

The pay-off of postsecondary education

Education and training beyond high school are associated with many positive outcomes, including higher earnings and job security, civic engagement, and upward mobility.¹ Yet Oregonians vary in their likelihood of accessing, affording, and completing a postsecondary education, and some of the largest variations are across racial/ethnic groups. This research brief describes these disparities to help organizations, policymakers, and practitioners identify paths to improvement.

Postsecondary education provides a well-established path to economic security and well-being, but inequities in access, affordability, and attainment limit this path for many racial/ethnic groups.

Preparing for college

Through partnerships with local colleges and universities and through nationally accredited programs, many high school students are exposed to postsecondary education and training and offered opportunities to earn college credit while still in high school. These accelerated learning programs are associated with higher rates of high school graduation and college enrollment and shorter time to bachelor's degree completion. However, Black/African American, Hispanic/Latinx, Native American/Alaska Native, and Native Hawaiian/Pacific Islander students are less likely to access these programs and tend to earn fewer college credits by the end of high school than their white peers.²

Percentage of new Oregon public university freshmen arriving with accelerated learning credits and average number of credits, fall 2018.

	Percent with any accelerated learning credit	Average number of accelerated learning credits
Asian American	64%	20.9
Black/African American	37%	10.4
Hispanic/Latinx	50%	12.3
Native American/Alaska Native	26%	5.1
Native Hawaiian/Pacific Islander	54%	15.2
White	57%	16.2

This lower access puts these students at a disadvantage before they even begin their postsecondary careers. For example, the percentage of incoming freshmen at the public universities who bring college credit with them ranges from 26% among Native American/Alaska Native students to 64% among Asian American students. Comparable data are not available for incoming community college students.

¹ Chetty, R., J. Friedman, E. Saez, N. Turner, D. Yagan, "Mobility Report Cards: The Role of Colleges in Intergenerational Mobility," 2017. NBER Working Paper 23618. Opportunity Insights: Cambridge, MA, opportunityinsights.org/paper/mobilityreportcards.
 Ma, J., M. Pender, M. Welch, "Education Pays," 2016. The College Board: New York, research.collegeboard.org/trends/education-pays.
² Cox, A., E. Martinez, S. Tao, O. Levadnaya, V. Mayfield, P. Schroeder, B. Simpkins, "Accelerated Learning in Oregon: Access and Impact," 2019. Higher Education Coordinating Commission: Salem, OR. www.oregon.gov/highered/research/Documents/Reports/HB4053-Accelerated-Learning-Report-2019.pdf.

Racial/Ethnic Equity in Postsecondary Education & Training

Most benefits of postsecondary education and training, especially labor market gains, are not available without a high school diploma or its equivalent. Racial/ethnic disparities in high school graduation rates limit access to these benefits, whether students enter college directly after high school or years later as adults. Though high school graduation rates in Oregon are becoming more similar across racial/ethnic groups, large gaps still remain. Graduation rates ranged across groups by 20 percentage points for the 2017-18 high school class. Earlier classes had wider racial/ethnic gaps, setting up current adults seeking to earn a postsecondary credential at a distinct disadvantage.

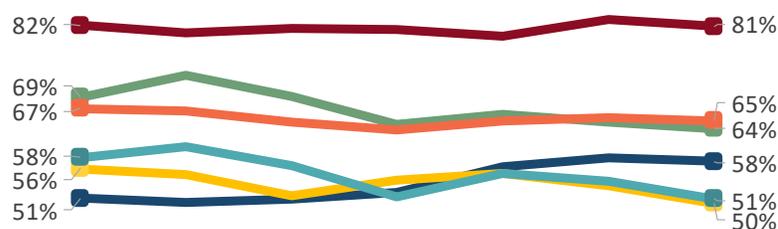
2017-18 four-year cohort high school graduation rate

	Graduation rate
Asian American	91.3%
Black/African American	71.5%
Hispanic/Latinx	77.7%
Native American/Alaska Native	71.2%
Native Hawaiian/Pacific Islander	78.5%
White	84.3%

