



Redefining Success:

The Federal Reserve Bank of Richmond's Survey of Community College Outcomes

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The views and opinions expressed herein are those of the author. They do not represent an official position of the Federal Reserve Bank of Richmond or the Federal Reserve System.

Why the Richmond Fed cares about community?

Source: Federal Reserve Bank of St. Louis



The Federal Reserve has been given a dual mandate:

**Price
Stability**

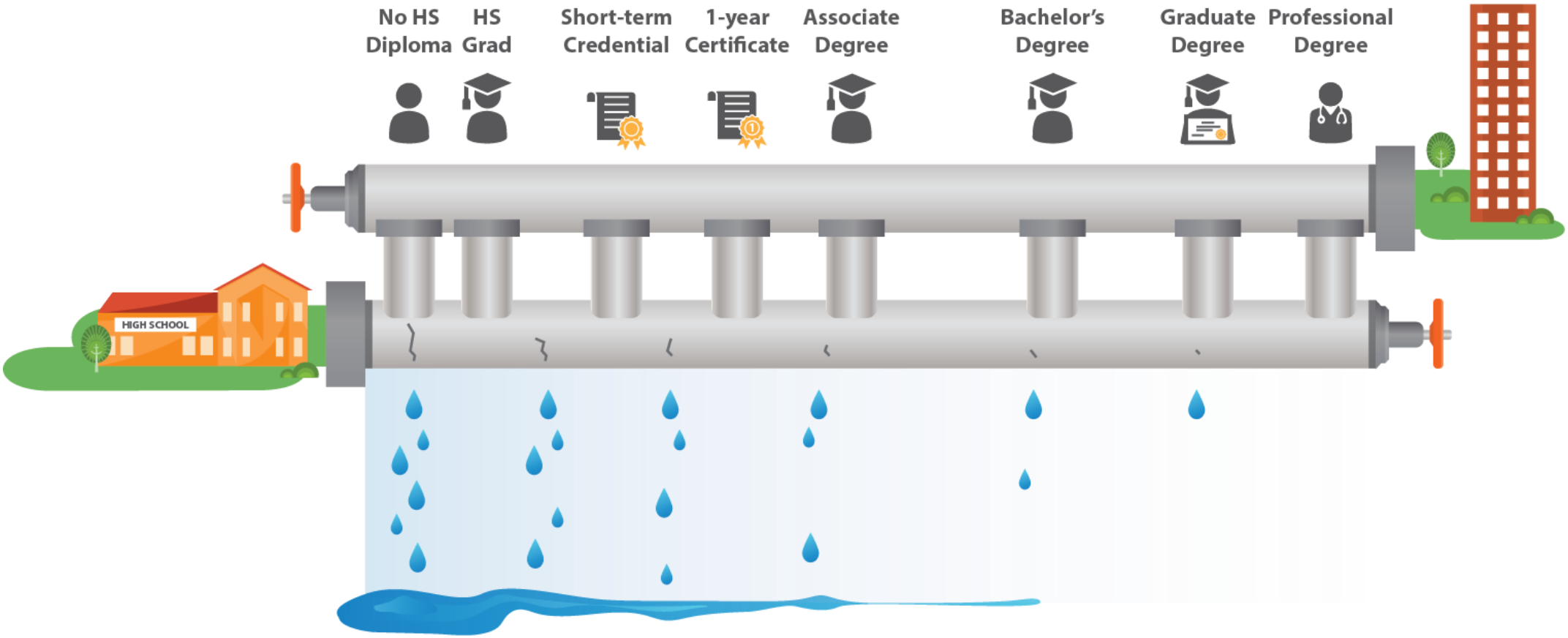


**Maximum
Employment**



Why the Richmond Fed cares about community colleges?

