

Good policy is informed by good practice. *Excelencia* in Education’s policy priorities are grounded in the strengths and needs of the Latino community and evidence-based practices accelerating Latino student success in the current higher education context.

Policy must keep up with the evolving challenges and opportunities to serve all students, not just traditional students, and Latinos are representative of the majority of students—post-traditional students. Given the youth, growth, and educational attainment of our population, accelerating Latino students’ college degree attainment with a tactical policy strategy provides a clear opportunity for the country. The ability to serve students at scale requires knowledge of the Latino student profile and what works to accelerate Latino, and all, student success.

Who is *Excelencia* in Education?

Excelencia in Education’s mission is to accelerate Latino student success in higher education by:

- **Data:** Providing credible data-driven analysis on issues in higher education with a Latino lens;
- **Practice:** Promoting higher education policies and institutional practices that support Latinos’ academic achievement and that of other post-traditional students; and,
- **Leadership:** Organizing a network of institutions and leaders with the common cause of Latino student success to inform and compel action.
 - *Excelencia’s* leadership efforts include a network of over 190 Presidents for Latino Student Success (P4LSS), committed to Ensuring America’s Future by making our country stronger with the talents, skills, and contributions of Latino college graduates. In this network, 39 institutions are Seal-certified, going beyond enrollment to intentionally SERVE Latino students. *Excelencia’s* policy agenda focuses on scaling the work of these institutions in four priority areas.

Excelencia in Education’s Policy Priorities: 2024

Excelencia’s policy agenda advocates for accelerating Latino student success to close gaps in degree attainment based on the current profile of Latinos in higher education. Four policy issues were continually raised among leading institutions committed to supporting Latino student success: 1) **affordability**, 2) **institutional capacity**, 3) **retention and transfer**, and 4) **workforce preparation**.

Guiding Principles

The following frame is *Excelencia’s* approach to reassessing current federal policies using a Latino lens.

- Efficiency in serving traditional students today can limit effectiveness in serving a majority of students tomorrow (post-traditional students), and those students are increasingly Latino.
- Prioritizing access and success for first-generation, low-income, and underrepresented students—especially Latinos—is important while we increase educational opportunities for all students.
- Institutions that have a concentration of Latinos must transform to intentionally serve the needs of the students they enroll.

Recommendations

To accelerate Latino student success, policymakers should address affordability, institutional capacity, retention and transfer, and workforce preparation strategies and practices.

Affordability

Many Latino students adjust their attendance patterns to leverage financial aid insufficient to their needs. Recent economic challenges continue to make it harder to pay for college. The following would serve students broadly and would disproportionately benefit Latino students:

- Reduce unmet financial need to pay for college by including basic needs in financial aid calculations.
- Double the Pell Grant and make it a fully mandatory program.
- Incentivize FAFSA completion to increase access to financial aid.
- Revise the Federal Work-Study distribution formula to more strategically support students with high financial need, reduce administrative burdens to program participation, and increase funding for the program.

Institutional capacity

Hispanic-Serving Institutions (HSIs) enroll the majority of Latino students, yet are generally low-resourced and underfunded. The following recommendations would improve these institutions' capacity to serve Latino students:

- Count every student instead of using full-time equivalent (FTE) to determine eligibility for funding, and significantly increase financial support to institutions serving high numbers of students with financial need.
- Provide guaranteed funding to all HSIs who meet the eligibility requirements for Title V grants.
- Refocus and limit the allowable activities for Title III and V grants to better align with Latino student success.
- Improve information about federal investment in HSIs by increasing transparency around grant outcomes.

Retention and transfer

Latinos are not supported through postsecondary pathways because they are not likely to follow a traditional pathway—entering postsecondary education right after high school and graduating in four years from the institution where they first enrolled. The following recommendations address college pathways and priorities to retain Latino students:

- Make transfer efforts an allowable activity in the Higher Education Act, Title V, Part A, Developing Hispanic-Serving Institutions Program.
- Update federal data to more accurately capture Latino students' pathways and how federal funding impacts Latino student success.
- Provide financial incentives to retain Latino students on their path to graduation.
- Strengthen partnerships between higher education institutions and high school districts for high-quality dual enrollment programs.