Attending college and university

Continuing education beyond high school requires overcoming systemic and financial barriers to applying and attending, as well as academic preparation, effective advising, and an understanding of the benefits of the considerable investment in time and money. For students graduating from Oregon public high schools, racial/ethnic disparities in these requirements affect the likelihood of continuing education. Oregon students of color, excluding Asian American students, are less likely than their white peers to attend any

College-going rate of Oregon high school graduates to any college or university nationwide within 16 months of graduation



High school graduation year



college or university nationwide directly after high school. For most groups, these rates have been relatively stable during the long economic expansion, but they have risen slightly for Hispanic/Latinx students and declined slightly for Black/African American and Native Hawaiian/Pacific Islander students. Looking only at how many high school graduates enroll in Oregon public

Percentage of 2016-17 Oregon public high school graduates enrolled in an Oregon community college or public university, fall 2017.

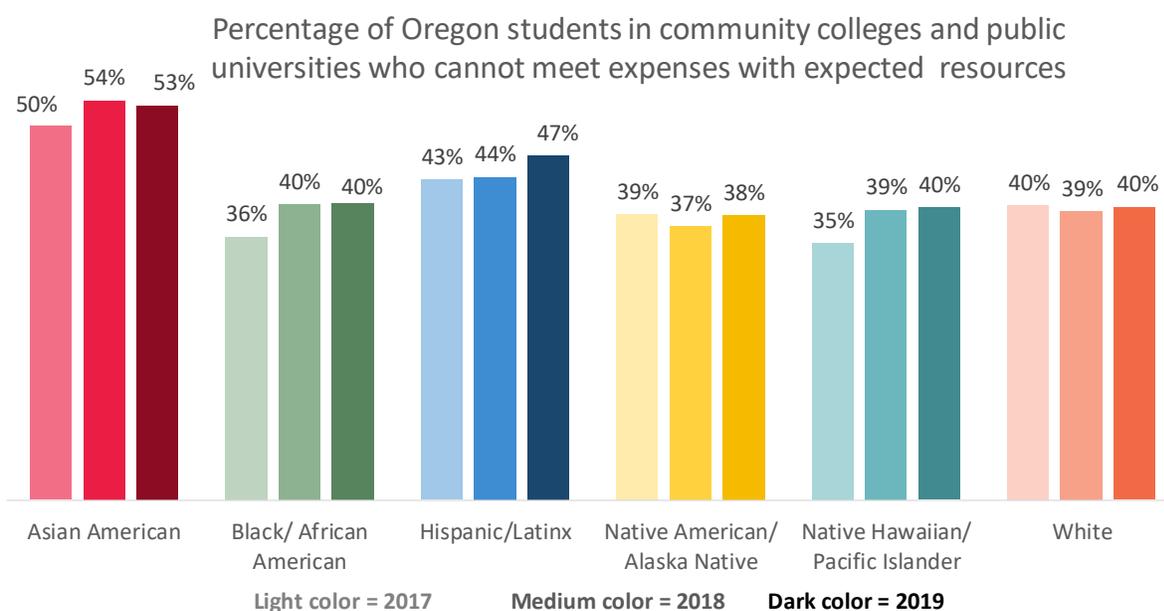
	Public university	Community college
Asian American	33.7%	24.3%
Black/African American	12.6%	26.7%
Hispanic/Latinx	10.8%	27.6%
Native American/Alaska Native	8.9%	27.2%
Native Hawaiian/Pacific Islander	9.4%	26.2%
White	17.7%	28.3%

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institutions, we see similar gaps at the public universities and much less disparity at the community colleges.³

Affording school

Once in school, almost half of Oregon students at a community college or public university face unaffordable costs of education.⁴ Even after accounting for federal and state grants, students' expected family contributions, and an assumption of students' earnings, 42% of students face college expenses that exceed these sources of support. Asian American and Hispanic/Latinx students are even more likely to incur unaffordable costs, with 53% and 47% of these students, respectively, unable to meet projected expenses. Racial/ethnic gaps in the affordability of postsecondary education persist over time and across sectors, though unaffordability rates and racial/ethnic gaps are highest at public universities.