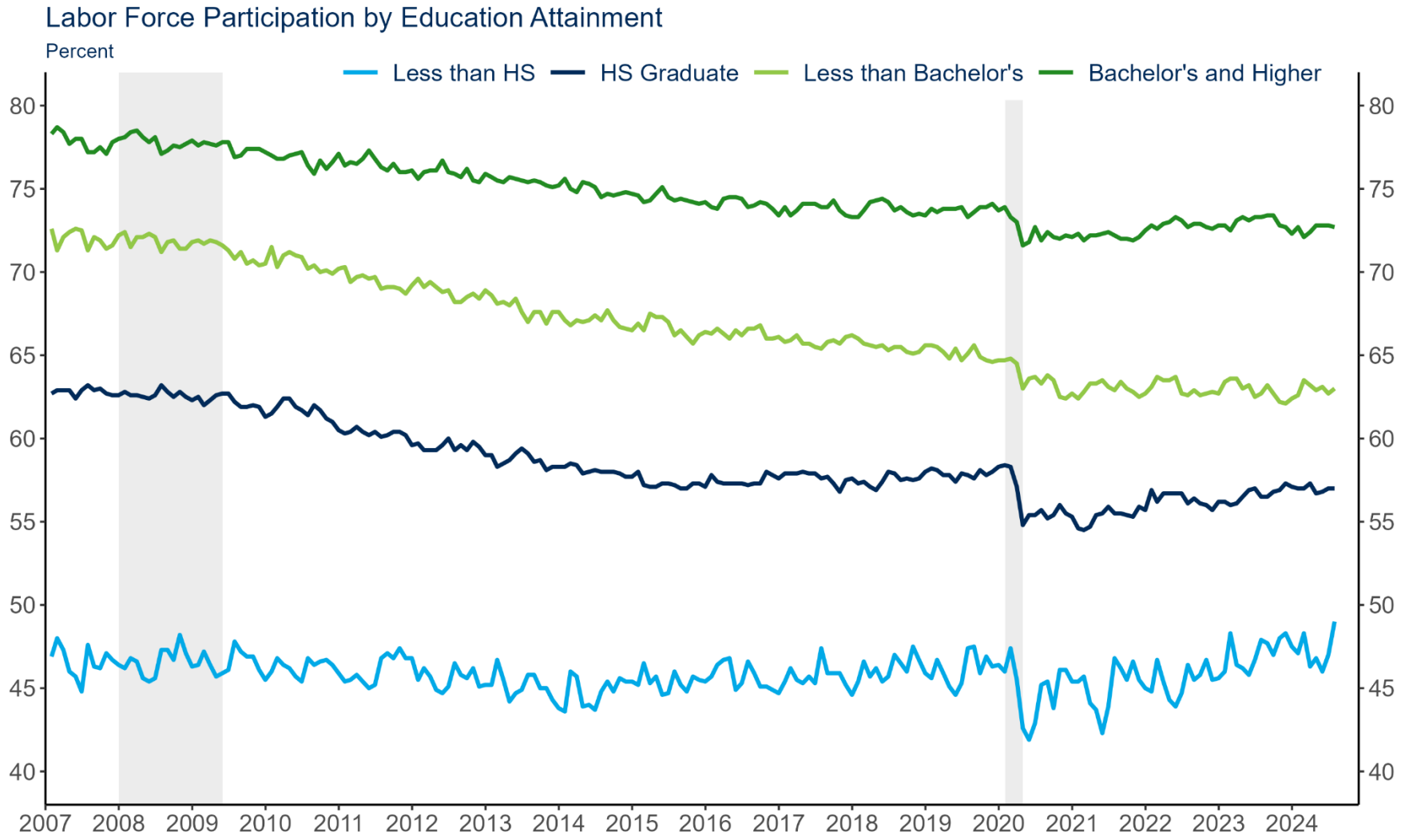
The Education to Work Pipeline



Source: Federal Reserve Bank of Richmond



The leaky workforce pipeline isn't new, but it may be becoming more relevant



Source: Bureau of Labor Statistics

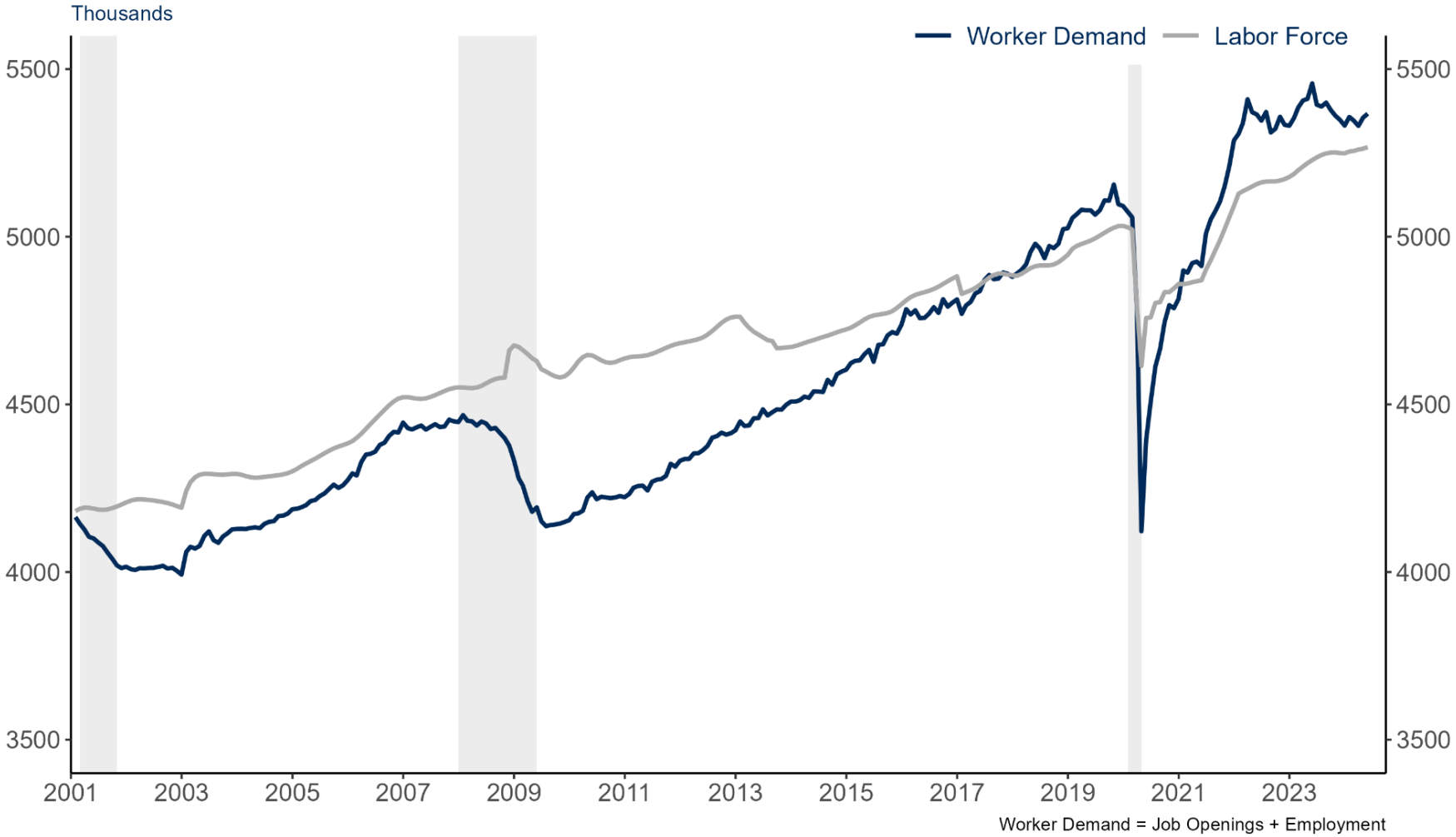


The short story...