Workforce preparation

Latinos are overrepresented in the workforce but in jobs that are essential, vulnerable, and lower in pay. The following recommendations support Latino students' successful transition to the workforce:

- Leverage existing federal programs, such as Federal Work-Study, to support experiential learning opportunities for students.
- Make workforce development an allowable activity for Title V grants to support institutions in creating workforce programs.
- Incentivize engagement between employers and the institutions serving Latino students.

Affordability

College is not affordable for many Latino students. They often adjust their attendance patterns to leverage financial aid insufficient to their needs. Additionally, recent economic challenges have disproportionately impacted Latinos' incomes, making it harder to afford a postsecondary education. Policymakers should simplify for students the navigation of financial aid systems and provide additional funding to programs that support Latino student success.

How can policy help Latinos afford a degree?

1. **Reduce unmet financial need to pay for college by including basic needs in financial aid calculations.**

The cost of attending an institution of higher education includes more than just the price of tuition and fees, especially for post-traditional students (who are low-income, often attending part-time, caring for dependents while enrolled, and/or transferring institutions).¹ For example, over half of Latina students are also caring for dependent children, and a majority of Latino adults work more than 30 hours per week and are more likely to enroll part-time to make college more affordable.²

Data show that Latino students have unmet basic needs that are not covered through current financial aid, creating a barrier to college access, retention, and completion. For example, 25 percent of Latino students report experiencing food insecurity, and approximately eight percent report experiencing homelessness.³ Additionally, Latino students list "transportation issues" as a reason for leaving their college program at a rate that is 19 percent higher than non-Latinos.⁴ Providing basic needs and security to Latino, and all students, is crucial to their learning and success.

Latino students face a large gap in unmet need (Unmet Need = Cost of Attendance (COA) - Expected Family Contribution (EFC) - Grants and Scholarships). On average, after grants and scholarships, Latino students still have \$6,352 in unmet need, compared to their White peers, whose full cost of attendance is covered.⁵ These are high out-of-pocket expenses, particularly for Latino students whose average family income is significantly lower (\$65,221) than White students (\$129,431).⁶ Additionally, these financial barriers are most evident for low-income students, as they would need to contribute nearly 150 percent of their household income to cover the cost of attending college full-time, even after grants and scholarships.⁷ Even further, Latino students are less likely to accept federal loans than other racial groups (except Asians) to pay for college. Thus, federal grants and scholarships should cover this unmet need so that college is affordable for Latino students.

America's economy depends on an educated workforce, and Latinos' labor force participation over the next decade is expected to increase. Thus, the education of Latinos is critical for the U.S. to meet its workforce demands. However, if college continues to be unaffordable, students will not attend. To ensure a skilled workforce, we must make college affordable for Latino, and all, students.

2. **Double the Pell Grant and make it a fully mandatory program.**

Latinos are already active participants in the Pell Grant program, and doubling the amount can make postsecondary education more affordable for them. *Excelencia's* research using federal data has found that Latinos are more likely to receive a Pell Grant (49%) compared to state aid (30%), federal loans (29%), or institutional aid (23%).⁸ Latinos receive a larger average Pell Grant than their peers (\$4,246 vs. \$4,120 for all).⁹ At institutions in *Excelencia's* President's for Latino Student Success ([P4LSS](#)) network and [Seal of Excelencia](#) certified institutions, students are more likely to receive Pell Grants (40% and 42%, respectively) compared to 36 percent nationally.¹⁰

The current maximum Pell Grant award is far from enough to cover the full cost of college. When the Pell Grant was first established, the maximum amount covered the majority of a student's cost of

attendance.^{11,12} Today, the maximum (\$7,395) only covers about a quarter of college costs; Latinos receive, on average, 69 percent of the maximum amount, leaving them with steep costs to cover.^{13,14} Additionally, Pell Grants are currently subject to annual renewals of funding from Congress (discretionary) instead of guaranteed annual funding, like Social Security (mandatory). Making the Pell Grant a fully mandatory program guarantees students receive their funds.

