

Transcription for

THE KEY: INSIDE HIGHER ED

EP. 45: DEBATE: USING PELL GRANTS FOR VERY SHORT-TERM PROGRAMS

MONTY SULLIVAN

AMY LAITINEN

DOUG LEDERMAN

APRIL 2021

PROVIDED BY

CAPTION ACCESS

contact@captionaccess

www.captionaccess.com

JUNE 15, 2021



THE KEY: INSIDE HIGHER ED

EP. 45: DEBATE: USING PELL GRANTS FOR VERY SHORT-TERM PROGRAMS

MONTY SULLIVAN

AMY LAITINEN

DOUG LEDERMAN

32:55

===

[MUSIC]

DOUG LEDERMAN: Some high-profile debates about federal higher education policy are unfolding in Washington these days over the relative merit of forgiving student debt versus doubling the Pell grant for needy students, and the wisdom and viability of making public college tuition-free. Compared to those issues, another discussion is flying under the radar, a smoldering debate over whether to permit the use of Pell grant money to fund enroll in very short-term career training programs. In one corner are community college leaders, many major corporations, and groups focused on increasing the skills of the unemployed and other disadvantaged Americans. Monty Sullivan, president of the Louisiana Community and Technical College System, argues that expanding the allowable uses of the Pell program could help tens of millions of low-income and minority workers who don't have money or time to spend years, or even six or nine months, in a degree or long-term certificate program.

MONTY SULLIVAN: When you begin to think to about the education and training needs that people have out there, time is the enemy, time is money. For many of these individuals, childcare, transportation, the myriad of issues that they're having to deal with. And so when we say to someone, why don't you come back to school? Well, I don't have four years to get a baccalaureate degree, I don't have two years to get an associate degree. I have bills to pay, I have children that are relying on me to provide for them. And so finding the way that gets them the greatest value of a credential in the shortest period of time is the issue.

DOUG LEDERMAN: Opponents of using Pell grants for programs as short as eight weeks argue that doing so would hurt, not help, low-income and minority workers and learners. Amy Laitinen, director of higher education at New America, says that letting Pell funds flow to programs with what is at best a mixed record of moving workers into better paying jobs would be enormously risky.

AMY LAITINEN: If we were talking about an outcomes-based funding mechanism and we really wanted to focus on these innovative programs that really catapulted people into the middle class, I would definitely be supportive. But that's not what this does. And preying on vulnerable students and preying on students of color, promising them the world and leaving them in poverty, it's not innovative, it's kind of tried-and-true been there, done that, and the idea that we're going to turbocharge that with Pell dollars makes me very, very nervous.

DOUG LEDERMAN: We'll explore this debate in this week's program. Thanks for joining us. And a reminder to subscribe to The Key on Apple Podcast, Google Podcasts, Stitcher, or your favorite podcast platform.

In our first interview, I'm joined by Monty Sullivan, president of the Louisiana Community and Technical College System, and a board member of Rebuilding America's Middle Class, an association of community colleges. Monty, welcome to The Key and thanks for being here.

MONTY SULLIVAN: Very good. Thank you, Doug. Appreciate the opportunity.

DOUG LEDERMAN: Why would making Pell grant funds available for very short-term programs be good for learners and workers in Louisiana and the rest of the United States?

MONTY SULLIVAN: There are 64 million working-age adults in this country with a high school diploma or less. What that says to me is many of those individuals are not able to fully engage in the economy. They're not able to take care of their families. What short-term training programs allow for is it gives people the opportunity to get into the economy. What we know for certain is, while unemployment may be high, there are a significant number of job postings out there today. This economy is coming back. People have to have skills in order to be able to engage in that economy.

The short-term training programs that are offered at community and technical colleges across this

country need to be available to the masses. If you look historically across this country, we said back in the early 1900s that K-12 was compulsory, necessary in order to be able to participate as a full citizen. I believe today in 2020, 2021, we're in a place where some training above high school is necessary to be able to participate fully in the economy. And that training takes place on many of our college campuses.