labor is tight and is likely to stay that way

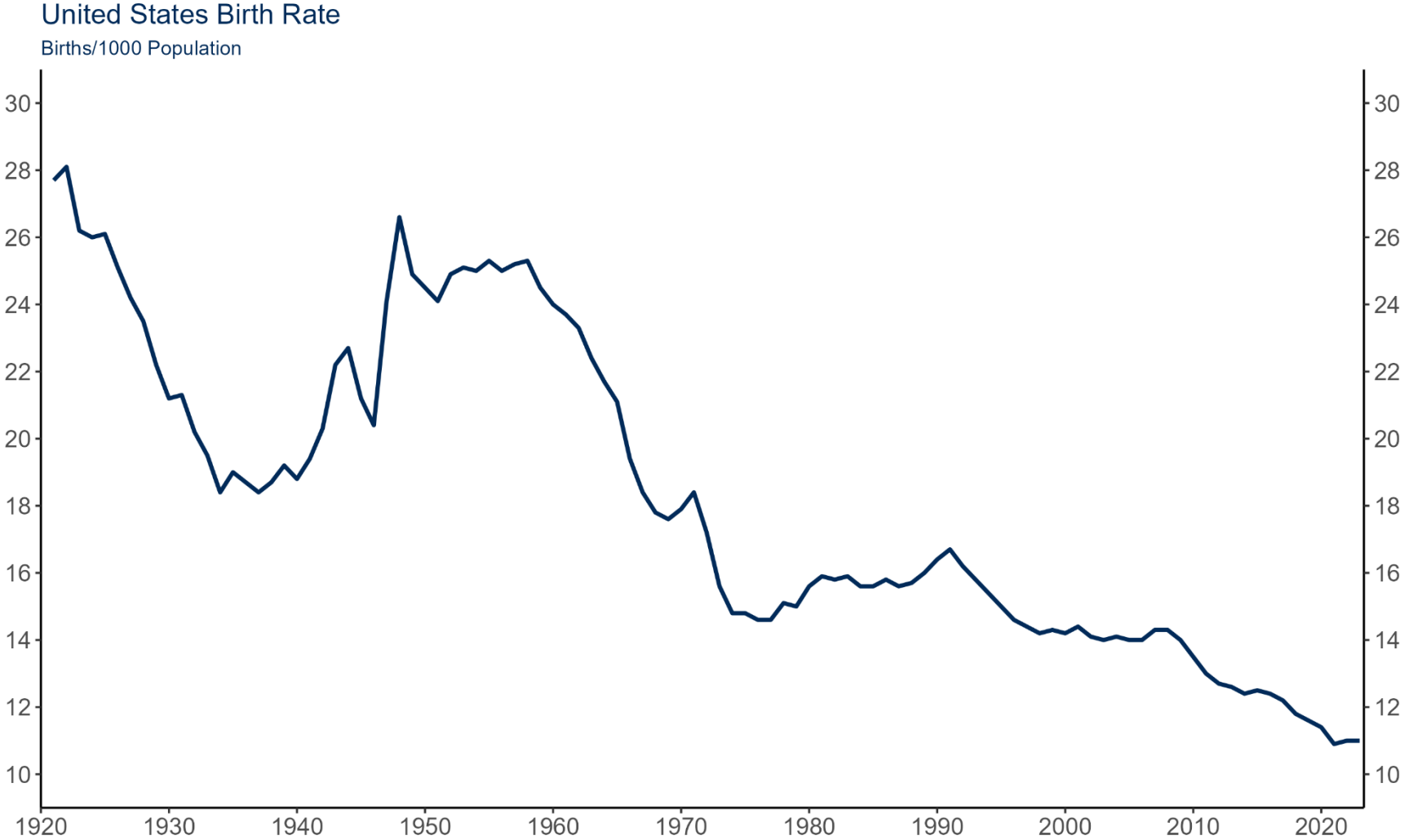


Worker Demand and Labor Force -- North Carolina



Fertility rate declines tell much of the story...

and explain the looming “2025 cliff”



Source: National Center for Health Statistics / Haver Analytics

What does the future hold for higher education?

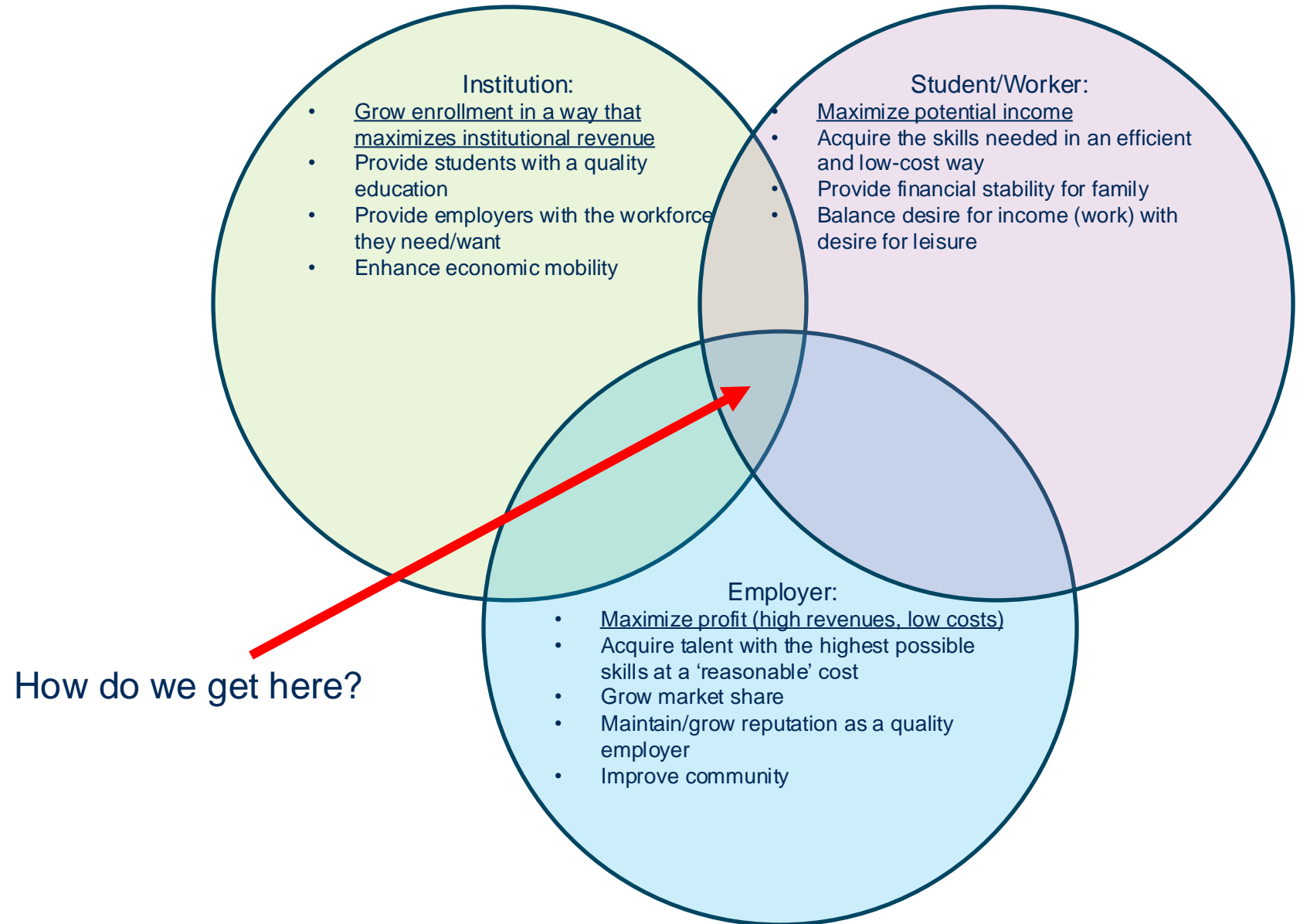
- States are going to have to evaluate the balance between flagship and regional universities
- Mergers will likely continue, and some colleges won't make it
- The value of some degrees continues to grow stronger each year (e.g. engineering, math, computer science, nursing, accounting). Focusing on career ready programs will help with enrollment and retention.
- This may be point at which the cost of higher education must be addressed
- Colleges need to find a way to engage both younger and older students in new ways
- Students are showing preference for shorter-term programs and stackable credentials, especially at community colleges. Schools will have to keep up with demand and policy changes will be needed to align institution-student-employer incentives.