3. Incentivize FAFSA completion to increase access to financial aid.

Policies like mandatory FAFSA completion have demonstrated positive impacts for Latino students. In Texas, early evidence indicated that the mandatory policy led to increases (62% to 73%) in FAFSA applications during the 2021-22 school year across the board, with students living in poverty and Latino students seeing the largest increases.¹⁵ This is particularly impactful for the Latino community since they make up 40 percent of the Texas population.¹⁶ With the same statewide percentage of Latinos (40%), California, which implemented mandatory FAFSA completion in 2021, ranks among the highest in FAFSA completion (65%). Louisiana, where six percent of the population is Latino, was the first state to implement such a requirement. The state effectively closed the gap in FAFSA completion between "low-income" and "high-income" school districts – with disparate districts now having nearly equal completion rates.^{17,18}

In recent years, there has been a push by states to increase FAFSA completion so more students receive financial aid. A notable policy to address this is "Mandatory FAFSA" which looks different in various states. For example, Texas passed a new performance-based funding policy that offers a financial incentive to schools to maximize FAFSA completion. California mandates that school districts, charter schools, and county offices of education require high school seniors to complete the FAFSA, or parents and students over age 18 can complete an opt-out form.¹⁹ Lastly, until recently, Louisiana required high school seniors either complete the FAFSA in order to graduate or submit an opt-out waiver.²⁰

The rising cost of college has become a significant concern for many students to access higher education. For many Latino students, the cost of attending college poses a major barrier to continuing their education. Financial aid is crucial as Latinos' average family income is significantly lower than most racial/ethnic groups. Latino students' average family income (\$65,221) is lower than Whites' (\$129,431), all students' (\$104,479), and Asians' (\$104,184).²¹

In addition, many first-generation and low-income students are impacted by limited access to information about funding. Latinos are more likely to be first-generation college students (51%) than other racial/ethnic groups.²² This presents a challenge to navigating the financial aid process. In fact, 34 percent of Latino students did not complete the Free Application for Federal Student Aid (FAFSA) because they or their family did not have enough information about how to complete it, compared to 18 percent of White students.²³ FAFSA is an important step to receive financial assistance. However, each year, many students who are eligible for aid do not complete the FAFSA, leaving on average \$2,297 in federal and institutional grant aid unused.²⁴ Incentivizing states to mandate FAFSA completion could increase federal aid for Latino, and all, students.

4. *Revise the Federal Work-Study distribution formula to more strategically support students with high financial need, reduce administrative burdens to program participation, and increase funding for the program.*

As students prepare for a continually changing workforce, the Federal Work-Study (FWS) program can help Latino students access experiential learning opportunities, like internships. It also supports students' ability to access on-campus resources, which can increase retention and completion.

However, Latinos access to the program is limited because of its set-up, but addressing the formula, administrative burdens, and increasing funding can improve access.

First, Federal Work-Study is allocated based on a formula that prioritizes an institution's previous participation in the program, a disadvantage for the institutions where Latinos enroll. The formula's Base Guarantee ensures institutions in the program in 1999 receive the same amount each year. Over half (51%) of FWS recipients are at private four-year institutions.²⁵ Fewer funds are distributed to institutions that have a higher concentration of low-income and Latino students, such as community colleges. Currently, only four percent of Latinos receive Federal Work-Study aid.²⁶

Second, administrative hurdles to FWS participation can make it difficult for the institutions where Latinos enroll to participate. Colleges must match the amount they receive—or apply for a waiver—and cover the administrative costs of the program.²⁷

Third, funding levels for FWS have remained stagnant over the last decade, despite increased student enrollment, particularly among Latino students. Currently, about \$2,340 is allocated per FWS participant.²⁸ Without additional funding, the institutions where Latinos enroll are unable to access FWS, limiting Latinos' participation.

