



August 2019

HIGHER EDUCATION

More Information Could Help Student Parents Access Additional Federal Student Aid

GAO Highlights

Highlights of [GAO-19-522](#), a report to congressional requesters

Why GAO Did This Study

Student parents face many challenges, including paying for child care, that can make it difficult for them to complete a degree. The federal government supports student parents through Education's CCAMPIS program, which provides colleges funding for child care services, and federal student aid, which can also help students pay for child care. GAO was asked to provide information on student parents and the federal programs that support these students.

This report examines, among other objectives, what is known about the characteristics and degree completion of undergraduate students with children; what is known about the CCAMPIS program and how reliable Education's reported outcomes are; and to what extent selected schools publicize the option to increase federal student aid to help pay for child care. GAO analyzed 2009 and 2016 federal student data (the most recent available) and CCAMPIS program performance data, reviewed how the 62 schools that were awarded CCAMPIS grants in 2017 publicized the student aid option to help pay for child care, and reviewed relevant federal laws and regulations and agency documents. GAO interviewed officials from Education and selected schools.

What GAO Recommends

GAO is making three recommendations to Education to correct its CCAMPIS persistence and graduation rate calculations and to encourage schools to inform students about the option to increase federal student aid to help pay for child care. Education disagreed with GAO's recommendations, but described plans to improve its performance calculations. GAO continues to believe additional actions are warranted.

View [GAO-19-522](#). For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov.

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More Information Could Help Student Parents Access Additional Federal Student Aid

What GAO Found

More than one in five undergraduate students were raising children, and about half of student parents left school without a degree, according to Department of Education (Education) data. In 2015-2016, an estimated 22 percent of undergraduates (4.3 million of 19.5 million) were parents. An estimated 55 percent of student parents were single parents, 44 percent were working full-time while enrolled, and 64 percent attended school part-time. Undergraduate student parents had fewer financial resources to fund their education than students without children. Nearly half of student parents reported paying for child care, with monthly costs averaging about \$490. A higher percentage of student parents left school without a degree (52 percent) compared to students without children (32 percent) as of 2009 (the most recent data available).



About 56 percent of undergraduate student parents had a child age 5 or younger in school year 2015-16.

Source: GAO file photo. | GAO-19-522

Education's Child Care Access Means Parents in School (CCAMPIS) program helped about 3,300 students pay child care costs for about 4,000 children in 2016-2017. Another 4,200 children were on waiting lists to receive assistance. Most CCAMPIS participants paid some child care fees after receiving subsidies—the median payment each month was about \$160. Education measures participants' persistence in school and graduation rate to assess the performance of the CCAMPIS program. However, flaws in its calculations of these two measures prevented Education from reporting reliable results, making it difficult for Education and Congress to evaluate the program's effectiveness.

Some student parents could be eligible to increase their federal student loans to help pay for child care by asking their schools to include an allowance for dependent care expenses in their financial aid calculations. However, schools do not always publicize this allowance to current and prospective students. GAO reviewed the websites—where schools post other college cost information—of schools serving student parents and found that about two-thirds of these websites did not mention the allowance. Schools are not required—and Education does not encourage them—to inform student parents about the allowance. As a result, eligible student parents may be unaware of this option to request additional financial support to help them complete their degree.

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Abbreviations

BPS	Beginning Postsecondary Students Longitudinal Study
CCAMPIS	Child Care Access Means Parents in School
CCDF	Child Care and Development Fund
Education	U.S. Department of Education
FAFSA	Free Application for Federal Student Aid
FSA	Federal Student Aid
HHS	U.S. Department of Health and Human Services
IPEDS	Integrated Postsecondary Education Data System
NPSAS	National Postsecondary Student Aid Study
TANF	Temporary Assistance for Needy Families

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August 20, 2019

The Honorable Patty Murray
Ranking Member
Committee on Health, Education, Labor, and Pensions
United States Senate

The Honorable Tammy Duckworth
United States Senate

Students who attend college while also raising children face many competing challenges. Balancing the demands of going to class and completing coursework, while caring for a family and working can make it difficult for them to complete a degree. Further, finding high-quality child care can be challenging, and in many states child care can cost more than in-state tuition at a public university.¹ In 2017, the average annual cost for full-time, center-based infant care in the United States was over \$11,000, and in one state and the District of Columbia the cost was over \$20,000.²

The federal government can provide support for student parents through a variety of programs that subsidize child care costs. The U.S. Department of Education’s (Education) Child Care Access Means Parents in School (CCAMPIS) program specifically supports low-income student parents by providing funds to colleges for child care services.³ Other federal programs administered by the U.S. Department of Health and Human Services (HHS) to help low-income families pay for child care may also provide support to student parents. Federal student aid is also

¹ In 28 states and the District of Columbia, the annual cost for center-based infant care exceeded the cost of in-state tuition at a 4-year public university in 2017. Child Care Aware of America, “The US and the High Cost of Child Care: A Review of Prices and Proposed Solutions for a Broken System.” (2018).