Speaking of incentive-alignment...

Where are we now?

How do we do better?





The Richmond Fed's Community College Initiative

Redefining Success:

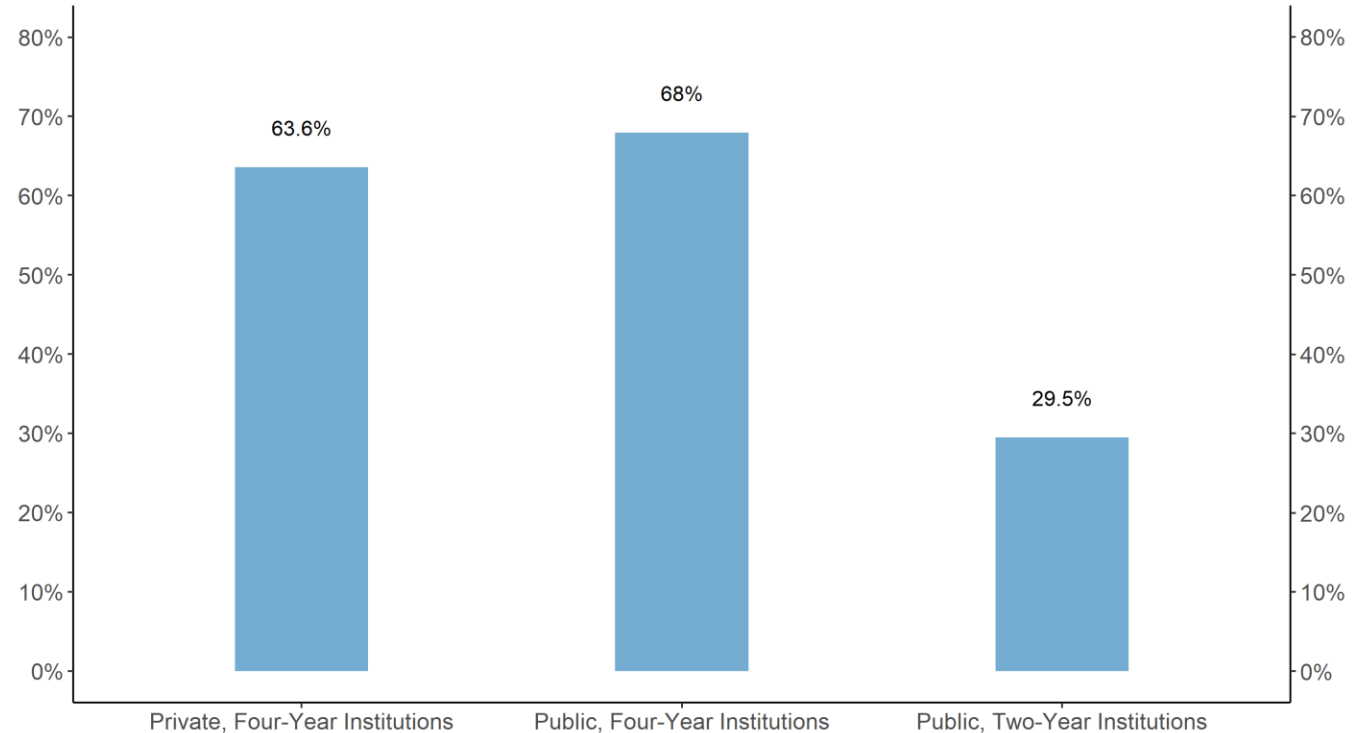
The Federal Reserve Bank of Richmond's Survey of Community College Outcomes

Why redefine success?

What the currently available data show

- Community college outcomes don't look great on the surface. In fact, compared to four-year college outcomes, they look especially bad.
- Fifth District higher education outcomes by sector show that community college completion (as reported by IPEDS) is less than half that of public four-year District colleges.

Graduation Rates at Fifth District Institutions
Within 150% of Expected Time to Completion



Source: IPEDS

Note: Private institutions include only those with 300 or more students.



What the colleges say

Conversations with District community colleges led to comments like...

*“Don’t use that data.”
“The cohort utilized in **IPEDS** doesn’t accurately reflect what’s really going on.”*

*“**IPEDS** doesn’t really work for community colleges.”
“That’s not our real graduation rate.”*



But...

- *If you Google “X Community College graduation rate” today, what comes up is the **150%** of expected completion rate reported by IPEDS.*
- *Students, parents, high school counselors, employers, researchers and legislators are making decisions based on these data.*



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Our Goals in Creating the Survey of Community College Outcomes

**Community
College
Focused**

Independent

**Universally
Available**

**Not
Burdensome**

Longevity

**Good
Coverage**

****2023 data come from the extended pilot of the Richmond Fed's Survey of Community College Outcomes.
As such, all results should be viewed as experimental and are subject to change.****



Before seeing the results, let's level set....

- **What does the Richmond Fed bring to the table?**

- Independent, non-partisan, apolitical
- We do not fund anyone, including community colleges
- Large research organization with existing survey and data analysis expertise
- Significant outreach to colleges (on the ground)
- Our mandate makes us workforce focused

- **Our goal was to collect data and design metrics that represent the unique ways community colleges serve their students and their communities.**

- This is one small attempt to better measure community college outcomes in our District in a way we believe better serves students, institutions and Fifth District communities.