Continuing in school

Enrolling in a program of study or training is only the beginning of earning a postsecondary credential. All degrees and most career certificates require more than a year of full-time coursework. Students may not return to complete a postsecondary degree or certificate for a variety of reasons, including financial need, social support, academic challenge, and competing requirements or obligations outside of school. The percentage of students returning to a second year of school, called the retention rate, is one indicator of the obstacles students face. This percentage has remained relatively stable over time but is lower for most students of color compared to their white counterparts at public universities. At the community colleges, retention is more similar across racial/ethnic groups, with about three-fourths of credential-seeking students (those completing at least 18 credits in their first two years) who began in fall 2016 still enrolled in fall 2017.

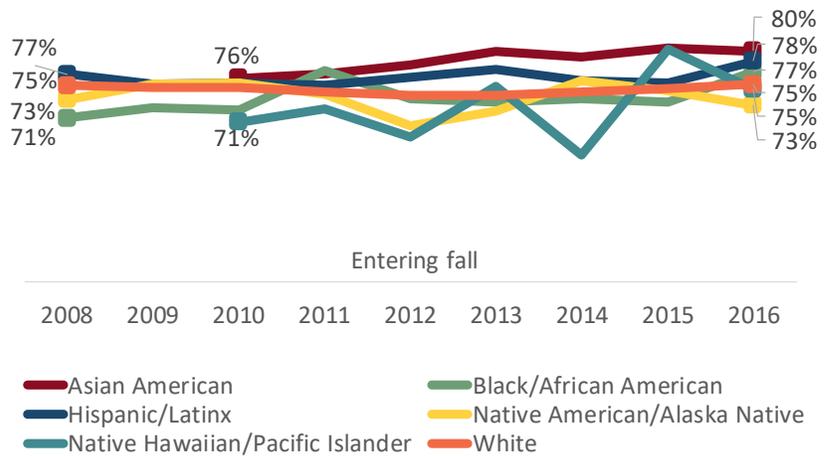
³ See Cox, A., E. Martinez, S. Tao, B. Rajaram, B. Simpkins, O. Levadnaya, V. Mayfield, A. Keir, D. Crews, "Senate Bill 81 (2015): The Oregon Promise – Report from Year Three," 2018. Higher Education Coordinating Commission: Salem, OR. <https://www.oregon.gov/highered/research/Documents/Reports/SB-81-Oregon-Promise-2018.pdf>. Correction to data in report.

⁴ Among those who file a Free Application for Federal Student Aid or an Oregon Student Aid Application.

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This rate ranged from 72% for Native Hawaiian/Pacific Islander students to 77% among Asian American students. At the public universities, 82% of first-time, full-time admitted freshmen in fall 2017 were still enrolled in fall 2018. This rate ranged from 75% for Native Hawaiian/Pacific Islander students to 89% for Asian American students. The general stability of the retention rate over time suggests opportunities for support early in students' postsecondary careers.

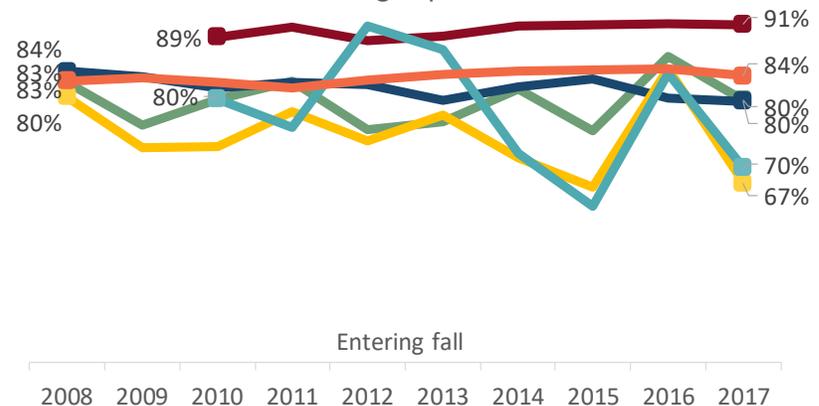
Retention rate of credential-seeking students at community colleges