² The average annual cost for such care in Massachusetts was \$20,415 and in the District of Columbia was \$23,666. These results are based on Child Care Aware of America’s January 2018 survey of Child Care Resource and Referral State Networks. Child Care Aware of America. “The US and the High Cost of Child Care: Appendices.” (2018).

³ For purposes of this report, “colleges” include 2- and 4-year degree-granting institutions as well as those that provide technical training in certificate programs of shorter duration. Unless otherwise noted, “college students” refers to undergraduates enrolled in one of these institutions.

available to help low-income students pay for college, and student parents may be able to access additional federal student aid to help pay for child care.⁴

You asked us to provide information on undergraduate student parents. This report examines the following questions: 1) What is known about the characteristics and degree completion of undergraduate students with dependent children? 2) What is known about the CCAMPIS grant program and how reliable is Education's reported outcome information? 3) What is known about student parent access to other key federal programs that help low-income families pay for child care? 4) To what extent do selected schools that serve student parents publicize information about the option to increase federal student aid to help pay for child care?

To determine what is known about the characteristics and degree completion of undergraduate students with dependent children, we analyzed data from the 2016 National Postsecondary Student Aid Study (NPSAS) and the 2009 follow-up to the 2004 Beginning Postsecondary Students Longitudinal Study (BPS), the most recent data available. To determine what is known about the CCAMPIS grant program, we reviewed relevant program information and federal laws and regulations, and interviewed Education officials knowledgeable of the program. We analyzed the annual performance data submitted by CCAMPIS grantees for the 2016-2017 school year and reviewed Education's calculations of participant outcome measures it reported to Congress and assessed them against federal internal control standards related to data quality.⁵ To assess the reliability of these data sets, we reviewed agency documentation about the data and interviewed Education officials

⁴ For this report, we define federal student aid programs as financial aid programs authorized under Title IV of the Higher Education Act of 1965, as amended. See Pub. L. No. 89-329, tit. IV, 79 Stat. 1219, 1232-54 (codified as amended at 20 U.S.C. §§ 1070-1099d). These include the William D. Ford Federal Direct Loan, the Federal Pell Grant, and the Federal Work-Study programs.

⁵ We reviewed the most recently available CCAMPIS program performance data, which included data from the 85 grantees initially awarded program funds in fiscal years 2013 and 2014. At the time of our review, Education was revising the CCAMPIS program performance data collection form; therefore, performance data for the 2017-2018 school year was not available. The 62 schools that received CCAMPIS grant funding in fiscal year 2017 are expected to report their first year of performance data for the 2017-2018 school year after Education has finalized this form. We also examined Education's calculations underlying the CCAMPIS program's performance measures that the agency reported in its fiscal year 2020 budget justification to Congress.

knowledgeable about the data. We found the NPSAS and BPS data to be sufficiently reliable for our purposes. We determined that CCAMPIS performance data were sufficiently reliable for describing participant characteristics and certain program characteristics such as child care services funded and number of children on waiting lists.

To determine what is known about student parents' access to other key federal programs that assist low-income families with child care costs, we focused on the Child Care and Development Fund (CCDF), Temporary Assistance for Needy Families (TANF), and Head Start.⁶ We reviewed relevant federal laws and regulations, agency guidance, and program documents. We used a published 2018 HHS report to summarize information on state CCDF policies that affect student parents.⁷

To examine the extent to which selected schools publicize information about the option to increase federal student aid to help pay for child care, we collected dependent care allowance information from the websites of the 62 schools that received their first year of CCAMPIS grant funding in fiscal year 2017. These were the most recently awarded CCAMPIS grants at the time of our review. We interviewed financial aid officials from 13 of these schools to learn more about their practices for incorporating the dependent care allowance into students' financial aid calculations and how they inform students about this option. We selected these 13 schools to achieve a mix of schools that did and did not publicize the availability of the dependent care allowance on their websites, as well as degree levels (2-year and 4-year), and geographic diversity. We also considered the cost of attendance for low-income students. The results from our website reviews and school interviews are not generalizable. We reviewed relevant federal laws and regulations and Education's guidance on federal student aid calculations, and we assessed Education's practices against federal internal control standards for communicating with external parties. We also analyzed the characteristics of these 62 schools using 2016-2017 data from Education's Integrated Postsecondary Education Data System (IPEDS), the most recent available. We assessed the

⁶ For the purposes of this report, we use the program name "Head Start" to be inclusive of Early Head Start and Migrant and Seasonal Head Start, unless otherwise noted.

⁷Victoria Tran, Sarah Minton, Sweta Haldar, and Kelly Dwyer (2018). *The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2017*, OPRE Report 2018-106, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services.

reliability of the IPEDS data by reviewing existing information about the data and the system that produced them, and determined they were reliable for our purposes. Further details on our objectives, scope, and methodology are available in appendix I.

