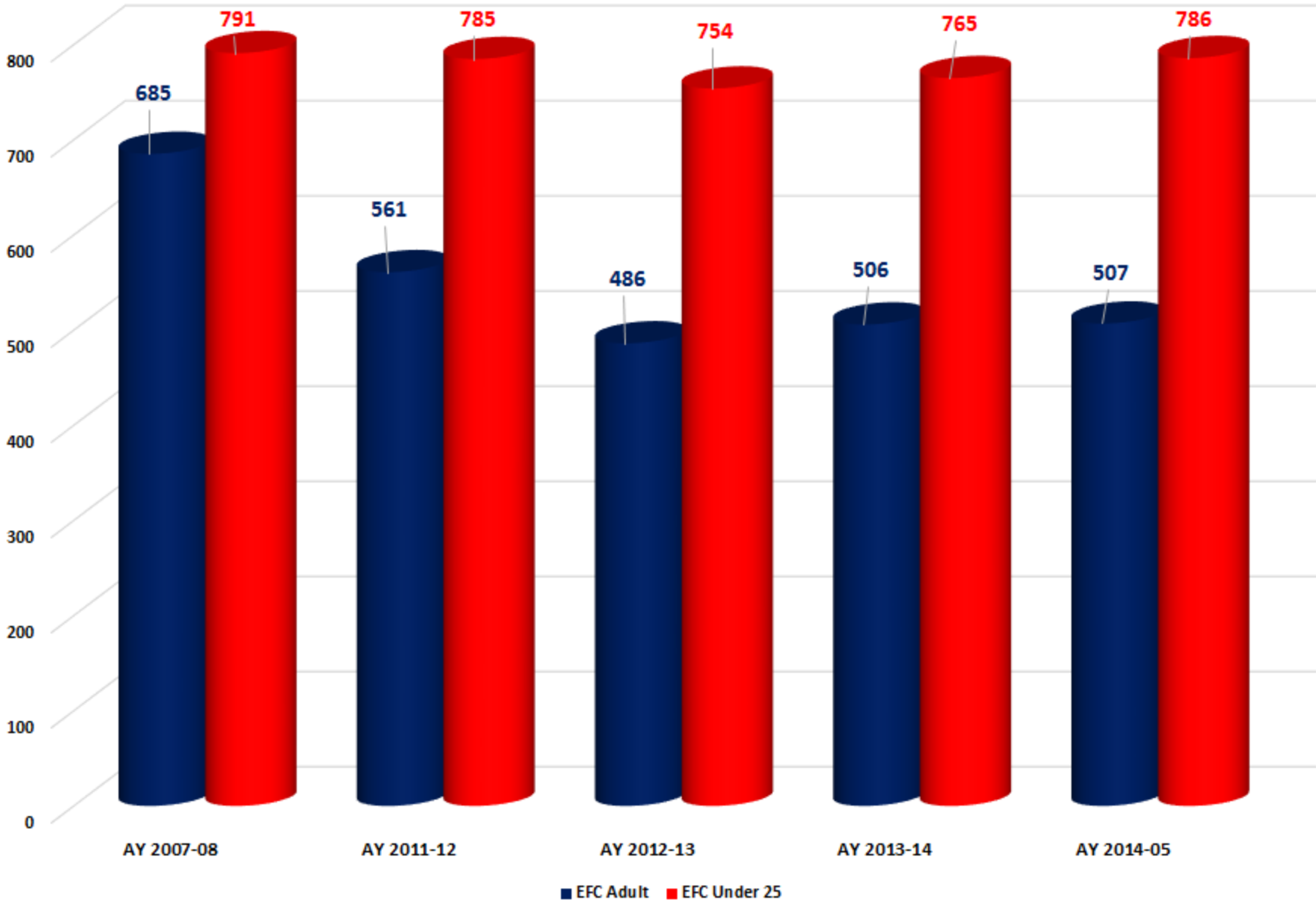


Chart 6b. % Pell