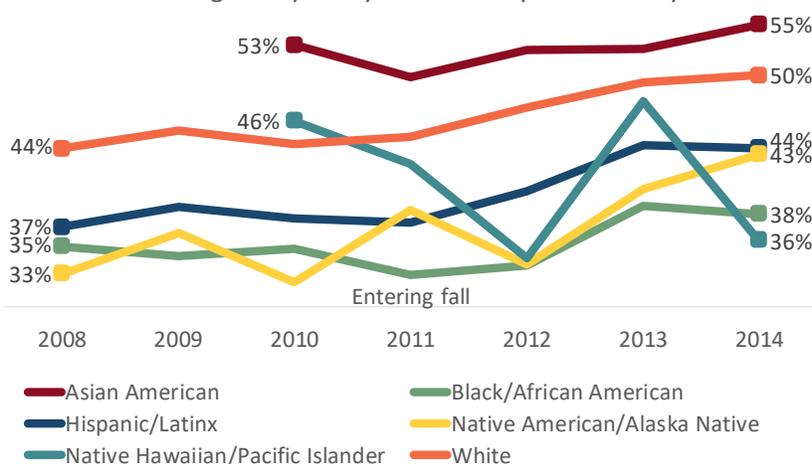
Completing school

The benefits of postsecondary education and training come largely from completing a program of study and earning a certificate or degree. Oregon students of color at the community colleges and public universities, with the exception of Asian American students, are less likely to complete a program of study

Retention rate of resident first-time, full-time freshmen at Oregon public universities



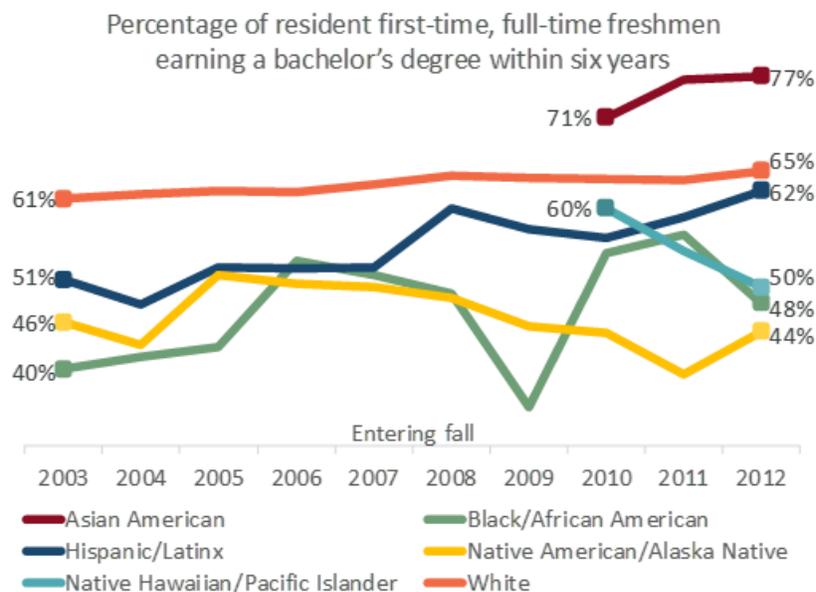
Percentage of new, credential-seeking community college students earning a career certificate or associate degree or transferring to any four-year university within four years