- **Our extended survey covers community colleges in four states: Maryland, South Carolina, Virginia and West Virginia.**



Building a cohort of students for the success metric

IPEDS Cohort

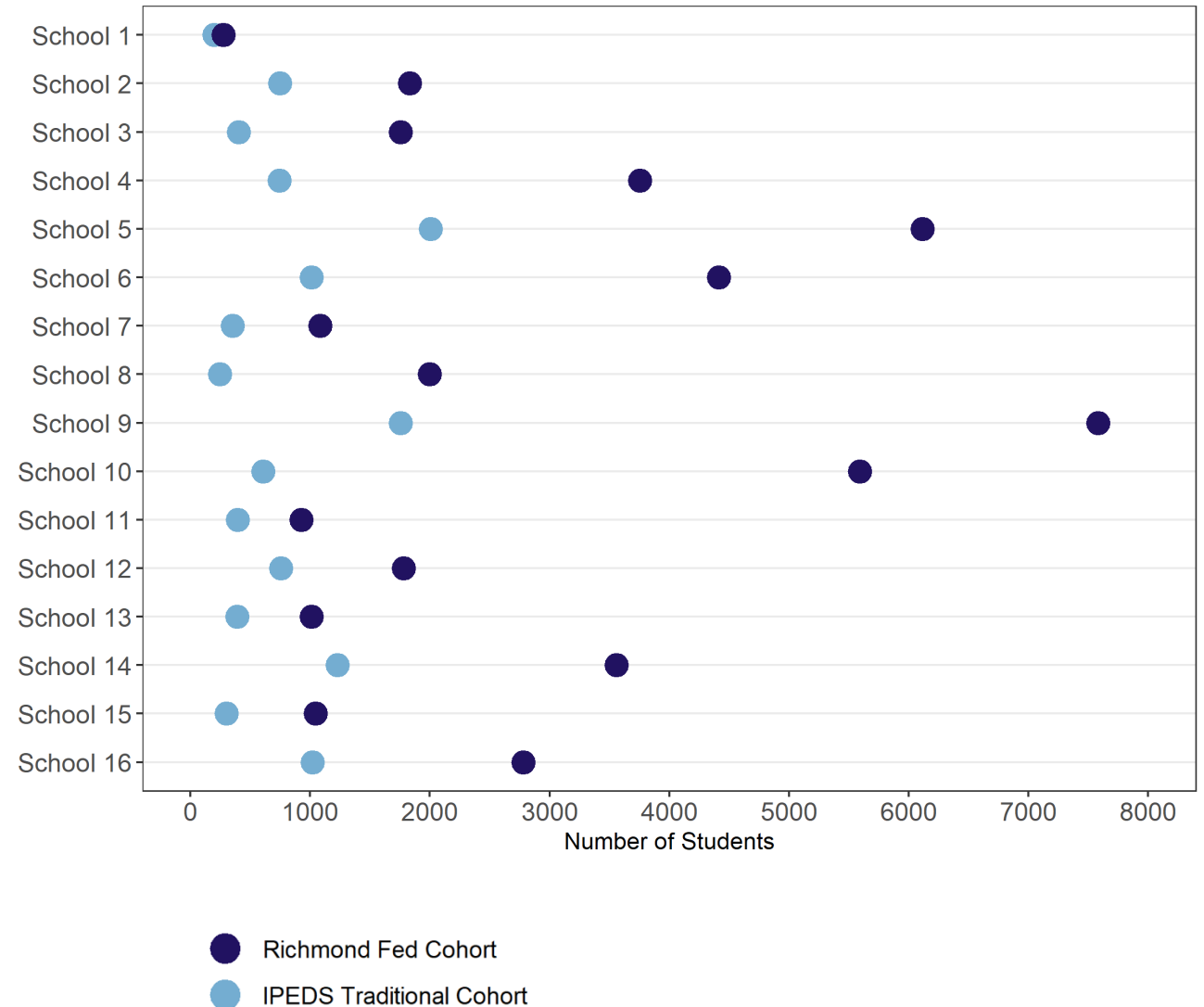
- Full-time students (enrolled in a minimum of 12 credit hours per semester)
- First-time students

Richmond Fed Cohort

- Full-time students (enrolled in a minimum of 12 credit hours per semester)
- **Part-time students**
- First-time students
- **Non-first-time students at the institution**



Cohort Size Comparison -- Maryland



How we decided to define success

Federal Reserve Bank of Richmond Success Rate =

Percent that Graduated with a Degree/Diploma/Certificate or Attained a Credential/Licensure

+

Percent that Transferred Prior to Degree/Credential Attainment

+

Percent that Persisted

(Measured 4 years after initial enrollment)