Recipients, EFC = 0, by Age

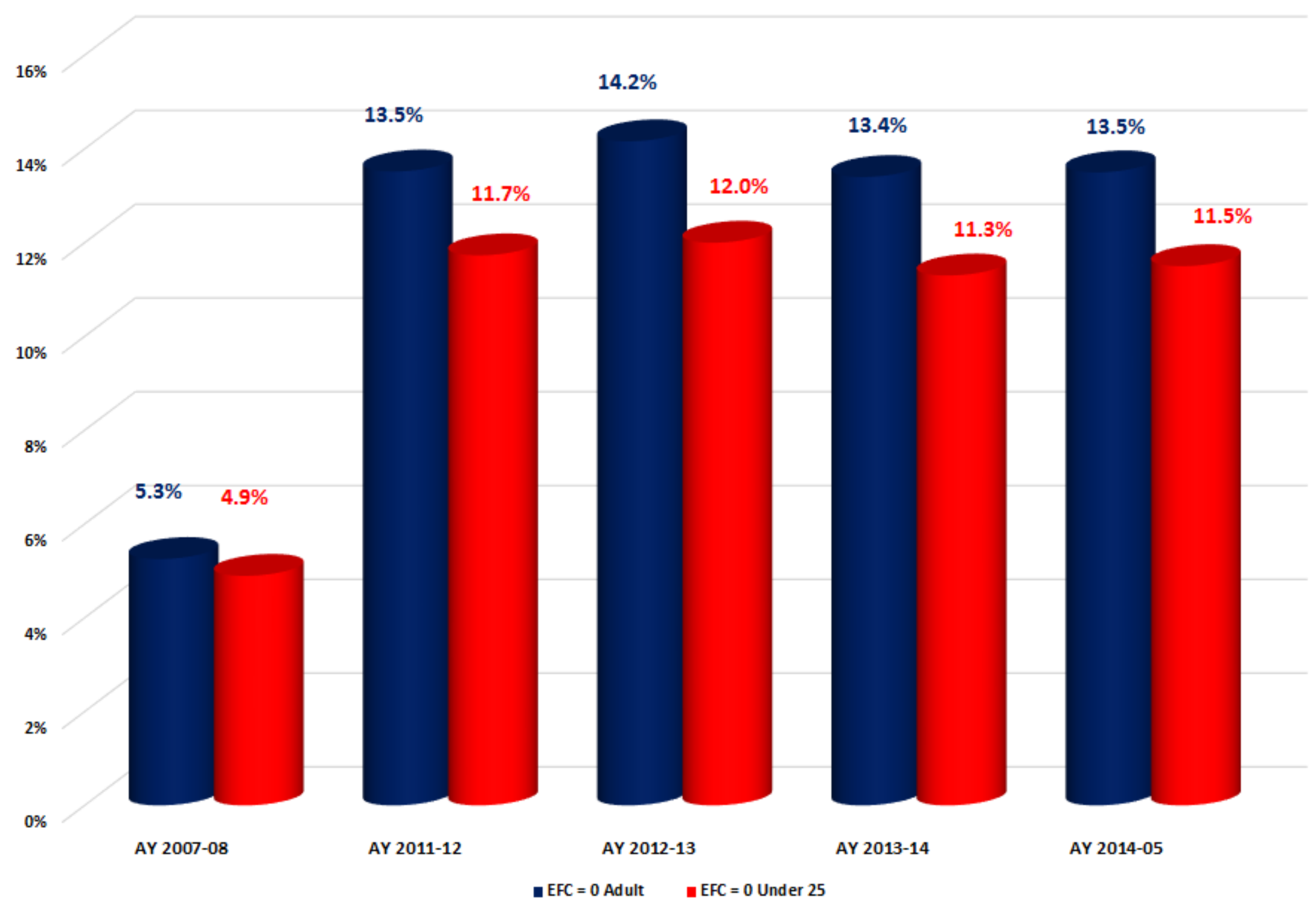