Institutional Capacity

Institutions enrolling Latino students are critical to *Excelencia* in Education's mission of accelerating Latino student success, including Hispanic-Serving Institutions (HSIs).²⁹ HSIs disproportionately educate the majority of Latino students across the nation--while only 20 percent of higher education institutions are HSIs, they enroll 63 percent of all Latino undergraduates.³⁰ Institutions, including HSIs, serving students with the highest financial need are often some of the most under-resourced. The pandemic and recent economic recession have made clearer the gaps that exist for Latino students and the institutions that enroll them. Policy should focus on addressing these gaps in degree completion by strengthening the capacity of institutions to improve Latino students' access to, and completion of, a quality postsecondary credential.

What can be done to support institutions' capacity-building efforts?

- 1. *Count every student instead of using full-time equivalent (FTE) to determine eligibility for funding, and significantly increase financial support to institutions serving high numbers of students with financial need.***

The Title III and V programs of the Higher Education Act, the Strengthening Institutions and Developing HSIs programs, were created with the intent to support institutions with a high enrollment of needy students and low-core expenses to build their institutional capacity to better serve their students. However, as more low-income students enter higher education, we must equitably invest in the institutions that are enrolling them. In addition to the funding distributed to institutions in response to COVID-19, funding for Title III and V programs must strengthen institutional capacity to serve students in a rapidly changing postsecondary landscape.

A. Count every student instead of using FTE to determine eligibility for funding.

As we transition into a post-pandemic learning environment, institutions that serve a large number of Latino, first-generation, and low-income students continue to be disproportionately affected and will need more equitable financial support to make up for lost revenue and state funding. As additional funding is appropriated to institutions, how students are counted is a critical component of equitable funding. *Excelencia's* analysis found that using full-time equivalent (FTE) as the primary measure for federal funding related to the pandemic (CARES Act) only captured 66 percent of students enrolled at HSIs, compared to 78 percent of students at non-HSIs.³¹ In FTE calculations, approximately three part-time students equal one full-time student,³² therefore, students' financial need was undercounted and inadequately funded. If we are to meet the needs of Latino students and the institutions that enroll them, measures for enrollment that consider every student are key.

Under current measures, part-time students receive less basic needs funding than full-time students. However, students' needs are not proportional to their enrollment intensity. Outside of tuition and fees, their financial need does not vary depending on the number of credit hours they are taking; whether a student enrolls part-time or full-time, they still have to purchase food, pay rent, and fund their transportation. This is crucial to consider for ensuring funding is equitable for institutions to more intentionally serve their students. For example, Latino students are more likely to enroll part-time or to mix their enrollment between full and part-time than to be enrolled full-time.³³ Among all students, 50 percent of all students and 54 percent of Latino students are enrolled exclusively part-time or mix their enrollment.³⁴ Using headcount as a method for federal funding is less dependent on enrollment intensity and more focused on need.

B. Significantly increase financial support to institutions serving high numbers of students with financial need.

Many HSIs serve low-income learners. However, funding for these institutions that serve high numbers of students with financial need has not kept up with their growth. In the last decade (2011 to 2021), the

number of HSIs has increased by 60 percent (from 356 to 571 institutions) while funding to the Title V program has increased by 49%, from \$100 million to \$149 million.^{35,36} In FY23, 71 percent of the funding was awarded to continuing grants, limiting funding opportunities for the dozens of institutions that become HSIs every year.³⁷ Congress must ensure funding for Title III and V keeps up with the growth of eligible institutions.

Despite the limited financial investment, our country benefits from the impact of HSIs. For example, the price-to-earnings premium (PEP) metric shows that some institutions serving low-income learners offer an exceptionally high return on investment, enrolling and serving large numbers of low-income students and providing them with high economic mobility - it takes students graduating from these institutions less time to recoup the net cost of attending them.³⁸ The Economic Mobility Index (EMI), places federally funded institutions into tiers based on their PEP. About 22 percent of institutions in the highest tier of the EMI are in *Excelencia's* [P4LSS](#) network, and over one-third of institutions in the top 20 percent of schools on the EMI are HSIs.^{39,40} Increasing financial support for institutions that have demonstrated high returns on investment can provide long-term positive impacts.

