

Increasing the Bottom Line for College Completion



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President Biden’s recent budget request has made it clear that college completion remains a priority, including \$165 million in proposed funding for the Postsecondary Student Success Grant (PSSG) program for Fiscal Year (FY) 2024. This program, aka the College Completion Fund (CCF), is the first of its kind to support evidence-based strategies aimed at improving student persistence and completion outcomes. The Department of Education has \$45 million in funding in the FY 2023 budget to expand the program to more institutions using data-driven practices to help impact retention, re-engagement, and completion efforts.¹ Five of these grants were already given out to HBCUs, community colleges, and minority-serving institutions from the FY 2022 award competition.²

Getting students through college is critical since non-completers tend to show more negative post-college outcomes because they do not get to reap the benefits of a degree, such as better employment, higher earnings, or a stronger ability to repay student loan debt. Yet today, the national graduation rate at four-year schools is just 60.9% within six years.³ There are several

well-proven and promising program models to look to as PSSG grows. One that commands attention is called Bottom Line. Investing in proven program models like Bottom Line is one crucial route to making sure students are not only enrolling in college but also completing their credentials.

What is the Bottom Line program?

Bottom Line recruits low-income students in the Boston, Chicago, and New York regions and provides them with support services focused on academic, financial, career, and personal challenges as they navigate four-year universities. One thing that makes Bottom Line an exemplary program is its focus on access as well as completion, with efforts that support high school seniors in unpacking the college application process. This college success program provides a personal advisor to students so their college decisions are well-informed prior to enrolling. The support from Bottom Line continues when students enroll, providing them with mentoring and advising for up to six years. Bottom Line's efforts while students are enrolled are rooted in a model called DEAL, which stands for "degree, employability, affordability, and life," and focuses on every aspect from degree selection to completion. Bottom Line's program ensures that students receive ample support in choosing the most appropriate degree to complete, navigating costs, and finding a career path after completing.⁴

An independent randomized control trial (RCT) of the Bottom Line program confirmed its effectiveness in raising college completion rates. When correctly conducted, a randomized control trial is one of the strongest methodologies for examining the impact of a program's model.⁵ Bottom Line was selected to participate in an RCT due to its proven track record of serving students in multiple geographic contexts.⁶ The RCT demonstrated the model to be highly effective, as data show Bottom Line's model increased six-year completion rates of students by 9.6 percentage points when compared to a control group that was not receiving the same services.⁷ This striking gain in completion highlights the impact that investing in evidence-based models can have in helping more students complete their degrees.

With that in mind, we conducted a thought experiment to see what could happen if Bottom Line's model and findings were expanded on a national level. What would the societal benefits be if we added 9.6 percentage points to the national bachelor's degree graduation rate?

More Undergraduate Degrees

There were around two million bachelor's degrees conferred for the 2021-22 school year, contributing to the 60.9% national graduation rate.⁸ With an addition of 9.6 percentage points, that would **raise the national graduation rate to 70.5%**. This in turn would **add 192,000 new bachelor's degree completers** to the two million degrees conferred. An increased completion rate for undergraduate degrees would provide a multitude of improvements in outcomes for students,

such as higher employment, higher earnings, graduate degree options, and equity boosts for marginalized populations. We carefully consider each of these areas in this exercise.

Higher Employment Rates

A major societal benefit of an increased national graduation rate is higher employment rates for students who complete their degrees. Data show that in 2021, 86% of those between 25–34 with a bachelor’s degree or higher were employed compared to 68% with a high school diploma.⁹ With 86% of these recent graduates finding employment, that’s 1.72 million individuals contributing to the economy with careers. However, if a program like Bottom Line was applied nationally, we could increase these numbers to an even greater capacity. A Bottom Line model being scaled nationally would **increase the number of employed bachelor’s degree graduates to 1,885,120**. If we assume that 68% of Bottom Line graduates had a HS diploma only prior to participating in the program, that’s an **increase of 34,560 students that will be employed** after completing their bachelor’s degrees. Being employed after completing a bachelor’s degree has also been shown to improve mental health, increase job satisfaction, and lead to more lifetime earnings.¹⁰

Higher Earnings

Increasing four-year graduation rates will have a ripple effect of increasing those graduates’ earnings. According to a report from Georgetown University’s Center on Education and the Workforce (CEW), adults with a bachelor’s degree earn a median of \$2.8 million during their lifetime, which is \$1.2 million more than the median for workers with a high school diploma.¹¹ That means that students who complete a bachelor’s can not only expect better employment outcomes, but also more earnings over the duration of their lifetime than students who don’t complete.