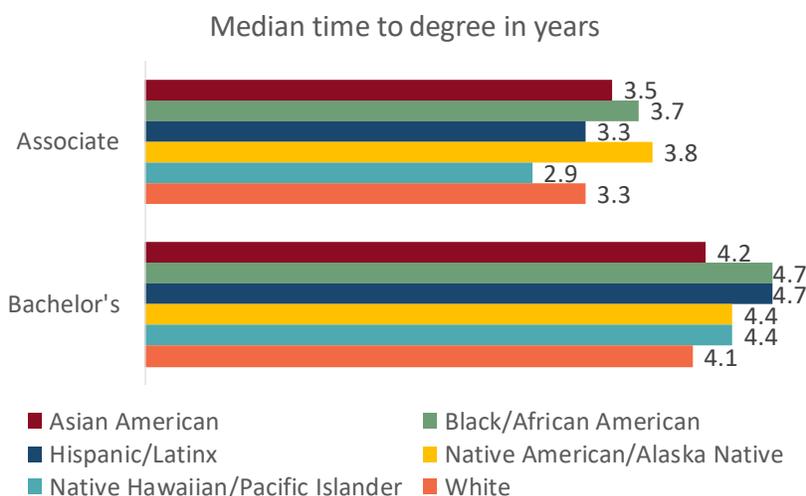
compared to their white peers. We note that the Asian American group contains many different Asian ethnic subgroups that vary in their socioeconomic status and access to postsecondary education. The higher completion rate of the Asian American group likely masks the experiences of students in some of these subgroups. Among credential-seeking students at community colleges (those earning at least 18 credits in their first two years) 46% completed a career

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certificate or associate degree or transferred to any four-year university (nationwide) within four years. This completion and transfer rate is lowest among Black/African American and Native American/Alaska Native students (at 36% and 38%, respectively) and highest among Asian American and white students (at 55% and 50%, respectively). At the public universities, 65% of first-time, full-time admitted, Oregon freshmen completed a bachelor's degree within six years. The graduation rate is lowest among Native Hawaiian/Pacific Islander and Native American/Alaska Native students (at 38% and 43%, respectively) and highest among Asian American and white students (at 74% and 66%, respectively).



Another measure of completion is the time needed to complete a degree, which has financial impacts on educational costs and on the opportunity costs of lost wages. We measure time to completion with the median number of years taken to complete an associate degree at the community colleges and a bachelor's degree at the public universities.⁵ Because the time to completion has not changed appreciably over time, or, in the case of small groups, changes every year, we show the average result for the last three years. Across



racial/ethnic groups, the time to completion ranges by almost a full year. At the community colleges, Hispanic/Latinx, Native Hawaiian/Pacific Islander, and white students tend to have shorter times to completion than other students. In contrast, at the public universities, Hispanic/Latinx students, along with Black/African American students, tend to have shorter times than their peers.

⁵ For university students, shows median time between undergraduate admission and degree completion for first-time freshmen, excluding students who complete after 9 years. For community college students, shows median time between first enrollment at any Oregon community college after high school and receipt of associate degree for 2017-18 first-time graduates (excluding high school students).

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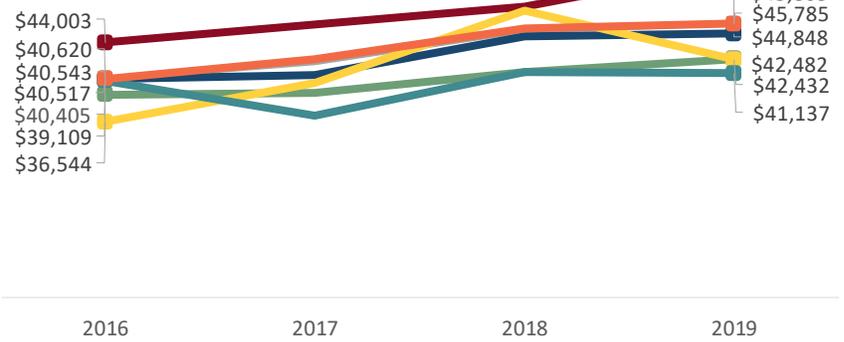
Earnings

Graduates face racial/ethnic disparities in the paid labor force as well. For those employed in Oregon five years after graduation, median annual earnings were \$38,238 for associate degree graduates and \$45,785 for bachelor's degree graduates in 2018. Earnings were lower, however, for Black/African American, Hispanic/Latinx, Native American/Alaska Native, and Native Hawaiian/Pacific Islander graduates in both groups. Among both associate and bachelor's degree graduates, the lowest earnings were among Native Hawaiian/ Pacific Islander graduates, and they were about \$5,000 lower than the earnings of white graduates.