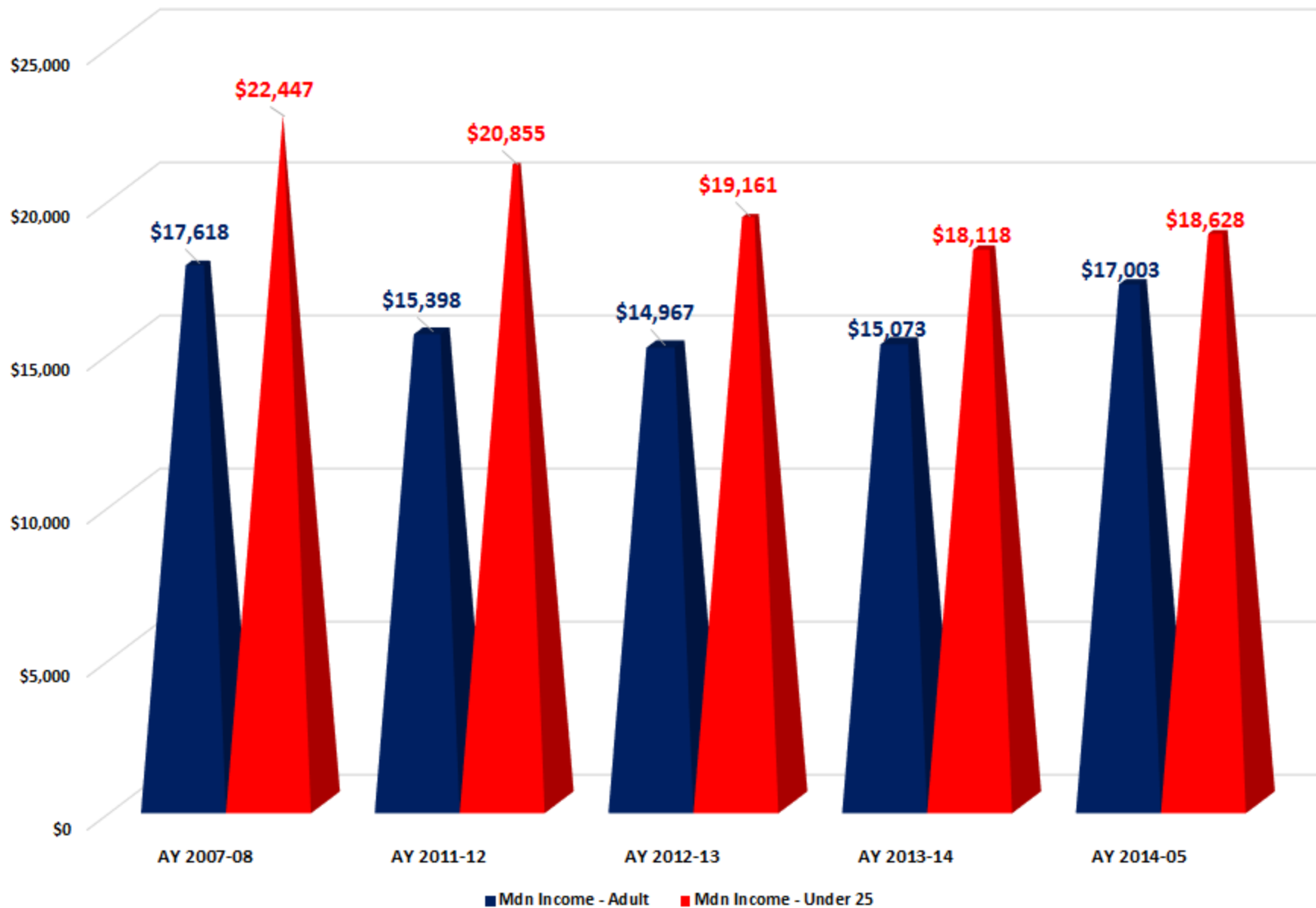