If we take the potential number of employed bachelor’s degree holders we could gain if we applied Bottom Line nationally and assume each of the 192,000 additional graduates produced would go on to make \$2.8 million in lifetime earnings—an increase of \$1.6 million more than if they had only a high school degree—that’s **\$230 trillion in additional dollars** that can be produced in the US economy. With higher earnings over time, these additional graduates will also have stronger student debt repayment outcomes, as non-completers are three times more likely to default on their loans.¹² Additionally, higher earnings after completing college could lead to more personal savings, less need for public assistance, and paying more into programs like Social Security through federal income tax.¹³ Raising graduation rates by way of evidence-based models like Bottom Line can provide a substantial boost to students’ life outcomes as well as their contributions to the economy.

More Graduate Degrees and (Even Higher) Earnings

Because earning a bachelor's degree is a prerequisite for graduate education, more bachelor's degrees produced would also translate to higher enrollment and attainment of graduate degrees—and a graduate credential is tied to even higher average income levels for completers. The same Georgetown CEW report showed that master's degree holders earn a median of \$3.2 million over their lifetimes, while doctoral degree holders earn \$4 million and professional degree holders earn \$4.7 million.¹⁴ In 2020, the Council for Graduate Schools reported that around 73% of college graduates planned to pursue a post-baccalaureate credential and of those, two-thirds (67%) were planning on pursuing a master's degree.¹⁵

Since a large share of bachelor's degree students are eyeing a master's, we can consider how a scaled Bottom Line model would benefit their graduate education outcomes. The \$3.2 million median earnings for a master's degree holder is \$400,000 more than the median for bachelor's degree earners. Let's assume that 67% of the two million bachelor's degrees conferred went on to pursue a master's degree. That would be 1.34 million new students enrolling in master's programs and bringing in lifetime earnings of \$536 trillion collectively. If Bottom Line was expanded to the national level, that would add **128,640 new graduates enrolling in master's degrees** and an **additional increase of \$51 trillion in combined earnings** being contributed back into the economy and creating better life outcomes for students.

A large-scale model for improving graduation rates for bachelor's degrees would at the very least provide more students with the option to pursue a graduate degree if they decide it is beneficial for their future goals. This would almost certainly lead to not only an increase in master's degree enrollment, but also an uptick in doctoral and professional degree programs—further increasing graduates' employment prospects and earning potential.

Equity Boosts

Equity is a crucial element of programs like Bottom Line. The program criteria seek students with at least a 2.5 grade point average and a family income below 200% of the poverty line.¹⁶ In addition, Bottom Line is dedicated to serving students of color in under-resourced areas.¹⁷ While there are many considerations to discuss when mentioning equity impacts, data show that obtaining a bachelor's degree leads to overall employment and earnings gains for many racial and ethnic groups.¹⁸ For example, Black and Latino students see an increase in earnings when they graduate from college, and their earnings increase with post-baccalaureate completion as well. Targeted programs that improve the support and resources provided to students from underrepresented backgrounds are important tools to help close racial wealth gaps while also contributing to a more diverse US workforce. Strategies like Bottom Line can help all students attain a better life and have significant impacts on broader equity goals.

Conclusion

Investing in evidence-based student success models has clear connections to improving outcomes for all students. Including and beyond Bottom Line, there are many well-proven programs that we can continue to build on through CCF that will provide better lives to students, contribute to a better economy, and make good use of taxpayers' dollars. It's crucial that we invest resources into models that work and provide continual support to our higher education system through expanding proven practices.

TOPICS

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ENDNOTES

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