

Community Colleges, Latinos and Gates' \$70 Million in Grants

by Gary M. Stern

Tuition at most colleges is rising, unemployment is increasing, and funding for college students has stagnated. That's a recipe for disaster, particularly for Latino and other minority students who need access to grants and loans to finance their college education. Helping to address this problem is the Gates Foundation, which announced in December 2008 that it is providing \$70 million in grants to nonprofit organizations for a research study of performance-based scholarships and for research to help increase achievement and graduation for postsecondary education.

By the year 2025, the foundation aims to double the number of low-income students who, by age 26, earn a college degree or vocational certification. What exactly does this mean for Latino and other minority students?

In previous education programs, the Gates Foundation invested millions of dollars helping students graduate from high school. Leaders of the foundation were exploring what it might do to "further reduce inequities. When we spoke to experts about the transition to adulthood, everything led back to education. There's no greater door to success than access to quality education," explained Gilberto Conchas, a senior program officer at the Gates Foundation, based in Seattle, Wash. Gates referred to this program as its Postsecondary Success grants.

Gates researchers noted that 560,000 students who graduate in the top half of their high school class with sufficient test scores to attend college do not attend postsecondary education. Of that number, 25 percent are low-income students and 20 percent are African-American and Latino.

Targeting People of Color

Because of affirmative action laws, many colleges cannot target minority populations and must make scholarships open to all individuals. But the Gates Foundation is a nonprofit organization that can operate autonomously. Without mincing words, Conchas declared, "We're specifically targeting people of color. Latinos are less likely to earn a four-year degree than any other group, and yet Latinos are growing as a larger proportion of the labor force."

Conchas identified three separate populations that the grants are trying to reach: 1) students attending community colleges and four-year colleges who are struggling; 2) students who gain a high school diploma but fail to apply or attend any postsecondary college; 3) "disconnected" students who are working in the underground economy, have been incarcerated, are single mothers and/or face extreme difficulty breaking the cycle of intergenerational poverty.

The Gates grants target students 26 years or younger because it wanted to focus on the "transition to adulthood. We wanted to target this population and help individuals who were becoming parents or are single mothers," Conchas said. But some scholarships are paid by other nonprofits and will involve students older than 26.

Working with Nonprofits

The Gates Foundation will not be issuing individual scholarships or trying to solve postsecondary education problems on its own. Instead, it



Gilberto Conchas, senior program officer, Gates Foundation

awarded \$70 million in grant money to several nonprofit research organizations that specialize in improving postsecondary skills and working in educational policy. For example, it gave \$13 million over four years to MDRC, a nonprofit organization that developed a performance-based scholarship. The Forum for Youth Investment, which prepares students for postsecondary education, obtained a \$1.2 million grant. The National Youth Employment Coalition received \$5.6 million to help low-income youth pursue postsecondary credentials. Policy organizations obtaining grants included the Center for Law and Social Policy, the American Youth Work Center, and the National Center for Public Policy and Higher Education.

After issuing these research grants, the Gates Foundation recognizes that there will be a learning curve to determine what the key issues are and

how to solve them. Conchas said that Gates works with the nonprofits to determine “what are the major barriers and how can we maximize opportunities and minimize obstacles.” He noted that even with the Latino population, the variables are quite complex since students could be first-generation Mexican-Americans from a Texas border town, second-generation Mexican-Americans from Fresno or Dominicans new to New York City.

Conchas says that Gates’ research will focus on best practices that one nonprofit employs that another organization can learn from. The goal is to learn how low-income students succeed in postsecondary education with the least amount of money in the fastest amount of time. The question driving the research, said Conchas, is “How can we support young adults to succeed with the fewest financial and economic barriers to facilitate credential completion?”

Community colleges are among the main recipients because they help minority students gain social mobility and establish careers, Conchas suggested. Research could also contribute to redesigning community colleges to make them more effective.

MDRC, originally named Manpower Demonstration Research Corporation, focuses on K-12 and postsecondary school issues. It will be issuing 4,500 student scholarships at the Borough of Manhattan Community College (BMCC) and Hostos Community College in New York; Lorain County, Owens and Sinclair Community Colleges in Ohio; and the four-year University of New Mexico (UNM), a Hispanic-Serving Institution.

These scholarships all have different components, which MDRC will research to determine what works best and what doesn’t work. For example, at Hostos and BMCC, the scholarships offer money alone while at UNM the scholarships are accompanied by counseling. MDRC will study the effects of the counseling to see if it raised graduation rates, explained Lashawn Richburg-Hayes, a project director at MDRC, based in New York.