One quick data point here from Louisiana that I think is an important one for this overall discussion. Our average student on the credit side of work is a 27-year-old African American female. The average student in our workforce non-credit training programs is a white male, age 36. The distinguishing factor between those two groups isn't demographic at all, it's financial. Those white males on average 36, they have money in their pocket to pay for the training to be able either to get a job or continue to work.

By policy, this nation is limiting access to many people who are marginalized from having access to the workforce training they need to be able to go to work and take care of their families. So it is very much rooted in where we are historically in this country from an educational policy point of view, ensuring that there's value in those credentials has to be certainly an element of the accountability side. But focusing on getting people into the economy, but that's not the endpoint, it is the beginning point. And so continuing to ensure that there's a career pathway beyond that is an important element.

DOUG LEDERMAN: Just so I understand your basic point, your institutions and those like them around the country have sufficient programs to serve the 64 million people you're talking about, but there are too many who either can't afford what those programs cost or can't afford to take time out the workforce to complete the programs?

MONTY SULLIVAN: Doug, the most important work you used in that question is time. When you begin to think about the education and training needs that people have out there, time is the enemy, time is money. For many of these individuals, childcare, transportation, the myriad of issues that they're having to deal with. And so when we say to someone, why don't you come back to school? Well, I don't have four years to be a baccalaureate degree, I don't have two years to get an associate degree. I've got bills to pay, I've got children that are relying on me to provide for them. And so finding the way that gets them the greatest value of a credential in the shortest period of time is the issue.

Our adult students are done with the 16-week semester. They fundamentally don't understand why we have to teach things in 16-week semesters. And the reality is, most of us within the academic world and the higher education space, if we are really pressed on that question, we can't answer the question either. There is nothing major about seat time, and yet we have set federal policy around seat time.

Instead, focusing on the outcomes and documenting a skill set that then allows someone to go to work, that should be more of the focus of the value of financial aid for programs.

DOUG LEDERMAN: Data about how programs like these have performed are pretty sparse, and those we have are mixed. A study about the Obama era experiment on using federal aid for short-term programs found that doing so expanded enrollment and even completion, but didn't necessarily increase graduates' income in the workforce. What is your read of the data and what are your lived experiences on whether greater access to these short-term programs will accomplish what we want it to do?

MONTY SULLIVAN: I would point you to a study conducted by Dr. Chris Glass from Old Dominion University that looked at earnings increases as a result of short-term training programs. It looked at three states, Louisiana, Virginia, and Colorado. What you saw is earnings increases on average 24 percent by those completing a credential, short-term credential in the Virginia economy. Here in Louisiana that lift was about 19 percent. If you think about it, a 19 percent increase is a game changer for many individuals. And so when you think about what that 19 percent means, it fundamentally means reliable transportation, reliable childcare. That allows people to get into the workforce, but that's not the end of the discussion. That individual needs to continue to learn and increase those credentials across time that are ultimately going to allow them to become more employable, ultimately to work their way into the middle class.

You asked a question last time about, you know, the credentials, do we have the programs in Louisiana? We have a myriad of examples. I can think of one off the top of my head now, a lineman program, electrical lineman. As you know, we have unfortunately experienced a number of, this past year, one of the highest numbers of hurricanes and disruptive events. That lineman certification, the safety certification that comes with it, and a commercial driver's license. When you put all of those together, individuals are walking out of these programs after a period of 10, 12 weeks earning \$65,000 a year. That is a career that someone can make a good living at, have benefits that go along with them.

But we have to bundle those certifications in order to be able to meet federal financial aid requirements. The question by many people who walk into those programs is why do I have to get all three? Why do I need all three? Not because the employer is saying I won't hire you without all three, it's simply because of a federal financial aid mandate that counts seat time. Let's ensure that people get what they need in order to be able to go to work, take care of their families, without some arbitrary number of minutes that they must sit in a seat.

DOUG LEDERMAN: You portray the use of Pell for shorter-term programs as a way to enhance equity in the postsecondary ecosystem. But some of the people who oppose using Pell in this way fear the doing so would worsen the divide and outcomes, with whiter and wealthier Americans increasing pursuing four-year degrees, and Black, brown, and low-income people being shunted more toward eight-week programs that don't necessarily increase their wages. How do we make sure that doesn't happen?