We conducted this performance audit from April 2018 to August 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Federal Programs that May Help College Student Parents Afford Child Care

We have previously reported that multiple federal programs provide or support early learning and child care, but the CCAMPIS program is the only one designed specifically to support the participation of low-income parents in postsecondary education by funding child care services.⁸ Education awards CCAMPIS competitive grants for up to 4 years to colleges to either support existing campus-based child care programs or establish new programs. Grant funds are primarily intended to help students who receive or are eligible to receive federal Pell Grants, but grantees may also serve low-income graduate students or low-income foreign students. Education reported that CCAMPIS grantees received about \$15 million in fiscal year 2017 and about \$33 million in fiscal year 2018.⁹

HHS administers other key federally funded programs that subsidize child care that may assist college students: the Child Care and Development

⁸ GAO, *Early Learning and Child Care: Agencies Have Helped Address Fragmentation and Overlap through Improved Coordination*, [GAO-17-463](#) (Washington, D.C.: July 13, 2017).

⁹ The maximum amount that Education can award to CCAMPIS grantee colleges is set by program statute—the most a grantee school may receive is equal to one percent of the total Pell Grant funding awarded at the school for the preceding year.

Fund (CCDF), Temporary Assistance for Needy Families (TANF), and Head Start.¹⁰

- CCDF is the primary source of federal funding dedicated to helping low-income families pay for child care.¹¹ Parents must generally be working or attending a job training or education program to receive CCDF child care subsidies. States have flexibility to establish program eligibility criteria and other priorities within the program's broad federal requirements. According to the HHS fiscal year 2020 budget justification, the CCDF program provides about \$8.2 billion in federal funds per year for child care.¹² In fiscal year 2017, the latest year for which preliminary data were available, CCDF provided child care assistance to about 1.3 million children each month.
- TANF is a federal block grant to states that supports cash assistance and a variety of other benefits and services to low-income families with children. States may use their TANF funds to directly fund child care, both for families receiving TANF cash assistance and for other low-income families in the state. In 2017, 9 percent of federal TANF funds used—or \$1.5 billion—was spent directly for child care, while states spent \$2.3 billion in maintenance of effort funds directly on child care, according to the HHS fiscal year 2020 budget justification.¹³ In addition, states transferred \$1.3 billion in federal TANF funds to CCDF in fiscal year 2017.

¹⁰ Student parents may also take advantage of federal tax credits to help pay for child care if they meet certain eligibility requirements. However, these tax credits are not designed specifically for student parents. Examples of such tax credits include the Earned Income Tax Credit, the Child Tax Credit, and the credit for child and dependent care expenses.

¹¹ The Child Care and Development Block Grant Act of 2014 authorized appropriations through fiscal year 2020 for the discretionary funding portion of CCDF. See Pub. L. No. 113-186, § 3, 128 Stat. 1971, 1971-72 (codified at 42 U.S.C. § 9858). CCDF, a term that is not found in statute, is comprised of two funding sources: mandatory and matching funding authorized under section 418 of the Social Security Act, and discretionary funding in the form of block grants authorized under the Child Care and Development Block Grant Act of 1990, as amended.

¹² Department of Health and Human Services, Administration for Children and Families, *Fiscal Year 2020 Justification of Estimates for Appropriations Committees*. Total annual funding for CCDF is about \$11.7 billion, when federal CCDF funds are combined with state matching funds and funds transferred from the TANF program.

¹³ Department of Health and Human Services, Administration for Children and Families, *Fiscal Year 2020 Justification of Estimates for Appropriations Committees*. The TANF program's maintenance of effort provision requires states to maintain a portion of their own historic financial commitment to their welfare-related programs.

-
- Head Start grants are awarded directly to public and private nonprofit and for-profit preschool and child care providers. The purpose of the Head Start program is to promote the school readiness of low-income children through the provision of educational, health, and other services. Most Head Start participants are 3- and 4-year-old children, but through the Early Head Start program, many infants and toddlers also receive early education and child care services. In fiscal year 2017, Head Start provided about \$9.6 billion in grants and other services, and the program served over 1 million children.¹⁴

Federal Student Aid and the Dependent Care Allowance

Under Title IV of the Higher Education Act of 1965, as amended, the federal government offers students financial assistance to help pay for their education.¹⁵ To be eligible for most federal student aid, a student must demonstrate financial need. Students are eligible for federal need based aid if the cost of attending a school is more than a family's expected financial contribution. A family's expected contribution is an approximation of the financial resources a family has available to help pay for a student's postsecondary education expenses.¹⁶

The cost of attendance is calculated by each school using elements set forth in federal law.¹⁷ In addition to expenses such as tuition, fees, and room and board, the cost of attendance may include a dependent care allowance for students who incur such costs—including for child care—while in school.¹⁸ Being eligible for a dependent care allowance increases the student's total cost of attendance, which could make the student eligible for additional financial assistance.