Chart 7. Pell Recipient Median Incomes by Age in 2015 Dollars



The Bottom Line

- **Those who qualify for Pell awards remain a population with very limited economic resources**
 - **Inflation-adjusted median incomes remain below 2007-08 levels**
 - **The percentage of those with very low incomes has been static since 2011-12**
- **As of the 2014-15 academic year, the distribution of Pell awards and award dollars between adult and traditional age undergraduates have returned to 2007-08 levels**

What all this tells us - enrollments

○ Enrollments

- **Both adult and traditional student counts peaked in Fall 2011, declined through Fall 2015, but remain above Fall 2007, approximating the projection based on data through Fall 2007**
 - The number of adults increased between Fall 1987 and Fall 2015 and remain above the 2007 total
 - The increase in the number and percentage of traditional students exceeded that for adults for those years
- **Controlling for the Recession impact, there are no data that argue that enrollments, as of Fall 2015, should have been higher than the observed for either population**

Chart 8a. Sometimes the Cup is Actually Half Full of Adult Learners

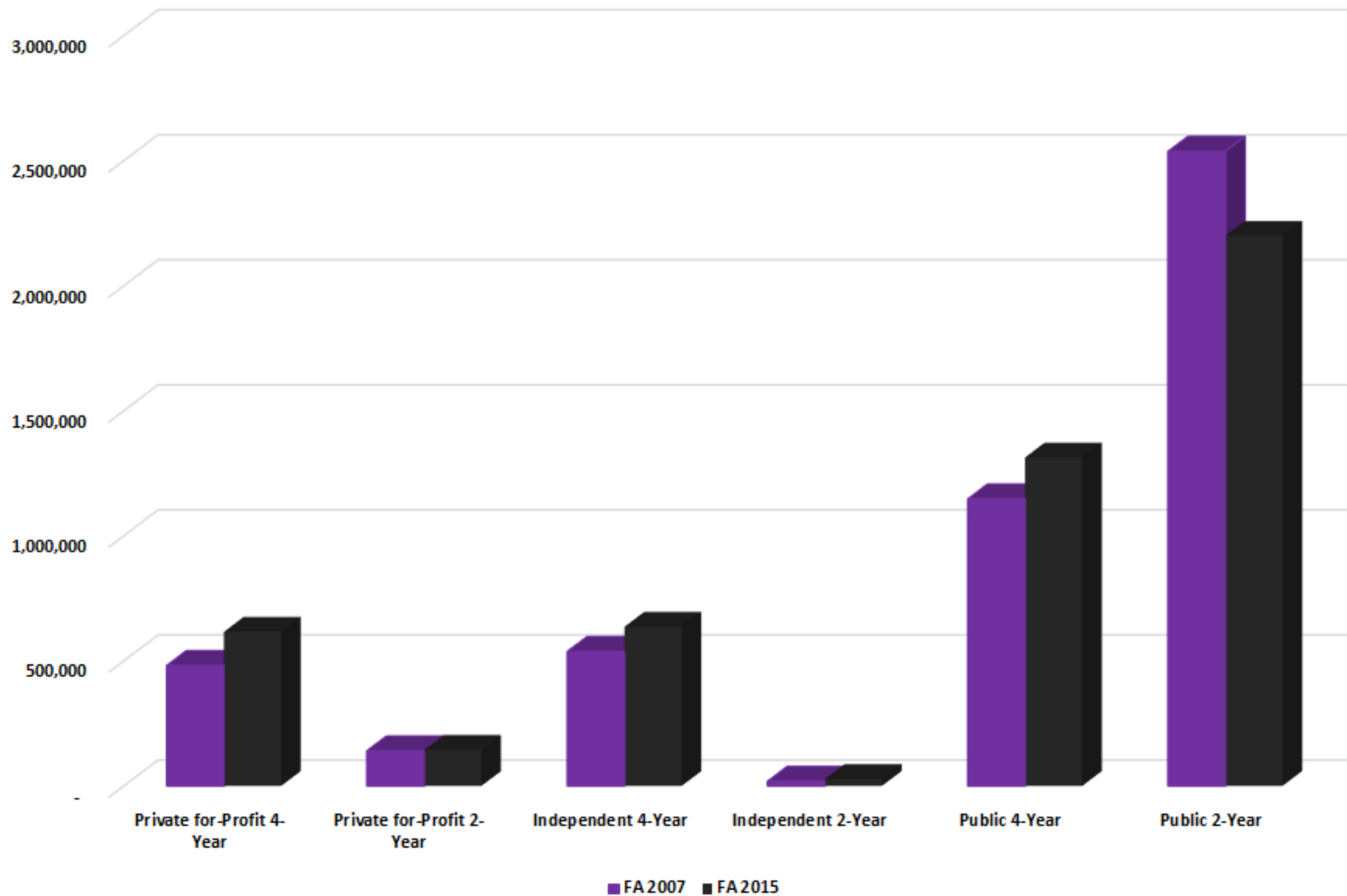
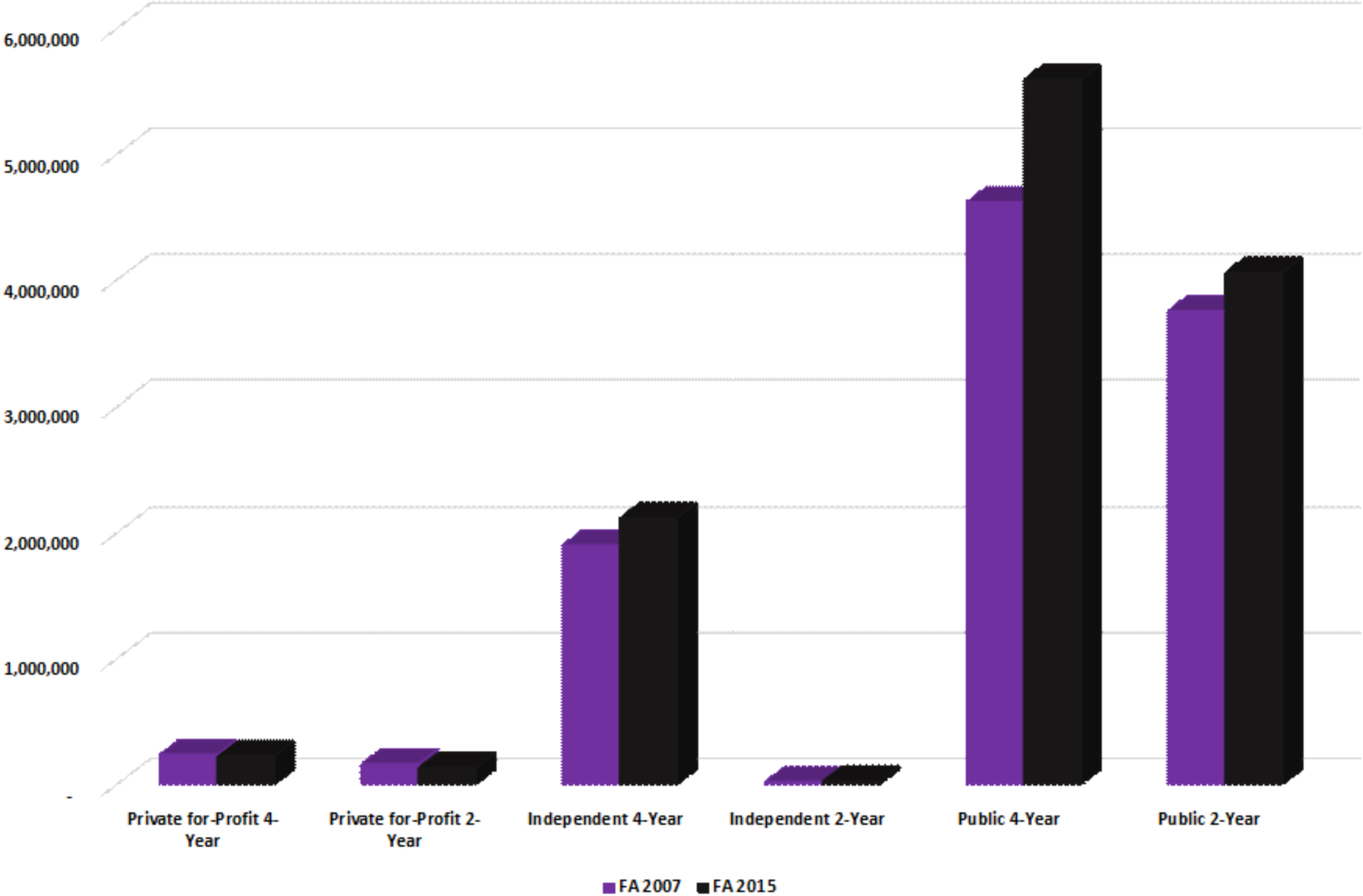