These scholarships are need-based and aim to provide additional money to keep students in school and achieve grades that maintain academic progress, explained Richburg-Hayes. Funding is different from Merit Scholarships, which are based on students’ past academic performance, whereas these are aimed at students with financial need. In order for students to be eligible, they must be aged 22 to 35, live independently from their parents, have filed for or be receiving a federal Pell Grant, need at least one remedial or developmental course and be enrolled for a minimum of six credits.

Latinos are being targeted for the program. “We’re targeting schools with high African-American and Latino populations,” said Richburg-Hayes. Hostos is 80 percent Latino, and Latinos are 30 percent of students at BMCC whereas the Ohio community colleges have fewer minority students.

Half Scholarship Students/Half Control Group

At the Borough of Manhattan Community College (BMCC), 1,100 students will participate in the MDRC performance-based scholarship, explained Howard Entin, who is director of financial aid at BMCC. Half of those students are part of the control group and receive only a courtesy gift; the other half receive scholarships of \$1,300 a semester or \$2,600 maximum for two semesters, if they maintain a C average. Students must meet the qualifications of the program and then are selected randomly to gain the scholarship or be part of the control group. Of the \$1.4 million program at BMCC, the college contributed \$75,000 to fund it. Of the 367 students already selected out of 1,100 BMCC students, 67 percent are women, 40 percent are Hispanic and 50 percent have at least one child.

Tuition at BMCC is \$1,400 a semester, but Entin notes that tuition costs

don’t include \$300 in fees, \$1,000 for books and supplies, and \$800, approximately, for transportation. Students receiving a scholarship must be independent and paying their own rent, food and living expenses. The \$1,300 a semester, in addition to receiving Pell Grants, can help students spend less time at a part-time job and concentrate more on academics.

Participating in the program is beneficial to BMCC students, said Antonio Pérez, president of the college. “In earlier studies conducted by MDRC, the findings show that students receiving a performance-based scholarship are likely to persist longer, accumulate more credits and achieve a higher grade-point average.” If students do well, BMCC will have played a role in “helping to identify a factor that can then be discussed in a national policy discussion,” he said.

Scholarships vary at each college. At the University of New Mexico, students receive \$1,000 per semester for four semesters, so the scholarship funding is capped at \$4,000. To earn that money, students must maintain a C average or better. When students pick up their checks, they are provided with counseling and advising to ensure they stay on track.

At UNM, the Gates Foundation finances the scholarships. But at the two New York community colleges, scholarship money is provided mostly by the Robin Hood Foundation, and the Gates money provides research funding. MDRC will research the effect of the scholarships on student performance to determine how much money is needed to affect achievement, how many additional courses are taken, whether the funding enables students to study full time and cut back on part-time work, and the percentage of students transferring to four-year colleges.

If the program proves effective, MDRC works with the community college to develop a way to continue the grants after the Gates Foundation funding runs out. “We help gain local support; we help gain leverage. We work with colleges to develop a design to fund the program and coordinate with a number of stakeholders,” said Richburg-Hayes.

Unlike other scholarships, which go directly to the college to pay tuition, students are sent their scholarship money and can use it for any purpose that enhances their education or enables them to continue their studies. Richburg-Hayes says that in a previous scholarship program in Louisiana, most students used the scholarship money to buy books and school supplies, to pay bills, and for transportation or child care costs. But if a student’s car breaks down so that he or she can’t travel to class, the scholarship money can be used to repair the car and get to class. For poor and working-class students on a tight budget, any breakdown can make it difficult to reach class.

Conchas recognizes that out-of-school factors such as poverty, earning money to take care of one’s parents, having a part-time job that prevents studying or making it to class can play a major role in Latino and minority students’ dropping out or failing to go to college. Furthermore, low-income students often attend a college that doesn’t welcome them or even rejects them, which makes it harder to graduate. In providing the research money, Gates is “committed to understanding what’s happening outside of school that leads to the future.” He asks, “What kinds of incentives are necessary so the population doesn’t have to deal with work and family obligations?”

Bottom line – what does the Gates Foundation aim to accomplish with its \$70 million research project?

Conchas replied, “We want to double the number of young adults to attain postsecondary education. We would like to have a roadmap of understanding of what it will take to build a relationship among labor, communities and higher education for low-income students to succeed.”