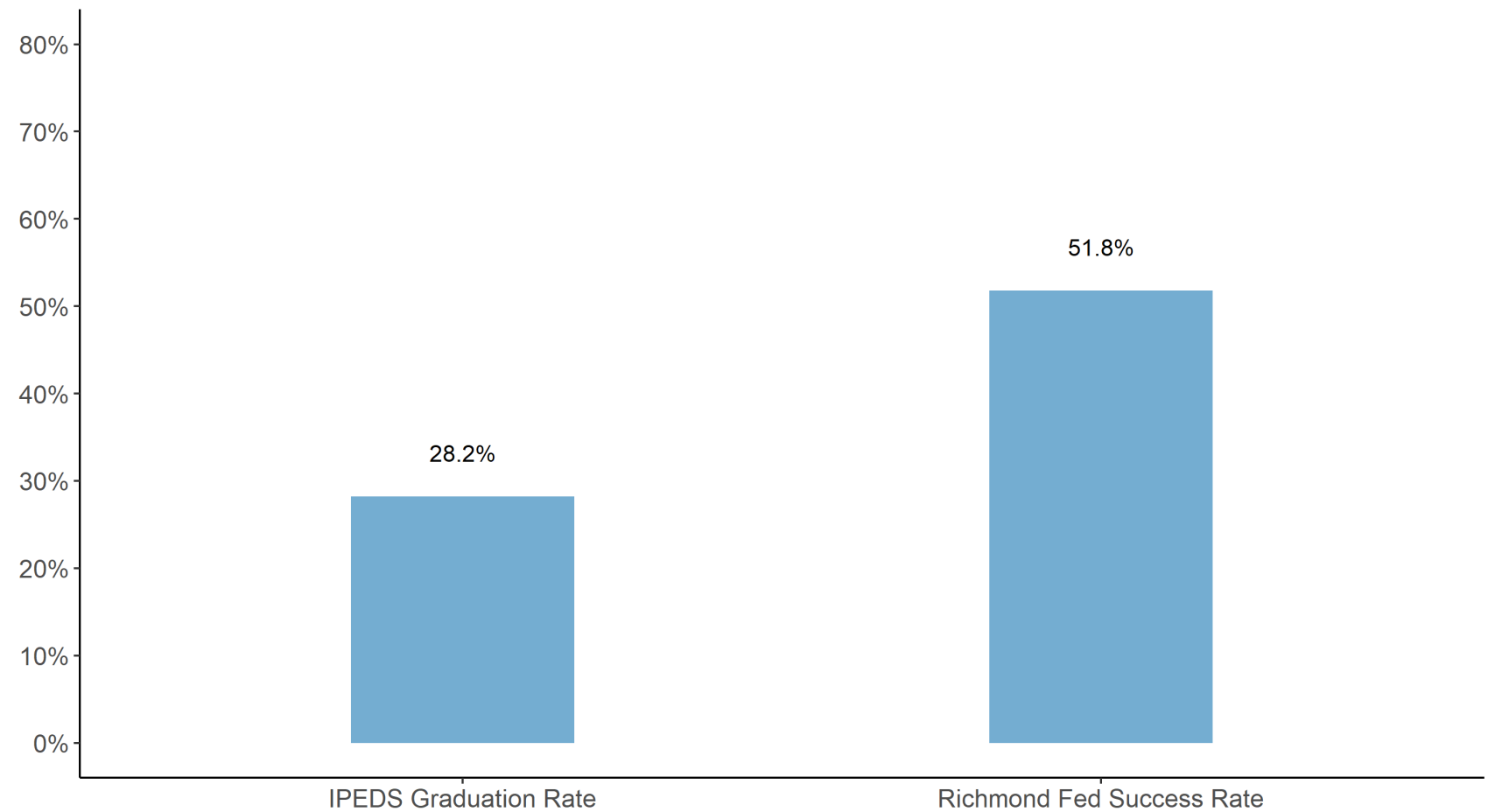
The Richmond Fed Student Success Rate

n=63



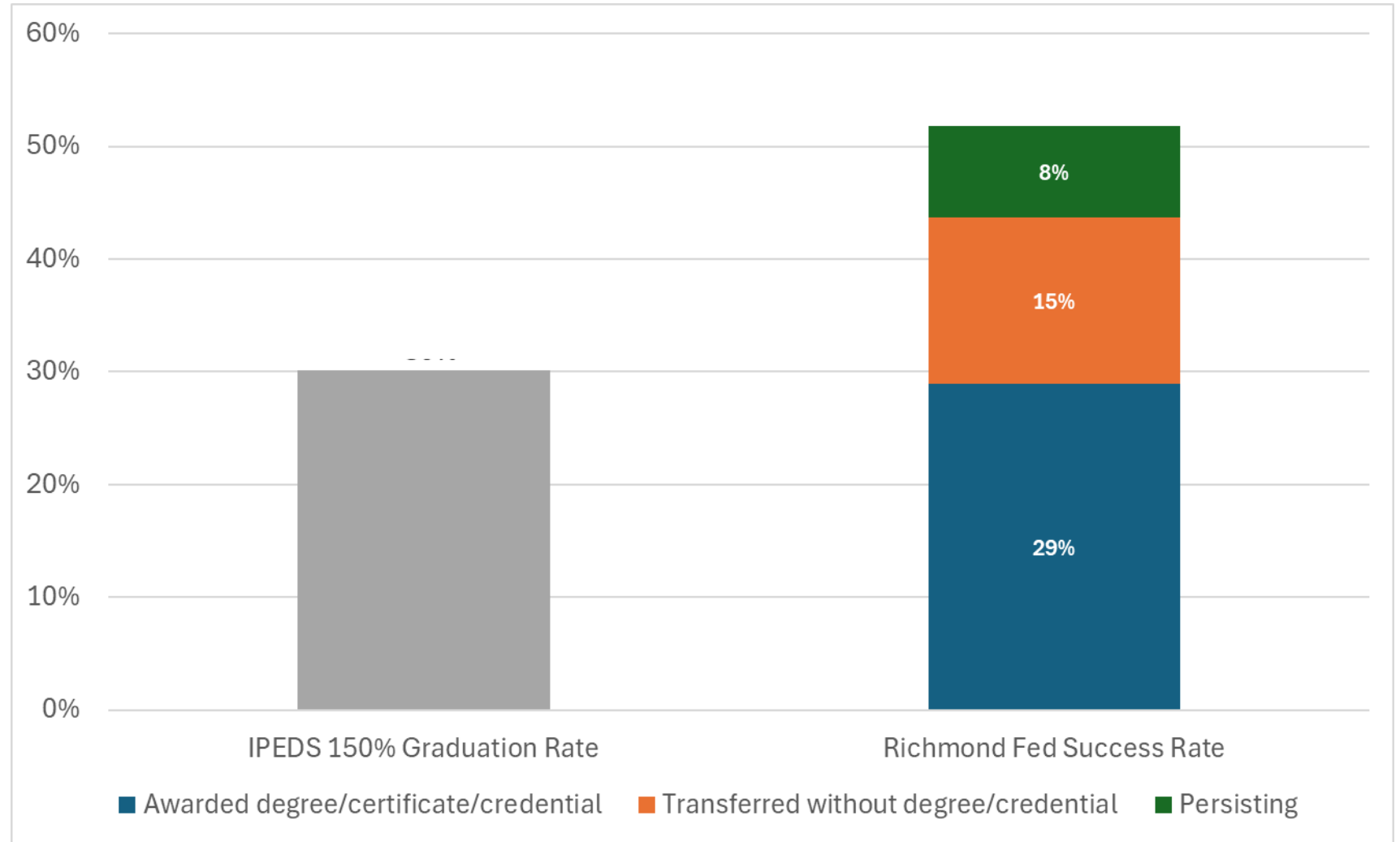
Success Rate Comparisons for Survey Participants

IPEDS v Richmond Fed



The Richmond Fed Success Rate should be viewed as a lower bound estimate of success, as we can't identify all third-party credentials earned.

But looking at the breakdown shows key successes left out of the traditional graduation rate.



Sources: NCES IPEDS 2022 Provisional data, Federal Reserve Bank of Richmond; author's calculations.

Note: The IPEDS graduation rate and Richmond Fed Success Rate cannot be directly compared due to differences in composition of the cohort and the time horizon over which success/graduation is calculated.