2. Provide guaranteed funding to all HSIs who meet the eligibility requirements for Title V grants.

Every year, the number of HSIs grows and outpaces the amount of funding available. Since Title V is a competitive program (eligible HSIs are not guaranteed funding), receiving funds from this program also grows more competitive every year. To more equitably support Latino student success, via the institutions that educate them, all HSIs should receive guaranteed funding. Congress could restructure Title V to provide funding to all HSIs that are designated eligible for Title V, regardless if they have applied for a competitive Title V grant. One potential way to guarantee this funding is to consider creating a non-competitive grant program in which grants would be evenly distributed amongst institutions. Below are three different options to consider for implementation⁴¹:

- **Option A:** Institutions that are *not* currently receiving a Title V grant would receive the HSI guarantee grant. Using data from FY2019, each of the 256 eligible institutions would receive \$100,985.
- **Option B:** All Title V eligible institutions would receive the HSI guarantee grant. Each of the 436 eligible institutions would receive \$59,294.
- **Option C:** Ten percent of funding appropriated to Title V would be set aside to provide a grant to every Title V-eligible HSI. Each of the 234 institutions receiving the HSI Guarantee would receive \$59,169.

HSIs would be more equitably supported through guaranteed funding for two reasons: 1) HSIs already have to apply to be designated eligible for Title V, and it's inequitable to repeatedly ask them to apply for funding, and 2) a guaranteed amount for institutions meeting Title V eligibility can go a long way in helping those institutions build their capacity to improve the quality of education they offer.⁴²

3. Refocus and limit the allowable activities for Title III and V grants to better align with Latino student success.

The Title V: Developing HSIs program is intended to expand and enhance capacity, quality, and student achievement and has 16 allowable activities for grant support. Given this diversity of allowable activities, it is not easy to summarize the impact of the federal investment at scale or answer questions about the actual investments by grantees and the link of these funds to meeting the purpose of the grant program. *Excelencia's* analysis of Title V grants showed that most institutions that receive support for capacity building choose to invest in the activities that support student success, including support services and faculty/curriculum development.⁴³ However, there are ten allowable activities that improve educational opportunities but are not aligned to student success, including that of current

students. By better aligning institutional capacity building to directly tie to student success, we can and should expect more from those institutions enrolling high numbers of Latino students.

As institutions transition into a post-pandemic learning environment, institutions must be prepared to meet their students' needs. Federal statute allows the Secretary of Education to prioritize Title III and V grant activities to meet Latino students' current needs. Institutions were already transforming their curriculum to better support Latino student success, but new challenges arise from this transition. Moreover, the effects of the pandemic especially hit Latino communities. Latinos had the highest unemployment rate at the peak of the shutdowns, faced reductions in incomes, and were disproportionately contracting COVID-19.⁴⁴ To ignore these realities is a disservice to the social, emotional, and mental health needs of Latino students. The Secretary can set a priority around these activities, leaving institutions better equipped to support Latino student retention and persistence post-pandemic.

4. *Improve information about federal investment in HSIs by increasing transparency around grant outcomes.*

The HSI designation is predicated on enrolling Latino students, and Title V grants are not required to be targeted to directly support Latino students. Trendsetting institutions are working beyond enrollment and supporting Latino students on their path to graduation.

Excelencia's analysis of Title V grants revealed a broad link between the increase in HSIs and Latino student access and completion in higher education.⁴⁵ However, questions about the impact of Title V investment remain: Has the investment increased HSIs' capacity and educational quality for the students they enroll? Has the federal investment in HSIs improved Latino students' educational achievement? By requiring more robust performance reports and more data, disaggregated by race/ethnicity from institutions, we could have a better sense of the federal investment and ensure funding is aligned with the goal of improving higher education for Latino students.

Retention and Transfer

Latino students represent a post-traditional profile. *Excelencia* in Education's research has found that many Latinos often transfer institutions, attend part-time, and remain enrolled well after beginning their postsecondary education. Many higher education policies prioritize a traditional college pathway — entering postsecondary education college-ready right after high school and graduating in four years from the institution where they first enrolled. However, that does not represent the majority of college students today.