¹⁴ The President's Fiscal Year 2019 Budget Appendix. The number of children served is from the Office of Head Start's Program Information Report National Services Snapshot for 2017-2018.

¹⁵ In fiscal year 2019, Education provided students with over \$130 billion in federal student aid.

¹⁶ A family's contribution varies based on factors such as family size, whether the family has other members in college, and whether a student has children or other dependents.

¹⁷ See 20 U.S.C. § 1087II.

¹⁸ See 20 U.S.C. § 1087II(8). The amount of the allowance should be based, in part, on the number and age of dependents and should not exceed reasonable cost in the community for the type of care provided.

Federal student aid is awarded primarily through grants and loans.¹⁹

- **Grants:** Federal Pell Grants are the primary federal grant aid available to low-income undergraduate students with financial need. The maximum allowable Pell Grant was \$6,095 for the 2018-2019 school year. A student's expected family contribution is a key determinant of Pell Grant eligibility.
- **Federal Direct Loans:** Education provides loans to undergraduate and graduate students both with and without financial need.²⁰

The maximum amount an undergraduate student may borrow in federal student loans is based on the student's year in school and dependency status (see table 1). Students are classified as either financially dependent on their parents or financially independent. Students with dependent children are categorized as independent students for the purpose of calculating federal student aid. In addition, the total amount of grants and scholarships plus the total amount of federal student loans a student receives cannot exceed the total cost of attendance at his or her school. As a result, some students may be eligible for a lower federal loan amount than the maximum allowable amount, after grant and scholarship aid are factored in. For example, if an independent, first-year student's total cost of attendance is \$20,000, and the student receives \$12,000 in grant and scholarship aid, the student can take out no more than \$8,000 in federal student loans, which is less than the first-year limit of \$9,500.

¹⁹ Participating schools may also award campus-based aid, which includes federal grants for students with exceptional financial need, Perkins Loans, and Federal Work Study.

²⁰ Direct Subsidized Loans are available only to undergraduate students who have financial need and the federal government pays the interest for the student while he or she is in school. Direct Unsubsidized Loans are available to both undergraduates and graduate or professional degree students, and borrowers are not required to demonstrate financial need to receive a Direct Unsubsidized Loan.

Table 1: Federal Direct Loan Limits for Undergraduate Students

Year	Dependent students^a	Independent students
First-year	\$5,500	\$9,500
Second-year	\$6,500	\$10,500
Third-year and beyond	\$7,500	\$12,500
Aggregate loan limit ^b	\$31,000	\$57,500

Source: Department of Education. | GAO-19-522

Notes: The loan limits listed include both Subsidized and Unsubsidized Federal Direct Loans. These loan limits were enacted into law in 2008.

^a Students whose parents are unable to obtain Federal Direct PLUS Loans—loans that parents of dependent undergraduate students can use to help pay for college or career school—may borrow up to the loan limits for independent undergraduate students.

^b The aggregate loan limit is the maximum amount of loans a student may borrow over the course of their education. However, if a student repays some of their loans to bring their outstanding loan debt below the aggregate loan limit, students could then borrow again, up to the amount of the remaining eligibility under the aggregate loan limit.

Under federal law, schools participating in federal student aid programs are required to disclose certain consumer information, including information about college costs and the availability of federal student aid.²¹ We have previously reported that schools are increasingly using their websites to share consumer information, according to Education officials.²² Schools must also post a tool on their websites to help students estimate their cost of attendance based on their individual circumstances.²³

²¹ Schools are statutorily required to disclose certain school-related cost of attendance information to prospective and enrolled students. See 20 U.S.C. § 1092(a)(1). Schools must also disclose information about available financial assistance programs. See 34 C.F.R. § 668.42.

²² GAO, Higher Education: Students Need More Information to Help Reduce Challenges in Transferring College Credits, [GAO-17-574](#) (Washington, D.C.: August 14, 2017).

²³ See 20 U.S.C. § 1015a(h).

Approximately 20
Percent of
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About 22 Percent of
Undergraduate Students
in 2015-2016 Were
Raising Children and
Many Were Single Women
Working Full-Time