Median earnings of community college completers five years after earning a degree or certificate

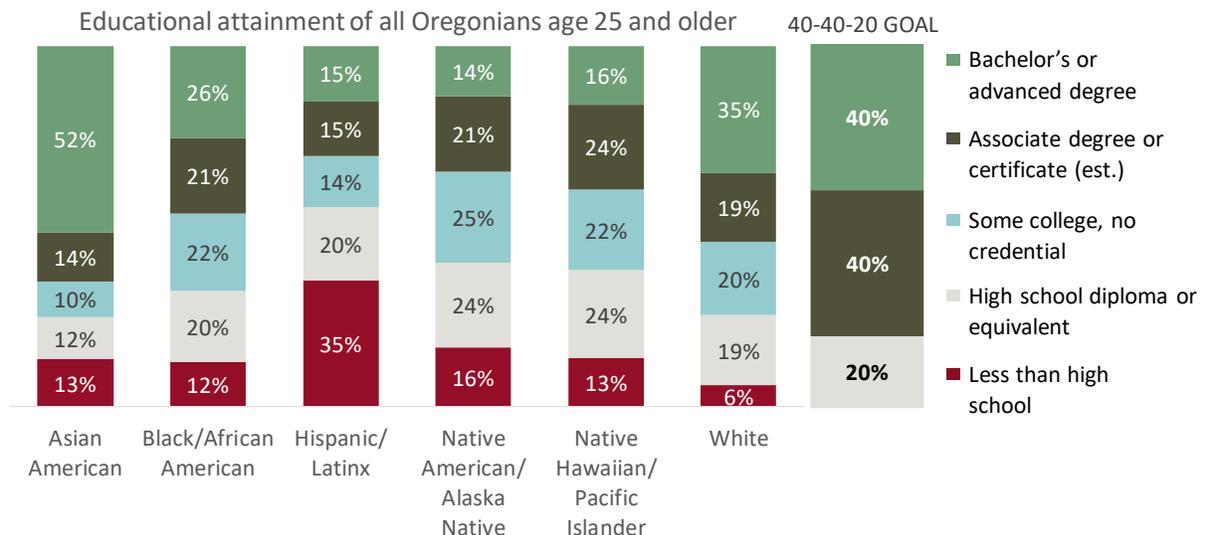


Median earnings of public university graduates five years after earning a bachelor's degree



Overall educational attainment

The compounding effects of barriers to access, affordability, continuation, and completion also contribute to racial/ethnic gaps in the educational attainment of all adults in Oregon. The percentage of Oregon adults



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with a postsecondary degree or certificate varies from about two-thirds of Asian Americans to about one-third of Hispanic/Latinx, and Native American/Alaska Native adults. This includes those who completed postsecondary credentials in other states and those who did not complete postsecondary credentials. Stakeholders in postsecondary education and training must prioritize work that addresses the racial/ethnic equity gaps described in this brief to meet Oregon's ambitious 40-40-20 goal for all groups.

Main takeaways

This research brief presents multiple measures of postsecondary education and training by race/ethnicity. We examine early access to college credits, subsequent college enrollment, affordability, retention, graduation, time to completion, post-graduate earnings, and overall adult attainment, and we find different results for students in different racial/ethnic groups. Though we lack data on students' underlying experiences that would clarify reasons for these differences, the data shown here do point to areas for action and continued investigation.

Asian American students are most likely to earn college credit during high school and to continue their education into postsecondary. Once in college or university, however, they are the most likely to face costs that are unaffordable. Asian American students also realize high rates of retention and completion. While this group comprises many subgroups who range in the barriers they face, the results here suggest that affordability is an important avenue for supporting Asian American students.