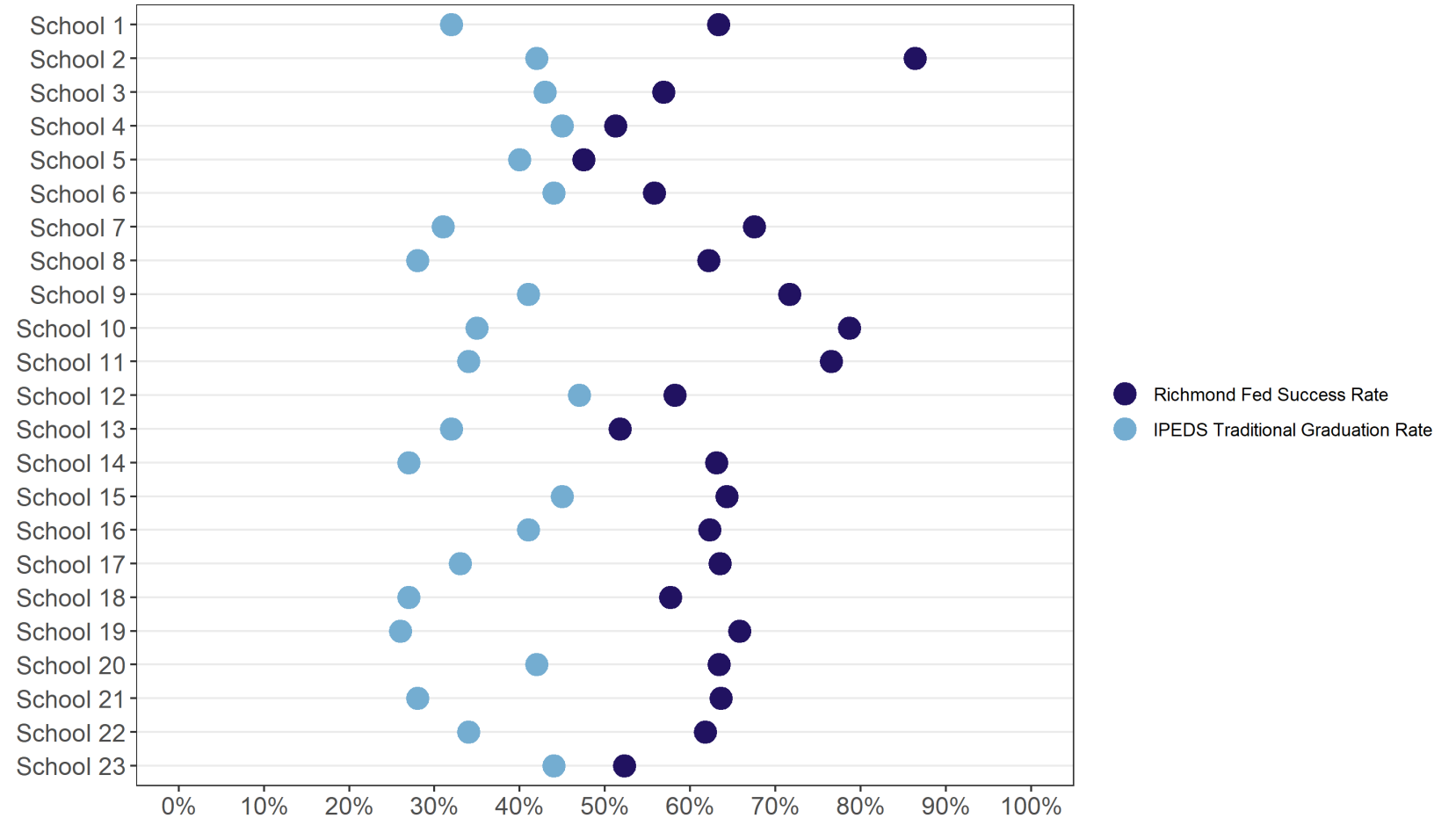


The Richmond Fed Student Success Rate - Virginia

Student Success

- received an award (associate degrees, licensures, certificates, or industry credentials), or
- transferred to a 4-year institution prior to attaining a degree/credential, or
- continues to persist (defined as currently in good standing, but taking longer than four years to complete degree/certificate)

Success Metrics Comparison - Virginia



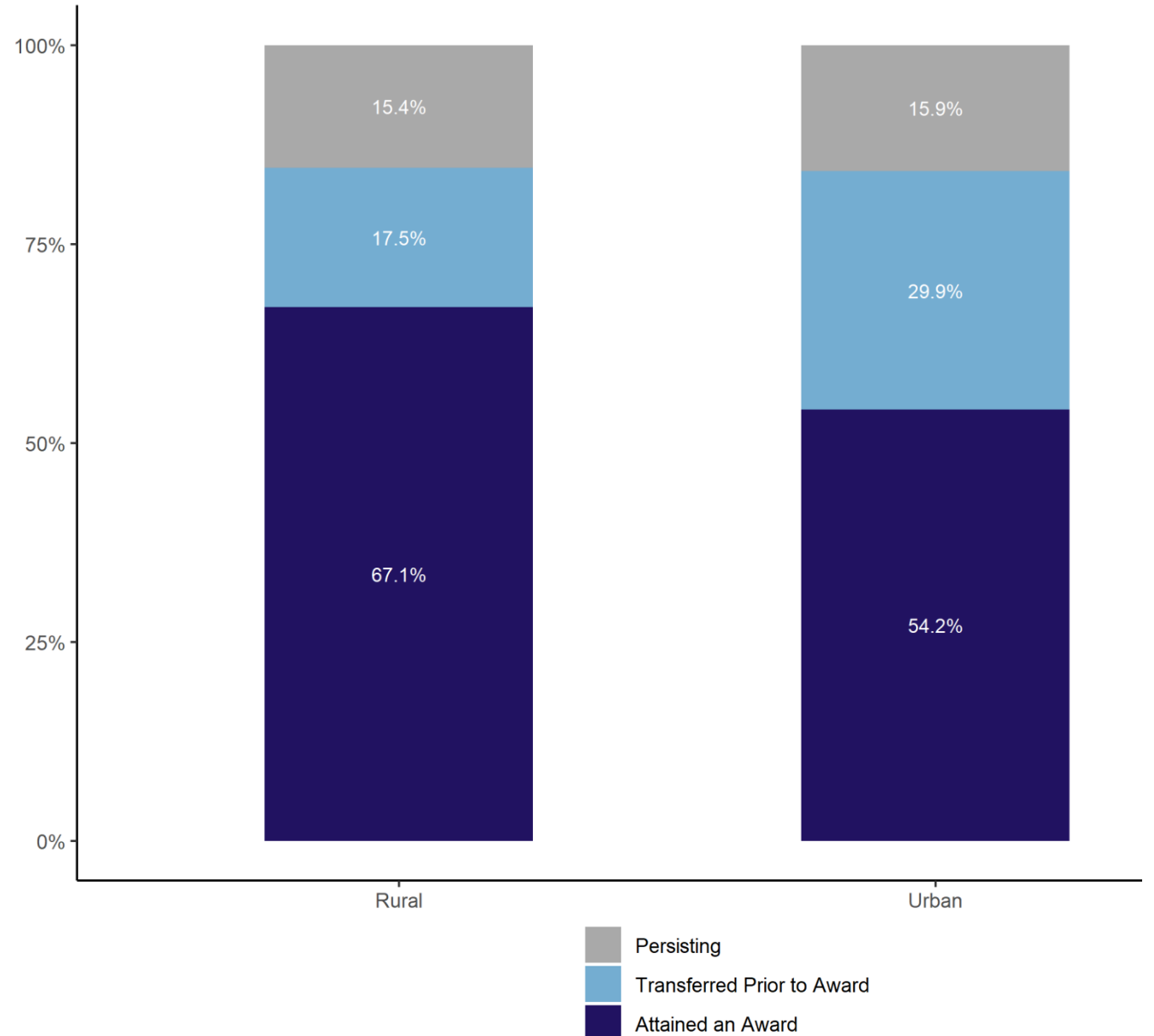
Range of “success” amongst community colleges