While recent economic challenges upended higher education and enrollments decreased for almost every group, Latinos' enrollment is increasing again, showing a continued commitment to postsecondary education.⁴⁶ Policymakers should strengthen policies that retain Latino students and support them on their post-traditional path to a degree. Doing so would help more Latino students complete a degree in a timely fashion, providing economic benefits to students and policymakers.

How can policymakers support Latinos' retention & transfer on their path to a degree?

1. Make transfer efforts an allowable activity for Higher Education Act Title V, Part A, (Developing Hispanic-Serving Institutions Program) grants.

Currently, the only explicit transfer-related activity allowed under Title V is the creation of articulation agreements to facilitate the transfer from two-year to four-year institutions. Articulation agreements, while important, are on their own not enough to improve transfer. Institutional capacity can be improved to strengthen transfer by investing in more robust transfer efforts, such as student data sharing between institutions and creating clearer pathway programs.

Title V is a good place to target transfer support because these grants go to Hispanic-Serving Institutions (HSIs). HSIs enroll two-thirds of Latino students, and many (43%) are public two-year institutions.⁴⁷ Latino students are more likely to transfer than their peers. Almost half (49%) of Latino students attempt to transfer their credits, the highest of all racial/ethnic groups, on par with Black students (49%).⁴⁸ Among those students, less than half (48%) of their credits successfully transferred.⁴⁹

Institutions need funding to build successful transfer infrastructure, and allowing HSIs to use funding that's already available to them for this purpose can facilitate Latino student success. For example, better data sharing could be used to identify potential Latino transfer students. Institutions are not obligated to share data with other institutions, leaving them and their students in the dark about transfer opportunities. To strengthen transfer, increased collaboration between two- and four-year institutions will be critical. Institutions could share data about students, set up articulation agreements to ensure credits transfer or incentivize associate degree completion before transfer. By funding this through existing programs, or creating new funding programs at the state level, institutions can better do the work that we know helps Latinos.

2. Update federal data to more accurately capture Latino students' pathways and how federal funding impacts Latino student success.

Federal data does not capture Latino students' postsecondary experiences because they are not likely to follow what a "traditional" pathway looks like. The "traditional" pathway is one where a student enters postsecondary education right after high school and graduates in four years with a bachelor's degree from the institution where they first enrolled. When federal graduation rates are reported, they reflect "traditional" students who began and graduated from the same institution within three or six years (for two- and four-year institutions, respectively).

Latino students follow a post-traditional pathway and are often not included in federal graduation rates, which are often used as a measure of success. Latino baccalaureate degree holders are more likely than all other racial/ethnic groups to begin at a two-year institution (33% vs. 28% for all). In fact, about half of Latino students transfer to a two-year institution at some point in their enrollment, regardless of their starting institution.⁵⁰ Consider the following key points on Latino students:

- **Lateral Transfer:** Latino transfer students' most common pathway is transferring from a two-year to a two-year institution or from a four-year to a four-year institution (also known as Lateral Transfer).⁵¹
- **Stop-out:** Latino students are overrepresented in the undergraduate population that “stops out” (withdrawing from enrollment at a college or university for a period of time). While Latino students only make up 21 percent of the overall undergraduate population, 24 percent of all undergraduate students who stop out are Latinos.⁵²
- **Still enrolled:** Latinos are most likely to remain enrolled beyond the traditional time period for a degree. At two-year institutions, 13 percent of Latino students are still enrolled three years after beginning their degree compared to nine percent of their White peers, while at four-year institutions, four percent of Latino students are still enrolled six years after beginning their degree compared to two percent of their White peers.⁵³

Current data systems count those transfers or remaining enrolled as a dropout, which can reflect negatively on the institution. Additionally, the data don't show important points along the path to graduation, including retention and persistence disaggregated by race/ethnicity. With better data there are opportunities to incentivize retaining students, improving transfer, and ultimately, increasing degree completion.