Black/African American students have less access to accelerated learning in high school but have higher rates of college enrollment than many other groups. Once in college, they face unaffordable costs at typical rates. Those at the public universities have slightly below average retention and at both the community colleges and the universities, they experience lower than average completion rates. These results suggest that expanding access to accelerated learning and providing the transformative experiences necessary to complete a certificate or degree are some of the primary pathways to supporting Black/African American students.

Hispanic/Latinx students earn fewer college credits during high school and face more barriers to continuing their education into college or university, compared to many other racial/ethnic groups, and they are more likely than most groups to face unaffordable costs. Those who do enroll in postsecondary have relatively strong retention but are less likely to complete their program of study than many other groups. Key routes to supporting Hispanic/Latinx students appear to be in strengthening the transition to college, increasing the financial resources available, and providing the experiences needed to complete a certificate or degree.

Native American/Alaska Native students have among the lowest rates of accelerated learning and of continuing into postsecondary. While they are no more likely than students overall to face unaffordable costs, those enrolled at a public university face significant obstacles to staying in school. Native American/Alaska Native students experience the lowest graduation rates as well. Opportunities for support include expanding accelerated learning access, facilitating the transition to postsecondary, and providing college and university students the cultural resources and other substantive experiences needed to complete their credentials.

Native Hawaiian/Pacific Islander students have about as much access as white students to accelerated learning, but their college-going rates are lower. In college or university, they are about as likely to face

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unaffordable costs as other groups, but they experience lower than average retention and completion rates. Support for Native Hawaiian/Pacific Islander students may involve strengthening the transition from high school to postsecondary and expanding their experiences in college and university to enable completion.

White students have relatively high rates of accelerated learning and of continuing their education past high school. They face typical rates of unaffordability and experience strong rates of retention and consistently high rates of completion. They do not appear as underserved as most students of color, though we note that this group, like Asian Americans, includes many ethnic subgroups, some of whom face significant barriers.

Finally, we note that students' experiences and the unique barriers that students of color face are not discrete, as the separate measures and charts in this research brief may imply. Rather, such experiences interact and multiply. Students entering postsecondary with years of academic preparation, cultural engagement, and societal support from previous schooling enter and sustain through postsecondary very differently than those who enter college or university with a history of underperforming schools, a disengaged curriculum, and structural inequities. These differences all too often persist through college and university, magnifying as they do so. But they do not have to. Structural investments in culturally responsive systems of support, financial aid, and community engagement, combined with continued coordination across the K-12, community college, and public university sectors, can shift student trajectories to the more equitable outcomes we seek.

What are we doing with this information?

A number of ongoing programs and initiatives address the racial/ethnic gaps in Oregon postsecondary education and training and aim for racial/ethnic equity for all Oregonians. Some of these include:

- HECC Equity Advisory Council – agency, college, and university staff are identifying areas and best practices for improving racial/ethnic equity on campus
- Implementing cultural competency at all community colleges and public universities – institutions are working with student, agency, and other leaders to implement House Bill 2864 (2017), which requires all campuses to institute diversity, equity, and inclusion standards for an inclusive campus culture
- Talent, Innovation, and Equity project – agency, community, and institution leaders are collaborating on innovative ways to increase attainment among Black/African American, Hispanic/Latinx, Native American/Alaska Native, and Native Hawaiian/Pacific Islander learners
- Adult Learner Advisory Council – state, education, and business leaders are identifying priority areas and actions to increase educational attainment among adult learners, with a focus on underrepresented racial/ethnic groups
- Transfer Pathways (from HB 2998) – agency and institution staff are smoothing the pathway from community college to public university, with implications for students of color who are more likely to transfer
- Public university evaluations and funding distribution – agency staff evaluate each public university and distribute a part of legislatively-allocated funding to them to prioritize the success of students from underrepresented racial/ethnic groups