State	IPEDS Graduation Rate	Richmond Fed Success Rate
Maryland	11% - 41%	41% - 62%
South Carolina	12% - 36%	33% - 56%
Virginia	24% - 47%	47% - 86%
West Virginia	18% - 46%	33% - 44%



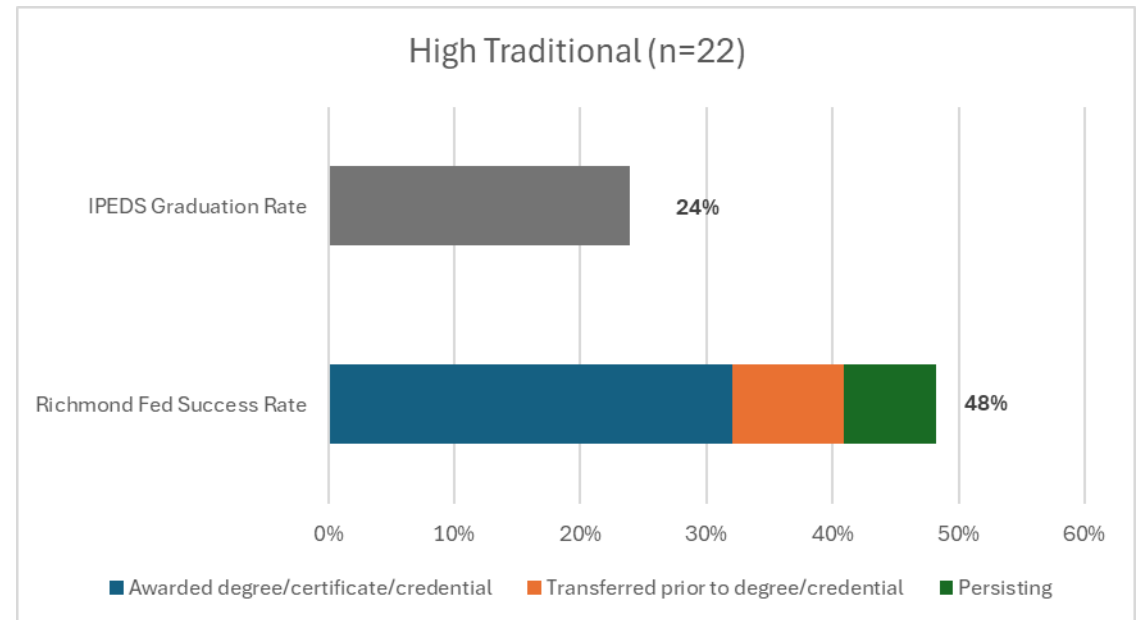
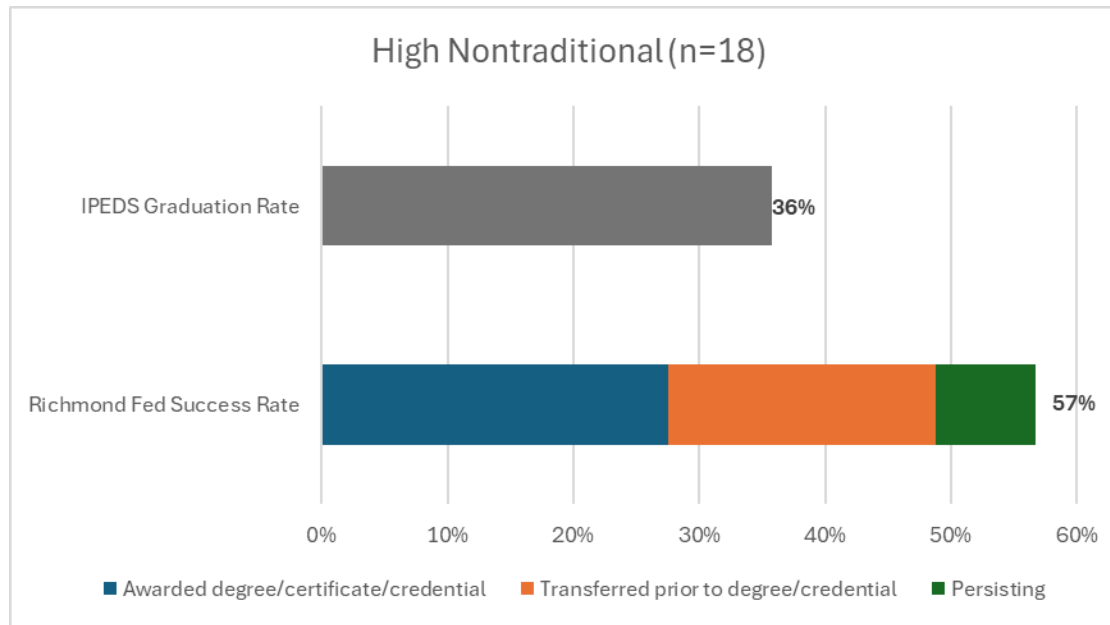
Student success varies based on the urban/rural status of the institution (using the Richmond Fed definition of urban/rural)

Richmond Fed Success Rate Breakdown -- Rural v Urban



Student success also varies based on Carnegie classifications. “High nontraditional” colleges had higher success rates than their “high traditional” counterparts, and much higher rates of transfer prior to degree attainment.

Isn't this the way it should be? Unique colleges serve unique students and unique communities in unique ways.



Other components of the survey

- Non-credit enrollment and credential attainment
 - Messy AND worth it!
 - What have we learned so far? POLICY MATTERS
- Detailed data on dual enrollment data both in early colleges and more typical dual enrollment programs
- Wraparound services
 - Expanded survey includes data on a host of wraparound services, including childcare, food insecurity wraparounds, services for parent-students, academic supports, and many others

Plans for the future

- 2024 results will 'go live' on November 19th
- National expansion begins in 2025 (we hope to add 5 additional states)
- Continued outreach in the Fifth District to inform our policy work



There is so much more to show you!

SCCO Website:



Subscribe to our Community
College Insights Blog:



Check out our website and subscribe to our blog!

We are excited to share our 2024 results later this year and plan to begin a national expansion in 2025. We are eager for collaboration!!



www.richmondfed.org

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