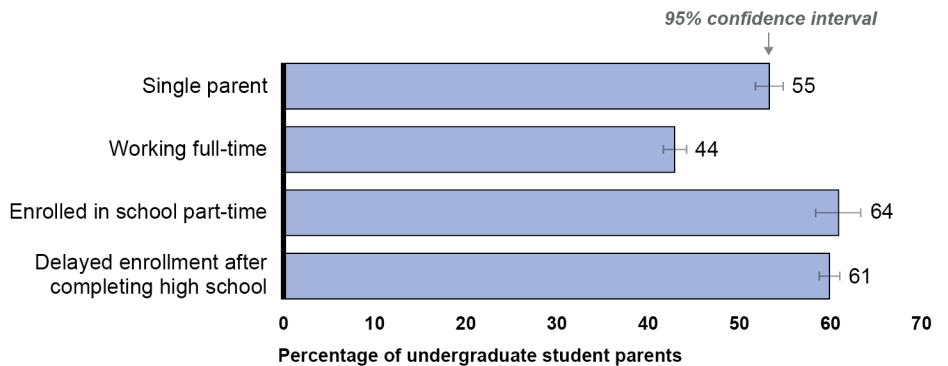
Student parents comprised about 20 percent of undergraduate students, and many had characteristics that Education has reported can affect their likelihood of staying enrolled in school and completing a degree, such as being a single parent and working full time.²⁴ In 2015-2016, an estimated 22 percent of undergraduate students (4.3 million of 19.5 million) were parents, according to our analysis of Education's nationally representative NPSAS data.²⁵ This percentage has remained close to one-quarter since 2003-2004, peaking at nearly 26 percent in 2011-2012. In addition, about 55 percent (2.4 million) were single parents and 44 percent (1.9 million) were working full-time while enrolled (see fig. 1).²⁶ About 23 percent (nearly 1 million) were single parents working full-time while enrolled.

²⁴ Education reported that certain characteristics, including being a single parent and working full time, can affect students' chances of staying enrolled in school and completing a degree. Radford, Alexandria Walton, Melissa Cominole, and Paul Skomsvold. "Demographic and Enrollment Characteristics of Nontraditional Undergraduates: 2011-12. Web Tables. NCES 2015-025." U.S. Department of Education National Center for Education Statistics (2015).

²⁵ This includes independent undergraduate students with dependent children. It does not include undergraduates with nondependent children, such as children over 18, or undergraduates with adult dependents. All student parent comparisons from NPSAS are statistically significant at the 95 percent confidence level unless otherwise indicated. These percentage estimates have margins of error within plus or minus 3.8 percentage points. These NPSAS number estimates have margins of error within plus or minus 9 percent.

²⁶ In addition, 25 percent of undergraduate student parents were working part-time while enrolled.

Figure 1: Estimated Percentage of Undergraduate Student Parents with Selected Characteristics, 2015-2016



Source: GAO analysis of 2016 National Postsecondary Student Aid Study data from the U.S. Department of Education. | GAO-19-522

Notes: Some students have multiple characteristics and are represented in more than one category. Data shown are statistically significant at the 95 percent confidence level, unless otherwise indicated.

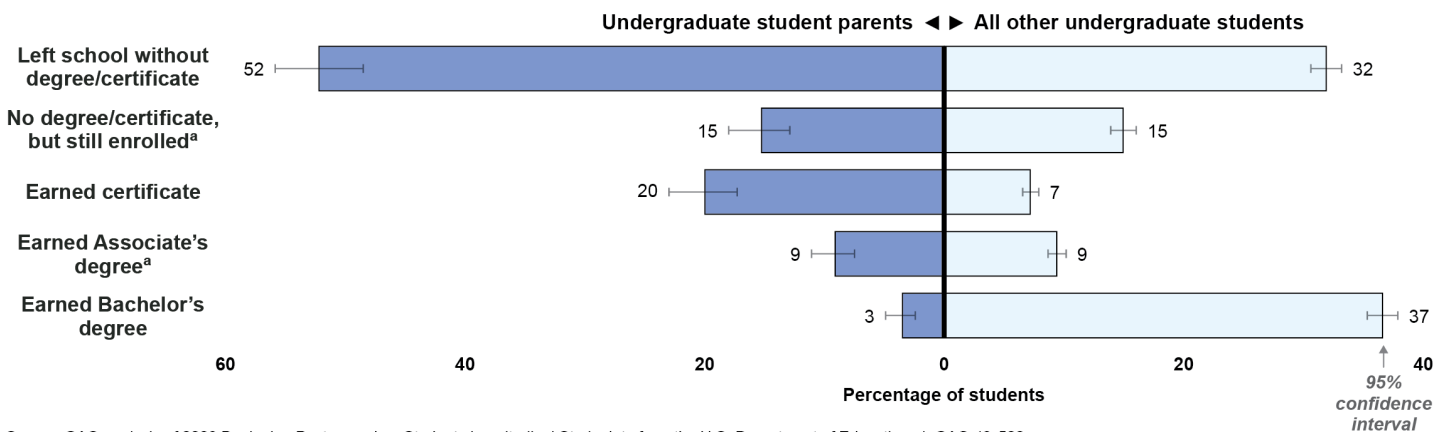
In addition, undergraduate student parents in 2015-2016 were older than other students and mostly female, and a higher percentage were African-American compared to students without children.