MONTY SULLIVAN: Look, that is a key part of this discussion. I want to begin by putting the question in the other direction, and point out that I think many of the detractors from the workforce Pell discussion, we have a great deal in common with. We all agree that more education is better. We all agree that people of all backgrounds should have access to education. The key difference is that the individuals that are focusing on short-term Pell or workforce Pell as being challenging in some way, or perhaps is going to widen the equity gap are the very same elitists that have created much of what we see in this country in terms of the haves and have-nots educationally. So along the way, a one shot baccalaureate degree is no longer the reality of adults. Instead, the higher education community and landscape has to adjust to the needs of the people.

And in this case, a broader cross section of the people of this country must have skills and certifications in order to be able to participate in the economy. And so if that is indeed the case, why would we limit--the number one talent fund that we have as a nation is the Pell grant--why would we limit 64 million working-age adults from having access to the kinds of training that will change their lives? In fact, what I would suggest to you is, the equity issue is not so much that we are aiming people toward lower end careers. Instead, we are limiting them to the very base of the economy, and often times when you think about the COVID environment, they were folks that were working in the retail environments or hospitality. And as a result, they've lost their jobs. They have no way to move forward. They need the skills that are there, and they simply do not have 600 hours to invest in a program.

I do believe there needs to be accountability. I would agree with the detractors who suggest that, you know, there could be some issues with accountability. We are working closely, this is a bipartisan issue, as you know, there people from both sides of the aisle who have said we must invest in short-term training. We agree. But we also agree that there have to be some guardrails, there has be some accountability. There have be some value demonstrated to those students. What I would suggest to you on the wider market, those programs that don't result in value, I can assure you adults are not going to enroll. They don't have time to enroll in programs that won't bring them the value. Most of our adults, I believe, are from Missouri. They're show me people. Show me someone who's completed this credential that is working and show me the lifestyle that goes along with that, and I think that is the key point on accountability, is to make sure there's a value for the student.

DOUG LEDERMAN: We're talking with Monty Sullivan, president of Louisiana Community and Technical College System. You were just talking about accountability. And some critics worry that we don't have enough good evidence about the value and quality of these programs. How do you define those terms and how do you think we should go about ensuring that Pell funds aren't used for programs that don't deliver either quality or value?

MONTY SULLIVAN: So, from a federal policy point of view, I think there are a number of different ways to go at it. But in terms of the value, the value needs to be a value to the consumer, not a value to the institution, not a value to, you know, to a whole range of different stakeholder groups, but what is the value that is being delivered to the individual?

So you could measure that in a whole host of ways. One is by accomplishing a professional certification, professional licensure of some type. Number two is the consistency of employment and the ability to be able to find employment as a result of that credential. The third is the earning, the wage. If you think of it, those last two are really demand as well as earnings. As much as we may not like the notion that postsecondary education and training leads to employment, we might not like to acknowledge the role that we play there in some instances, the reality is, that's why our students show up. Oftentimes we say that students don't show up to our colleges for the credential that hangs on the wall, the diploma--they show up for the other piece of paper, the paycheck, the W-2. They're looking for a better life. And our institutions represent that opportunity.

How do you do that? I think there are a myriad of ways to go about it. I do think that creating a limited number of pathways as we have done here in Louisiana, we have five, five pathways that are very clear, very distinct. Individuals aren't enrolling in programs that are going to be dead-end. They're enrolling in programs that are going to be high value, that are consistently being reviewed across time to ensure that there is demand and that there is a good earning on the backend of it. And the fourth factor, I think, is that it continues to be a part of a pathway that allows someone to continue to be educated across time.

Fundamentally, I think the real issue around workforce Pell is this. Education in the last 50 year has changed. No longer is postsecondary education a one-shot deal, where you go off to a university, you get a four-year degree, and then you go off and work somewhere, or perhaps go to graduate school. Instead, postsecondary education has become iterative in nature. It's become iterative because that is much of what the job market and the economy is demanding. And so if our financial aid policies don't reflect that iterative nature of how adults are consuming postsecondary education, then I think we are missing a huge portion of the population.