3. **Provide financial incentives to institutions to retain Latino students on their path to graduation.**

While access to higher education for Latino students has increased steadily, degree attainment has not. Only 1 in 4 Latino adults hold an associate's degree or higher.⁵⁴ Currently, most funding programs are based on rewarding graduation or degree completion but do not consider the work done to retain students. Leading indicators to completion, including year-to-year retention, are key to ensuring Latinos are on track.

Notable institutions in *Excelencia's* network have demonstrated successful retention strategies that serve Latino students. At [P4LSS](#) and [Seal-certified](#) institutions, students' full-time and part-time retention rates are higher than at all institutions.⁵⁵ For example, California State University, Los Angeles' Educational Opportunity Program (EOP) supports first-generation, low-income students, of which 81 percent are Latino, to overcome social and economic barriers to higher education, from middle school through college completion. EOP provides academic support, leadership development, and peer mentorship. In Fall 2021, first-time EOP Latino students were retained at the same rate (74%) as all students. The 6-year EOP Latino graduation rate is 55 percent, compared to 51 percent for all students.⁵⁶ The University of Texas at San Antonio (UTSA) is another Seal-certified institution that has demonstrated successful retention strategies. UTSA prioritizes financial support to ensure Latino student retention. Through coordinated programs, such as Bold Promise, Bold Scholars, and Bold Futures, students receive support to cover tuition and fees, on-campus housing, and/or experiential learning opportunities. This strategy has been successful in retaining Latino students, as the one-year retention rate for Bold Promise Latino students is five percentage points higher than that of other first-time-full-time Latino students with similar family incomes, and the second-to-third year retention rate is 10 percentage points higher.⁵⁷

These P4LSS and Seal-certified institutions serve as examples of intentionally serving Latino students by implementing evidence-based strategies to increase retention rates. Providing more financial support to institutions that are retaining students by recognizing their efforts year-to-year can help scale such efforts to ensure more Latino students stay on track to graduate.

4. *Strengthen partnerships between higher education institutions and high school districts for high-quality dual enrollment programs.*

Earning college credit in high school can be an influential tool for exposing students to colleges and universities as well as earning a postsecondary degree. Dual enrollment (DE) is a partnership between school districts and institutions of higher education that allows high school students to enroll in college courses and earn transferable college credit.⁵⁸

One of the benefits of DE is limiting college costs. Participating students under this program get early access to college-level learning and potentially reduce some of the financial burden of college costs.⁵⁹ Second, DE increases the chances of students enrolling and persisting through college. Taking college courses in high school has been found to benefit Latino students, and its positive effects on college degree attainment are even stronger for low-income students.⁶⁰ For example, at the Dual Enrollment Academy, high school juniors earn an associate degree from South Texas College tuition-free while completing their high school graduation requirements. From 2005 to 2023, over 1,500 students graduated from high school with an associate's degree through the program.⁶¹ Overall, the benefits can provide a long-term impact to accelerate Latino student success.

Dual enrollment has expanded in many states. Nationally, approximately one-third (33%) of high school students take these courses. However, fewer Latino students are participating, lowering their opportunities to access early college. A lower percentage of Latino students (30%) took courses for postsecondary credit in high school than did White or Asian students (both 38%).⁶²

One way students are able to pay for DE is through the Pell Grant program. While Latinos are already active participants in the program, using these funds for DE has demonstrated potential long-term barriers. By using Pell, students started their "Pell clocks" and had fewer years of funding available when they eventually enrolled in college as undergraduates.⁶³ Moreover, Latino students have to navigate limited access to dual enrollment in schools. DE is often less accessible at schools that serve larger proportions of lower-income communities and communities of color.⁶⁴ Thus, while Pell is an important resource for students who have enrolled in college post-high school, it is not sufficient to ensure access to DE.

Given the growth of these programs, we need to ensure that Latino students are participating and taking advantage of these opportunities for accessing higher education. This not only benefits their journey in education but also their long-term careers. Many institutions across the country are implementing this program and incentivizing them to scale their efforts can help additional communities access DE. To reduce gaps in participation in DE, the federal government should strengthen partnerships between higher education institutions and high school districts to provide high-quality and affordable access to higher education.