- The average age of undergraduate student parents was 33, compared to 24 for all other undergraduates. A relatively small proportion of undergraduate student parents—15 percent—was age 23 or younger.
- Most student parents were female (71 percent).
- An estimated 23 percent of undergraduate student parents were African-American, compared to 13 percent of all other undergraduates (see app. II for additional information on student parent characteristics).

A Lower Percentage of Undergraduate Parents Completed Degrees Compared to Other Students

Education data indicate that a lower percentage of undergraduate student parents earned a degree compared to students without children. According to our analysis of the 2009 BPS data—a 6-year follow-up survey of the cohort of first-time students in the 2003-2004 school year—an estimated 52 percent of undergraduate student parents left school without a degree within 6 years, compared to 32 percent of students without children (see fig. 2).²⁷

Figure 2: Estimated Percentage of Undergraduate Degree Completion within Six Years of First Enrollment in 2003-2004, for Student Parents and All Other Undergraduates, 2009



Source: GAO analysis of 2009 Beginning Postsecondary Students Longitudinal Study data from the U.S. Department of Education. | GAO-19-522

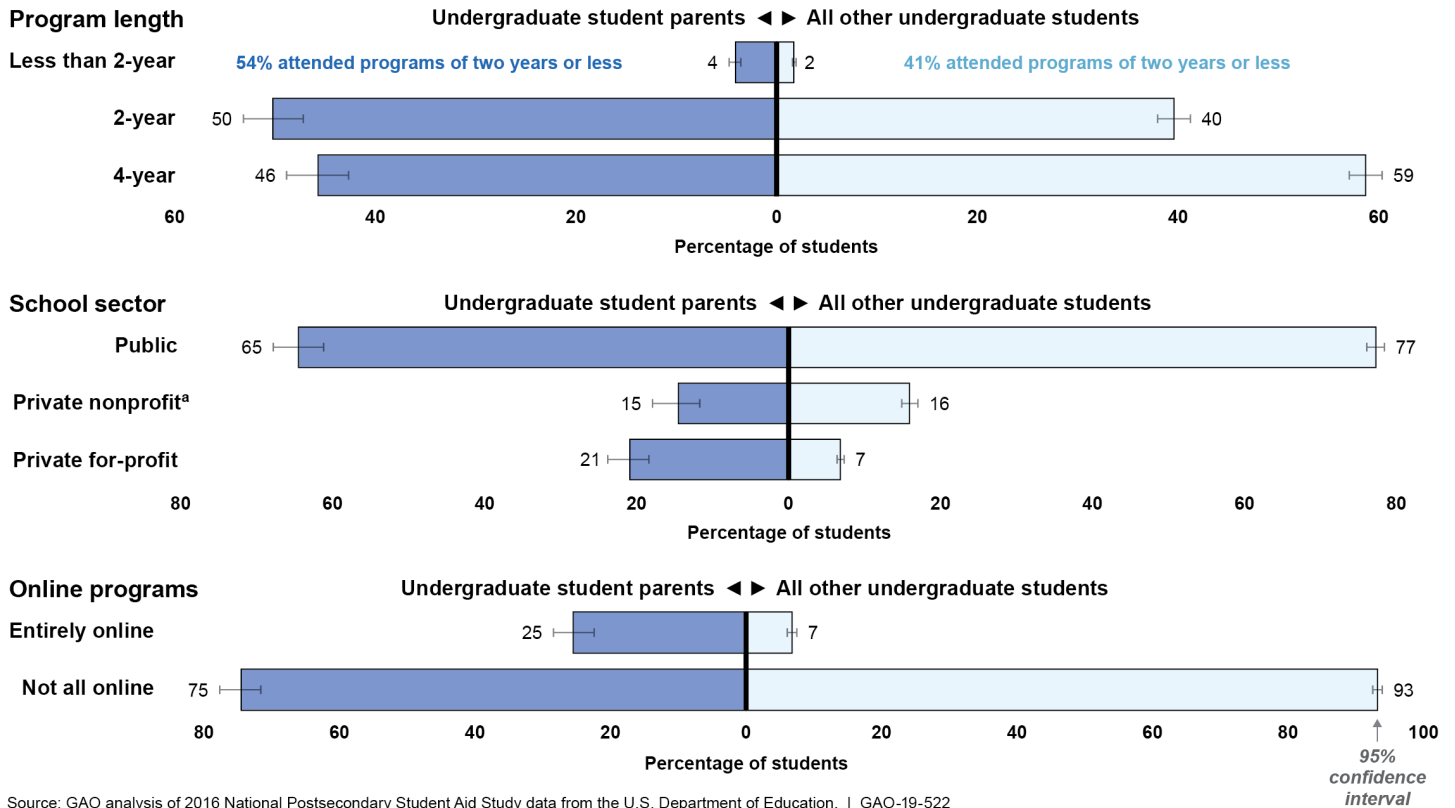
Note: All comparisons are statistically significant at the 95 percent confidence level, unless otherwise indicated. Data include students enrolled in degree programs of any length, including programs of two years or less, so some would be expected to finish sooner than six years. Some percentages do not add to 100 because of rounding.