DOUG LEDERMAN: So do you think we currently have robust measures and methods in place for ensuring that short-term programs like these offer sufficient value and quality?

MONTY SULLIVAN: I think it's a mixed bag, state by state. Access to the data is different in Louisiana than it may be in some other states. We have a fairly robust data set that we have access to. Other states like Indiana as an example have done a really nice job of being able to link those data. But when you look across the 50 states, you will see that there are some states that simply don't have that infrastructure in place. I think the 600-hour is really much more about limiting and trying to keep the bad actors out. But meanwhile, we have a pool and a population of people that sort of trapped economically. And so I understand that reason for the 600 requirement, but I also believe that there is greater value in that 64 million working-age adults, who need a way out, they need a path forward. And so developing policy that really has an impact for people rather than developing policy to prevent something really is sort of backward if you think of it.

We are trying to ensure that this country rebuilds its middle class. And the way to do that is through giving people opportunities for short-term training and that iterative approach that a short-term credential can ultimately grow into a baccalaureate degree. It is not choice of one or the other, as some would pose it. Instead, it's a opportunity to continue education. Everyone of us should be for more education for America. And this is what the workforce Pell initiative really proposes.

DOUG LEDERMAN: That was Monty Sullivan, president of the Louisiana Community and Technical College System, and board member of Rebuilding America's Middle Class.

Do you read Inside Higher Ed every day? If Inside Higher Ed is an integral part of your day, please show your support by joining our Insider membership program. For less than \$10 a month, you can take this next step. To become a member today, please visit insidehighered.com/membership.

Next up is Amy Laitinen, director for higher education at left-leaning think tank New America. Amy, welcome to The Key.

AMY LAITINEN: Thanks, so excited to be here.

DOUG LEDERMAN: A lot of your work has been around new ways of thinking about higher education, including approaches like competency-based learning and alternatives to the four-year degree. Given that, I kind of thought you might support the idea of using Pell funds for short-term programs. But as evidenced by the op-ed you wrote for us recently, you don't. Why not?

AMY LAITINEN: Well first of all, I just want to say that Pell can already be used for short-term programs, programs as short as 15 weeks. And I think that's a real important thing to sort of get out there. Existing proposals would allow Pell to pay for programs as short as eight weeks. And I think you're right, that like I really have focused on the innovation in this space. And so it might seem strange that I don't support existing efforts.

I think the difference is that to me the innovations that I really have been focusing on have been around outcomes. So I really don't care that much about how much time it took me to do a thing, right? In competency-based education, it's not about the time, it's about the outcome. So similarly, I probably wouldn't care that much if we were using Pell to fund eight-week programs if those programs really did lead to the outcomes that the Pell group program is supposed to lead to, which is middle class jobs. There are a few programs that you can do in eight week that will lead to, you know, a high-wage good job, but there are very few. I mean, if eight-week programs led to middle class jobs, we would see many, many more of them.

The problem with the Pell program is that it is a voucher that really has no strings attached to it. So it's not an outcomes-based funding mechanism. If we were talking about an outcomes-based funding mechanism and we really wanted to focus on these innovative programs that really catapulted people into the middle class, I would definitely be supportive. But that's not what this does. In preying on vulnerable students and preying on students of color, promising them the world and leaving them in poverty is not innovative, it's sort of tried-and-true, been there, done that, and the idea that we're going to turbocharge that with Pell dollars makes me very, very nervous.

DOUG LEDERMAN: What do you see in the datasets that we have, which are limited, about the performance of eight-week programs that leave you concerned?

AMY LAITINEN: There's very little data, which even of itself makes me wary of expanding to programs that we don't have very much data on. But what we do know from existing data on existing programs that are already eligible for Pell, like certificates that are a year or less, is we know the outcomes are really bad. Like we look at the gainful employment data and we see how many students are in

poverty-level jobs. The last someone on our team was looking at the gainful employment data, it was something like three-quarters of completers were making less than a high school graduate. That's not these programs are supposed to do. And those are programs that are already eligible for Pell.