Workforce Preparation

Excelencia in Education's mission is to accelerate Latino student success in higher education—which would increase the number of Latinos entering the workforce with a postsecondary degree. Latinos' labor force participation over the next decade is expected to increase. Yet Latinos are overrepresented in the workforce in jobs that are essential, vulnerable, and lower in pay. As their representation in the country grows, policymakers must ensure Latinos are prepared to enter and succeed as civic leaders in a competitive workforce.

How can federal and state policy support Latinos' workforce preparation?

1. **Leverage existing federal programs, such as Federal Work-Study, to support experiential learning opportunities for students.**

Experiential learning opportunities—opportunities that allow students to apply their learning such as internships—support student success during and after postsecondary education, but are often unpaid opportunities. Leveraging existing programs can help make these opportunities available to Latino students or support institutions as they transform their curriculum to include more applied learning in their classes. Federal Work-Study could also be better leveraged to make these opportunities available to Latino students.

Increasing funding to already existing federal programs can help Latino students gain these experiences outside the classroom. Latino students are already active participants in the workforce. Of Latino students who work, 56 percent of those students work more than 30 hours, and in some cases overtime.⁶⁵ However, internships are often unpaid, and Latinos are both underrepresented in internships overall and overrepresented in unpaid internships. While Latinos made up seven percent of recent graduates in a 2023 survey, they made up eight percent of students who did not have an internship and seven percent of those in an unpaid internship.⁶⁶ By leveraging existing funding, Latinos won't have to choose between earning a paycheck and getting an applied learning experience.

Experiential learning is important for competitive entry into the workforce and can help Latino students navigate new systems. Almost half of Latino students are first-generation students and might be the first in their families to enter their profession. They may not have built-in social networks, but internships and on-the-job learning can help them build those networks and navigate new workplaces. Even with a degree, Latinos are still less likely to be employed in the highest-paying occupations. Only 25 percent of Latinos are employed in management, professional, and related occupations, compared to Asians (58%), Whites (43%), and African-Americans (34%).⁶⁷ Experiential learning opportunities can ensure students don't enter the workforce without any experience in their field.

2. **Make workforce development an allowable activity for federal Title V grants to support institutions in creating workforce programs.**

The Title V program, the Developing Hispanic-Serving Institutions (HSIs) program, can target resources to institutions enrolling large numbers of Latino students and can be updated to include workforce preparation. There are 16 allowable activities in Title V to improve institutional capacity, but none explicitly focus on workforce development.

HSIs enroll the overwhelming majority of Latinos in higher education. *Excelencia's* research on HSI graduates has shown that they are more likely to feel fulfilled in their work and have higher levels of well-being.⁶⁸ However, the same graduates stated that their institutions could have done more to prepare them for the workforce. By providing the funding through Title V, HSIs can be supported in building their workforce development capacities with funding to, for example, set up scholarships for students pursuing internships, partnerships with local non-profits, or supporting their career services work.

3. **Incentivize engagement between employers and the institutions serving Latino students.**

To best prepare Latino students for the workforce, institutions need to know their community and national workforce demands. At the same time, employers are looking to diversify so their employees better reflect the national population. The pipeline between these two needs can be improved. One way is through coordination between HSIs, which graduate two-thirds of Latino graduates, and employers committed to diversifying their employee base. Employers can inform HSIs' workforce preparation, and institutions can cultivate a prepared and diverse group of graduates.

Just as Latino students attend school close to home, Latino graduates stay close to their institution after graduating. Among Latino graduates, 83 percent were employed in the same state as their bachelor's degree institution, the highest of all racial/ethnic groups (overall, 77% of students stay in-state).⁶⁹ As communities continue to recover from economic challenges, institutions of higher education will be key in making this recovery possible.

States and the federal government have workforce preparation programs in place that provide grants or funding to institutions. By providing priority or additional funding for those employers partnering with HSIs, employers can be incentivized to partner with new institutions and reach a larger number of Latino students.

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