^a Percentage estimate for undergraduate student parents and all other undergraduates is not statistically different at the 95 percent confidence level.

Compared to students without children, a higher percentage of undergraduate student parents were enrolled in private for-profit schools, programs of two years or less, and online programs, according to NPSAS data for 2015-2016. An estimated 25 percent of undergraduate student parents were enrolled in programs taught entirely online, compared to 7 percent of all other undergraduates (see fig. 3).

²⁷ All student parent comparisons from BPS are statistically significant at the 95 percent confidence level unless otherwise indicated. These percentage estimates have margins of error within plus or minus 3.7 percentage points.

Figure 3: Estimated Percentage of Student Parents and Other Undergraduate Students Enrolled in Different Types of Schools and Programs, 2015-2016



Source: GAO analysis of 2016 National Postsecondary Student Aid Study data from the U.S. Department of Education. | GAO-19-522

Note: All comparisons are statistically significant at the 95 percent confidence level, unless otherwise indicated. Some percentages do not add to 100 because of rounding.

^a Percentage estimate for undergraduate student parents and all other undergraduates is not statistically different at the 95 percent confidence level.

Undergraduate Parents Had Fewer Financial Resources for Their Education than Students without Children

Undergraduate student parents had fewer financial resources available to fund their education than students without children, according to NPSAS data for 2015-2016. An estimated 67 percent of undergraduate student parents in 2015-2016 had an expected family contribution of zero, compared to 31 percent of students without children. Student parents also had an average expected family contribution of \$9,180, compared to \$17,506 for students without children.

Accordingly, about half of student parents received a federal Pell Grant, compared to 35 percent of all other undergraduates. In addition, a higher percentage of student parents rely on federal student loans compared with other students. Approximately 62 percent of undergraduate student

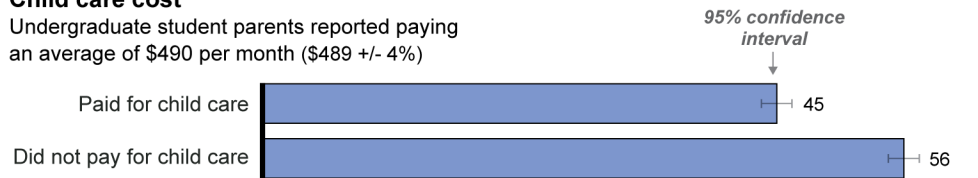
parents used federal student loans for their education, compared to 50 percent of students without children.

About half of student parents had childcare expenses, in addition to their education and other living expenses. An estimated 45 percent reported paying for child care in 2015-2016, paying an average of about \$490 per month (see fig. 4). An estimated 56 percent of student parents had a child age 5 or younger. However, about 60 percent of undergraduate student parents were enrolled in schools that did not offer on-campus childcare for students.

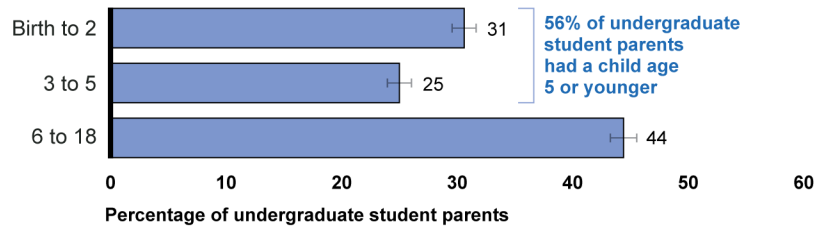
Figure 4: Estimated Childcare Use, Costs, and Age of Youngest Child of Undergraduate Student Parents, 2015-2016

Child care cost

Undergraduate student parents reported paying an average of \$490 per month (\$489 +/- 4%)



Age of youngest child



Source: GAO analysis of 2016 National Postsecondary Student Aid Study data from the U.S. Department of Education. | GAO-19-522

Notes: All comparisons are statistically significant at the 95 percent confidence level, unless otherwise indicated. Some percentages do not add to 100 because of rounding.

CCAMPIS Grants Helped Some Low-Income Students Pay for Child Care, but Education Reported Unreliable Program Outcome Information

CCAMPIS Grants Helped about 3,300 Students at 85 Schools Pay for Child Care during the 2016-2017 School Year

CCAMPIS grantees reported that about 3,320 student parents received subsidized child care services for at least one academic term during the 2016-2017 school year, the most recent year for which performance data were available.²⁸ The 85 schools that submitted CCAMPIS program data for this time period were about evenly split between 2-year (42) and 4-year (43) schools. The average amount awarded to each school for the year was approximately \$182,000. Grantees reported that there were more children of CCAMPIS-eligible parents on waiting lists to receive child care services (over 4,200 children) than the number of children served by the 85 schools (about 4,000). Many of the children on waiting lists were infants and toddlers (65 percent).

