

Student Financial Aid Awarded to Students Taking Remedial Courses During Fall 1995

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Reason for the GAO Study

A few congressional leaders propose to increase the efficiency of the current federal financial aid program by redirecting current federal dollars to some students (current qualified recipients receive more aid and/or provide aid to new qualified recipients) by taking the money away from other current aid recipients. Under current federal law, federal financial aid may be used to pay for up to 30 semester hours of developmental courses.

These congressional leaders suggest that a large amount of federal financial aid is being wasted on developmental students. This GAO report addresses two assumptions held by these leaders:

1. A large portion of federal financial aid is awarded to students enrolled in developmental education courses.
2. A large portion of federal financial aid pays for developmental education courses.

A questionnaire was mailed to a stratified random sample of 758 degree-granting 2- and 4-year postsecondary institutions to obtain data on financial aid and remedial coursework for students who enrolled in at least one remedial course in the fall of 1995 term. Case studies were conducted with nine postsecondary institutions for additional research and to confirm findings generated through the mail survey. Remedial instruction was defined as reading, writing, or mathematics courses designed for college students lacking those skills necessary to perform at the level required by their institution. Study skill courses or remedial courses in other academic disciplines (e.g, science) were not included in this study. The U.S. Department of Education and the Government Accounting Office use the term "remedial" rather than "developmental" which most practitioners and leaders in the developmental education movement embrace.

GAO Findings Based on Survey Respondents

1. Of all federal financial aid awarded to underclassmen, approximately 13 percent went to

freshmen and sophomores who enrolled in at least one developmental course sometimes during their academic career. This statistic is concerned with the total dollar amount of the federal financial aid. The majority of students who enroll in developmental courses are freshmen or sophomores. There are differences when looking at 2- and 4-year institutions. Two-year schools award 25 percent of its aid to students enrolled in one or more developmental courses while the rate drops to 10 percent at 4-year colleges.

2. Only 6 percent of freshmen and sophomores at these schools both received federal financial aid and enrolled in developmental courses. This statistic is concerned with the total headcount of students who received the aid. There are differences when looking at 2- and 4-year institutions. At 2-year schools 8 percent of the students who received federal financial aid used part of it to pay for developmental courses while the rate drops to 3 percent at 4-year colleges.

3. On average, 2-year college students enrolled in developmental courses for 4.9 credit hours or units in developmental courses; similar students attending 4-year schools registered for 4.1 developmental credit hours or unit.

4. No more than 4 percent of the federal financial aid awarded to underclassmen was used to pay for tuition in developmental courses. While 13 percent of those who received federal financial aid enrolled in at least one developmental course, the majority of the financial aid received by these students was used to pay for non-developmental courses. The majority of students who enroll in developmental courses only do so once. This statistic is conservative since it assumes that all federal financial aid is used to pay for actual course tuition, rather than being used to pay for bookstore, room, board, transportation, and other school-related expenses. Therefore, 4 percent is the maximum percent amount. Realistically it probably is much lower than that.

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