Chart 8b. Sometimes the Cup is Actually More than Half Full of Traditional-Aged Learners

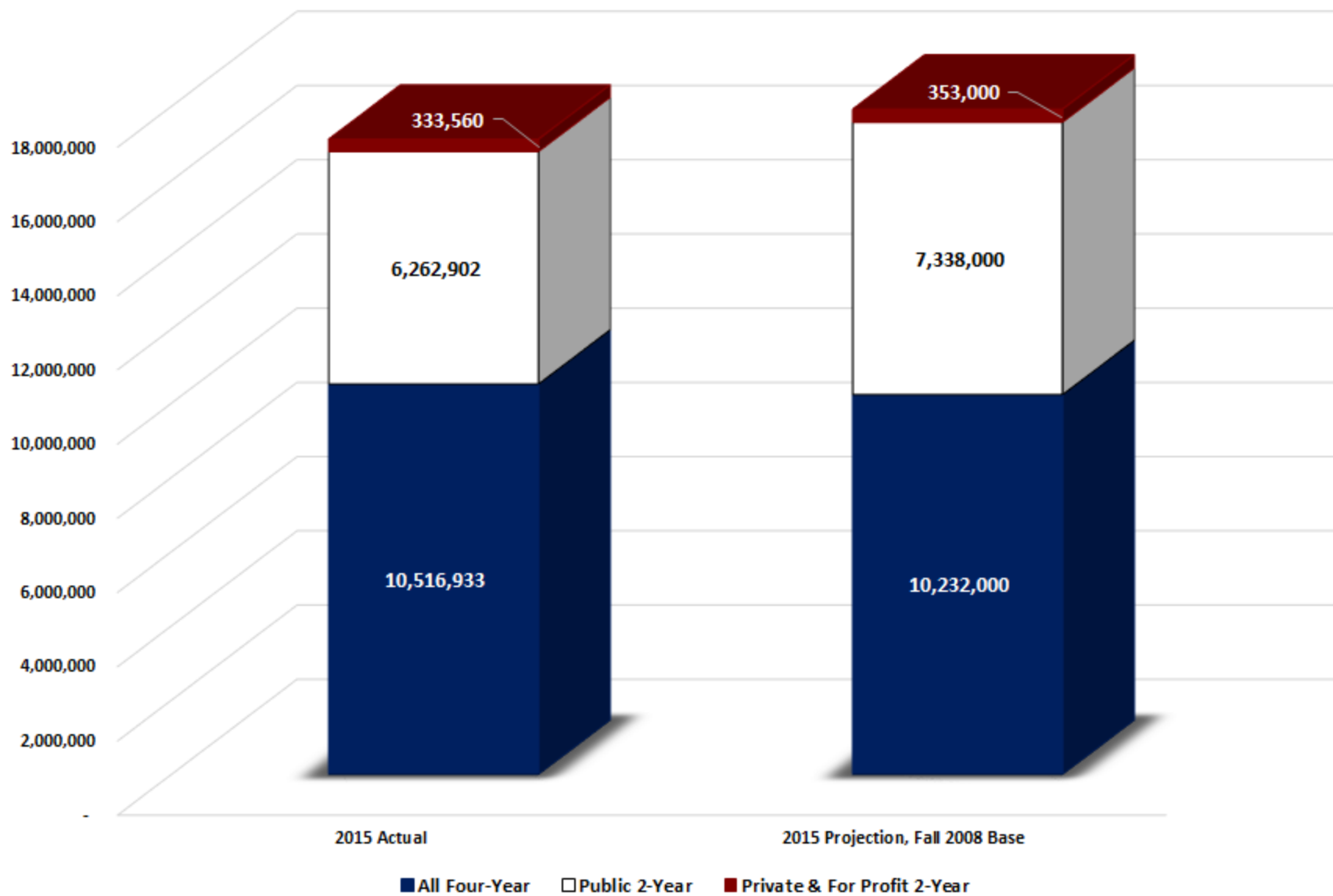


Too much ado about declining enrollments?

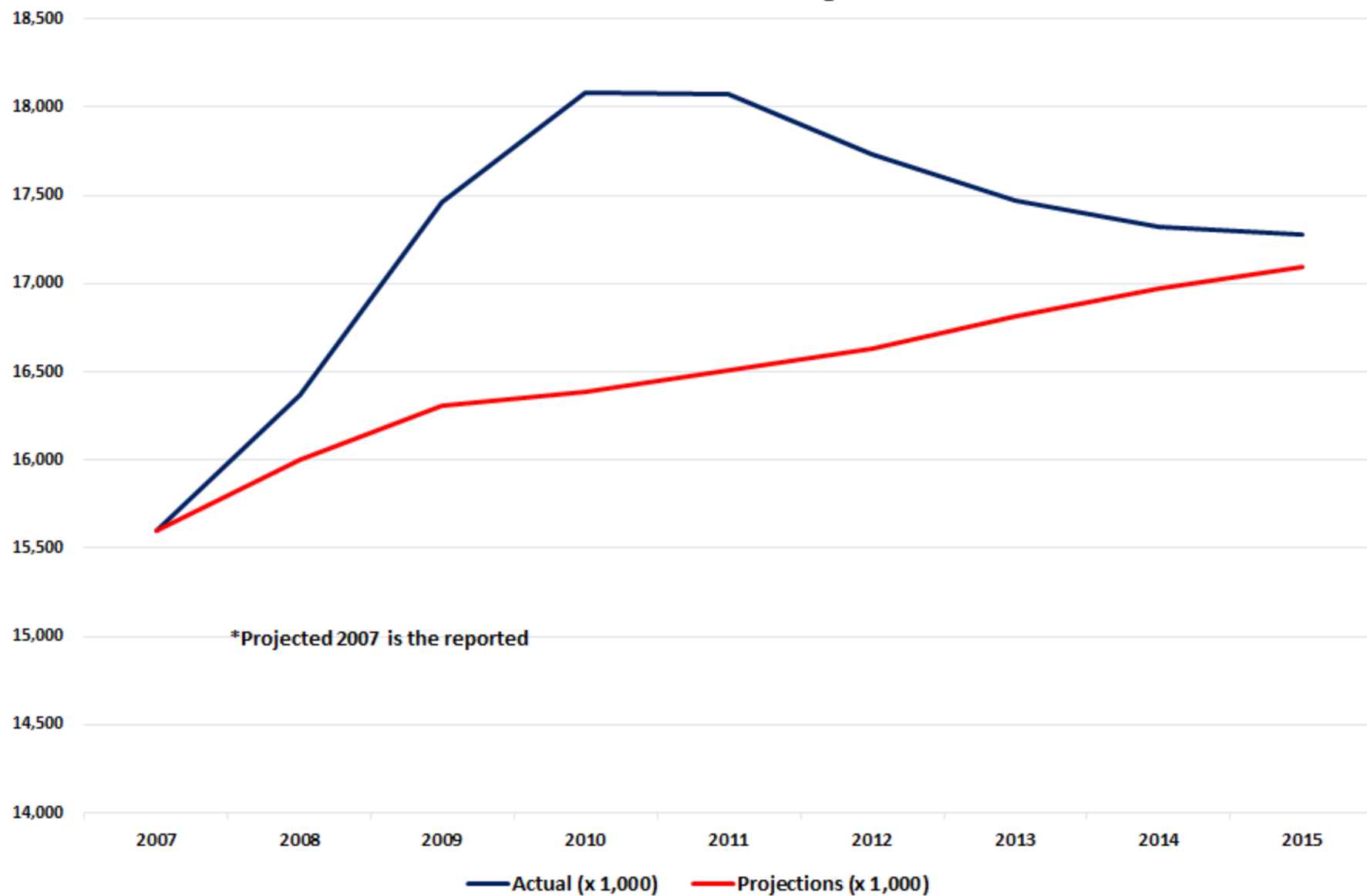
- The Great Recession was an unprecedented event during the post-WWII era. Regardless, given the experience of other recessions, the expectation should have been that the observed increases immediately after 2007 would eventually evaporate
- Should a comprehensive evaluation research study have come to a substantially different projection?
 - Consider the Foxtrot comic strip that ran just before the Dot Com bubble burst – Jason responded, re: the Market, “Stocks can go down?”
 - Given the well-publicized, supposed evaporation of graduating high school seniors throughout much of the nation that was to hit this decade
 - Given that, in the early 1990s, we heard enrollment projections about a future marked by an evaporating freshman class, only to experience solid enrollment growth
 - Given that it should be no surprise that a reviving economy draws adults back into the workforce, removing the incentive to remain in or return to school