Data on very, very, very, very short-term programs, which is what I'm calling them, at eight to 15 weeks is very limited. Roughly 40 percent of people are unemployed after earning their credential, right? So as we're thinking about these credentials are supposed to lead to good paying jobs, well, they don't seem to be leading to many jobs. And then of those who are getting jobs, about half of graduates from these very short-term programs earned \$30,000 or less. And then for Black and Latino graduates, their earnings are typically \$10,000 to \$20,000 less. So we're talking about low-paying jobs if you're lucky enough to get a job, and where we see a dramatically disproportionate impact on students of color.

And what I'm worried about is, if we have these federal dollars going to these programs, colleges are going to offer them, they're going to market them as leading to, you know, a middle class job, students are going to take them. Why wouldn't they take them? And then students are going to be stuck in low-paying jobs. And who are they going to market them to? Who are the students who are going to take these shorter-term programs? We're going to widen that already very wide gap between Black and white students. You know, Tony Carnevale has been talking about this white flight to the bachelor's degree. This is going to, you know, sort of dramatically increase students of color to very, very short-term credentials. And I think the equity implications of that are unconscionable and it's just not what we're being sold when folks are talking about this.

DOUG LEDERMAN: Community college leaders are pretty strongly united behind the use of Pell funds for very short-term programs. What is their motivation?

AMY LAITINEN: They're supporting it because it's money. I mean, and I don't want to sound callous to the realities that community colleges are facing. I mean, I think just for your listeners who don't know me, I'm a community college graduate. I got to this work out of labor policy. Like I was, I did labor research, and then I was a union organizer. I came to the Obama Administration focusing on community colleges. I worked for Dr. Biden. I believe in the power of community colleges. So I just need to make that clear. And community colleges are woefully underfunded, right? I mean, they have been. They're sort of the step children of higher education. It's a huge problem. There's a lot of money in Pell. Pell is partially mandatory, but it is politically fully mandatory. Right? There's a lot of money in Pell, there's a lot political bipartisan support for Pell. And that's where the money is. In this particular environment, especially with President Biden and Congress, you know, willing to spend, and signally their intent to invest a lot in the workforce system in colleges, I think they really can be shored up funding systems that

won't lead to the inequitable outcomes that we've been talking about.

DOUG LEDERMAN: So you would rather see community colleges focus on other programs and other student pathways that don't create the problems that you see with really, really, really short-term programs as you call.

AMY LAITINEN: Absolutely. Or if they're going to do these really, really, really, really short-term programs, that the purpose of them, the stated purpose of them are to bring somebody from a \$7-an-hour job to a \$9-an-hour job, like that that's funded with funds that are explicitly for that. And that's important. I don't want to say that's not important, it's super important, but the minute that you introduce Pell into this, which is, again, this basically mandatory voucher with no strings attached, you are blowing up the whole system and allowing, you know, any institution to offer basically any program. And that can include for-profits. I mean, the for-profits were originally part of the Jobs Act, which is one of the versions that is out there. And they are lobbying heavily to see short-term Pell get included in any number of bills.

DOUG LEDERMAN: So you want to protect Pell for programs of study that are more likely to lead to, if not full degrees, to credentials that are more valuable.

AMY LAITINEN: Exactly, because that is what Pell is supposed to be about, right? That's the whole purpose, and that's sort of how it's being framed. It's being framed as, not everybody needs a four-year degree. People don't have time to get a four-year degree. They're working adults. Absolutely, totally agree. But they make it sound as if there aren't already alternatives that Pell will pay for, you know. But also to make it seem like an eight-week program is likely going to lead you to a middle class job, that's just on average not true. Again, there's some exceptions and programs, but all the proposals aren't paying for those exceptions, they're paying for anything. And we're going to see a lot of programs offered that just aren't going to give what's promised.

DOUG LEDERMAN: Some supporters of short-term Pell portray it as a way to bolster career, technical programs of study that they say get short shrift in our postsecondary ecosystem. Is that a valid argument?

AMY LAITINEN: I think this is one of the sort of canards of this whole conversation. Pell already pays for many career and technical programs, many, many credentials. One of the sort of favored programs that

people talk about is welding. And they talk about welding for a bunch of reasons, including the fact that welders typically make a pretty good...

DOUG LEDERMAN: The money, yeah.

