

FACT SHEET

FINANCIAL AID—STUDENT SUCCESS—AMERICAN INDIANS/ALASKAN NATIVES

Average Cost of College Todayⁱ:

- 2-year--\$3,526
- 4-year Public--\$24,610
- 4-year Private--\$49,320
- Past 5 years has seen increases in tuition for 2-year (11%), 4-year public (9%), and 4-year private (13%). Rate of inflation in that same time period has been 1.3%.

Financial Aid

- 82% of all first-time, full-time undergraduates at a 4-year college received some form of financial aid.ⁱⁱ
- Between 65% and 74% of all undergraduates at a 2-year college received some form of financial aid.ⁱⁱⁱ
- 85% of all AI/NA enrolled full-time received some form of financial aid compared with the national average of 72%.^{iv}
- Among part-time students, 56% AI/NA received financial aid, compared with 51% as the national average.^v
- In terms of all financial aid, AI/NA students averaged \$9,630, slightly higher than the national average of \$9,530, but far lower when it came to loans with AI/NA averaging \$8,260 compared to the national average of \$10,420.^{vi}
- Among Pell Grant awards, AI/NA students receive on average \$4,600 compared with the national average of \$3,724.^{vii}
- When it comes to paying for college, in 2009, 17% of household income was needed to pay for college after all financial aid was spent, and for families living in the bottom quintile, over 60% of family income was needed to cover the cost of attending a 4-year institution.^{viii}
- Currently, the total of college debt that all Americans hold is \$1.9 trillion and second to mortgages among household debt expenses.^{ix}

Success in Higher Education

- Access—The most common measurement is counting the number of students enrolled, disaggregated by any number of categories (e.g. ethnicity, school, gender)
- Persistence—typically this is calculated by the number of students who complete a first semester or a first year. It does not take into account students who transfer or withdraw or their reasons for doing so.

- Graduation—typically this is calculated by the length of time (i.e. 4 or 6 years) it takes a student to complete their studies and receive their degree or certificate.
- Success in predominant white institutions is an individual construct. How well a student does personally against their peers and how well they can translate their college degree into a profession that rewards them financially and personally.
- In Native communities, success is individual but it is also, any perhaps more importantly, also a tribal, social and group construct. An AI/NA may more typically define their collegiate success as how it can help their family, their tribe and their community ahead of themselves.

Impact of Financial Aid

- Access—the role of government, especially at the federal level has been highly influential in using financial aid to promote access. The G.I. Bill in the 1940s that brought veterans into higher education, the National Defense Education Act that helped promote math and science and produce more teachers, and the Higher Education Act of 1965, reauthorized many times since has made college more affordable to a larger diversity of students than ever before.
- Needs-based versus Merit-based Aid—historically, the governmental focus has been on a needs-based approach, enlarging the population of college students. However, as times and particularly state governmental budgets became leaner, the shift to merit-based aid made more sense. Also, that shift in policy coincided with a decline in the overall attendance at U.S. colleges. The policy reflects a shift in value; investing in those who seem best equipped to take most advantage of the financial support. In terms of return on investment, this shift could widen the gaps among social classes as merit-based aid tends to privilege those who have had more resources and supports leading up to college.
- Persistence and Graduation—financial aid policy has had some impact in these areas. Pell Grant recipients tend to both persist and graduate in higher numbers than those who received nothing, but who also did not have family supports.

Facing the Future

- American Indian/Alaskan Natives make up 1.5% of the population and 1% of college attendees. High school graduation rates are 52% and considerably lower at 14% for college students; far from the national averages.^x This, despite there being funds available for AI/NA to attend college.
- Explanations for the disparities are complex and confounded by generational poverty, absence of basic services, and underfunding of public schooling.

- Education policy makers, along with tribal leaders, governmental offices, foundations and other NGOs committed to the welfare of native people will have to assess the distribution of availability of funds and consider the long view of their best impact and wrestle with difficult questions.
 - Can they provide needed support and services in all stages and phases of a person’s life or does doing so dilute the intended impact by being stretched across so many needs?
 - Would college students be better served by massive investments in neo-natal and maternal health and early childhood education?
 - Instead, would they be better off investing in producing more AI/NA teachers and college professors to carry on the dual mission of an education for personal growth and for family, tribal, and community needs?

ⁱ College Board (2013). Trends in College Pricing. <http://trends.collegeboard.org/sites/default/files/college-pricing-2013-full-report.pdf>

ⁱⁱ National Center for Education Statistics (2016). Fact Facts. (<http://nces.ed.gov/astfacts/display.asp?id+31>)

ⁱⁱⁱ Ibid

^{iv} Ibid

^v Ibid

^{vi} Ibid

^{vii} Ibid

^{viii} National Center for Higher Education Management Systems Information Center (2013). Net Cost of Attendance: Percent of Family Income Needed to Pay for College—By Type of Institution. www.higheredinfo.org

^{ix} The Federal Reserve Bank of New York (2016). The Quarterly Report on Household Debt and Credit. Research and Statistics Group. Microeconomics Studies. May 2016. https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/HHDC_2016Q1.pdf

^x Lumina Foundation (2016). A Stronger Nation-Postsecondary learning builds the talent that helps us rise. An annual report from Lumina Foundation. https://www.luminafoundation.org/files/publications/stronger_nation/2016/A_Stronger_Nation-2016-Full.pdf