**Chart 9. US Undergraduates Enrolled by Selected Institutional Sectors Fall 2015
Actual vs. Projections from Observed Fall 2008**



**Chart 10. Observed vs. Projected Undergraduate Enrollments
Academic Years 2007-08 through 2015-16**



What all this tells us – financial well-being

Through the 2014-15 academic year, incomes for recipients of need-based financial aid continued below pre-Recession levels, adjusted for inflation, even as employment levels recovered

What all this cannot tell us - data limitations

- **Without student level tracking for both Adult and Traditional learners**
 - **Cannot determine if the loss of enrolled students is weighted toward those enrolled**
 - Less than half-time
 - At upper or lower division program level
 - Move to less than two-year institutions
 - **Cannot determine if financial measures reflected sequential or replacement enrollees**
 - **Cannot determine if the impact of increased access to online options drove shifts by type and control**
- **Without better feedback from newly admitted students**
 - **Cannot determine if the loss of enrolled students is weighted toward those looking to upgrade skills, but not actually degree seeking**
 - Degree-seeking: a socially desirable response
 - Degree-seeking: a necessity to qualify for federal and state need-based financial aid

Data Sources

1. <http://nces.ed.gov/ipeds/datacenter/>
2. <http://www2.ed.gov/finaid/prof/resources/data/pell-data.html>
3. NCES. (2011). Projections of education statistics to 2019, 38th ed. [<https://nces.ed.gov/pubs2011/2011017.pdf>]
4. NCES. (2009). Projections of education statistics to 2018, 37th ed. [<https://nces.ed.gov/pubs2009/2009062.pdf>]



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