AMY LAITINEN: They make good money, right? And that... But it's used as an example of, you know, we don't support welders in this country. We don't support welders in higher education. Again, it's this sort of false dichotomy as if very many people anymore believe that it's just four-year liberal arts degrees are nothing. But the truth is Pell already pays for welding programs, like it pays for it. I know my brother is in a welding program, a nine-month welding program. And most welding programs take between seven months and two years, because, guess what, welding is hard, it's complicated, and don't you want your welders to actually spend the right amount of time that it takes to learn to weld? Like, I want to drive across a bridge that's been welded by someone who actually took the time that was needed to learn to weld. And so again, even that is not true. We do pay for welding programs, like, they're paid for with Pell grants. My brother is getting one. And so, again, it's just this, it's this false like, the sort of bootstrap working class against the elite. And that's just not how our higher education system is funded. It isn't true. So welders already get Pell grants. And if welders are taking shorter-term programs than that, well, let's be careful.

DOUG LEDERMAN: Political momentum in favor of short-term Pell seems pretty strong. If some version of it is going to become law, are there ways to formulate it that would avoid that pitfalls you're most worried about?

AMY LAITINEN: Oh, there are absolutely ways to do it. You could have a wage floor, for example. You could... Yes, there are ways to do it, but there are no politically viable ways to do it, because if you, let's say, attached a wage floor that was, you know, let's say, average earning equivalent to a college graduate...

DOUG LEDERMAN: After the program, in other words...

AMY LAITINEN: After the program...

DOUG LEDERMAN: Yep.

AMY LAITINEN: Yep. Then very few programs will qualify. And the community colleges want money, the for-profits want money, the skills community wants money. But they're not going to have that much money if this only pays for programs that lead to middle class jobs. So I absolutely would be, would support an outcomes-based opening of Pell, but that's not what Pell is, that's not what Pell does. And that's not what has political support. So, you know, I think momentum will continue to grow for this. I think that is likely to happen very soon. I think we're going to come to regret it, but I think it's likely to happen for all the reasons that we've been talking about. And some of it is just in the way that the narrative has been misconstrued to make it seem as if we're setting it up for like four-year degrees or bust. And it's just not the reality of what is, but it fits into a nice frame.

DOUG LEDERMAN: Is there a way to have these programs truly be a step in a direction that does ultimately lead to the middle class? Are there ways to structure things so that they are part of a career pathway of some sort? Because I assume that if it was possible, doing so would make it better from your standpoint.

AMY LAITINEN: The argument is that this is, this can be a first step on a pathway to a middle class paying job, and that this pathway is created out of stackable credentials, right? We all love those things, we love pathways, we love stackable credentials. I love them. They're great. But there's a difference between a theoretical pathway and an actual pathway. And when you look at the data on some of the most in-demand fields like healthcare, there is theoretically a CNA or an MA can stack into any number of nursing credentials, right? An LPN, a BSN... But the truth is very few of them actually stack. I mean, there was a study that found that less than 3 percent of folks who started a CNA ending up getting one of those later credentials. So, again, it looks great on paper. But when three percent of folks are actually moving to that next step, then I think you really have to question whether or not this is a true pathway or just a theoretical pathway. And I don't think students can afford a theoretical pathway and poverty-level jobs.

DOUG LEDERMAN: That was Amy Laitinen, director for higher education at the DC think tank New America. Thanks to her and to Monty Sullivan for their perspectives on this timely issue.

I find conversations like this striking. Two people, offering diametrically opposed viewpoints, both say they want the same outcome--improving the status of the most disadvantaged people in our society, and that the position they advocate will accomplish that. So who's right? Well, the way we would ideally determine that is by looking at the historical record. But as is too often the case in higher education, we just don't have enough good data to say for sure. However this particular debate gets resolved, it would

be nice if we didn't have to make higher education policy based on guesswork, hopes, and wants.

That's it for this week's episode of The Key. Join us in future weeks as we explore how some colleges are rethinking their physical footprints as they envision the post-pandemic future, and a Black college president's journey, among other topics. Until then, stay safe and stay well. I'm Doug Lederman and this is The Key.

[MUSIC]