Most CCAMPIS participants in 2016-2017 were female and low-income undergraduate students, according to data reported by grantees. Further, most participants were undergraduates who either received or were eligible to receive federal Pell Grants (85 percent). About 10 percent were low-income graduate students.²⁹ Almost 80 percent of CCAMPIS participants were female. A majority of female CCAMPIS participants attended 2-year schools (53 percent). In contrast, most male participants were enrolled in 4-year schools (70 percent). Grantee reported data also indicate that about half of CCAMPIS participants were single parents, although most male students served by the grant were married (78

²⁸ We used CCAMPIS grantee-reported performance data for our analyses. See appendix I for more details.

²⁹ The remaining 5 percent of CCAMPIS participants were low-income foreign students.

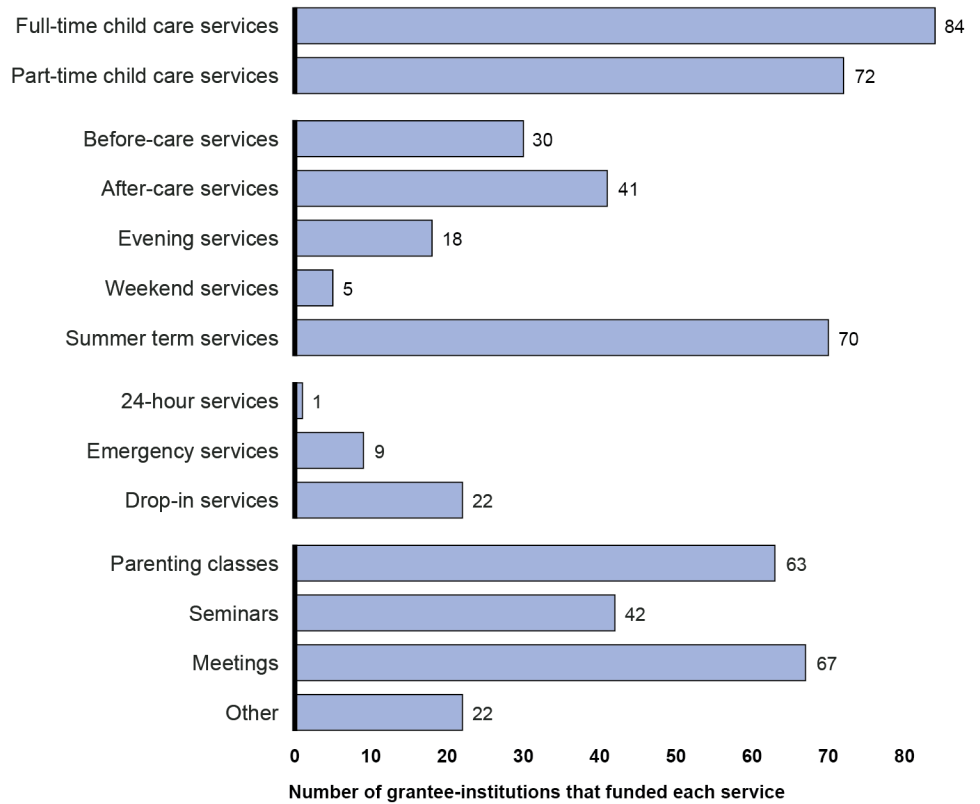
percent). Just under half of CCAMPIS participants were white, 25 percent Hispanic or Latino, and 15 percent were Black or African-American.³⁰

Grantees reported using CCAMPIS funds to subsidize a variety of child care services, either provided on-campus or in the community. Almost all grantee schools (84) reported using CCAMPIS funds to subsidize full-time child care, while 72 funded part-time child care (see fig. 5). Fewer schools funded before- or after-care or care during the evening (18 schools) or weekends (5 schools).³¹ Many grantees also reported funding parenting classes (e.g., workshops on time management and family nutrition) and meetings (e.g., student parent advisory board meetings). Grantees funded other activities with their CCAMPIS grants, such as student advising, free finals week child care, and child health screenings, according to grantee data.

³⁰ Education tracks CCAMPIS-participants by these race and ethnicity groupings, among other groupings.

³¹ CCAMPIS grant funds can be used for before and after school services to the extent they are needed to allow student parents to pursue their academic program.

Figure 5: Services Funded by Child Care Access Means Parents in School (CCAMPIS) Grants for the 2016-2017 School Year



Source: GAO analysis of Child Care Access Means Parents in School Program (CCAMPIS) grantee-reported performance information for the 2016-2017 school year. | GAO-19-522

Note: For each of these services, the eighty-five CCAMPIS grantee schools had the option to offer on-campus services or contract with providers in their community. In addition to child care services, grantees used funds for parenting classes (e.g., workshops on time management and family nutrition), seminars (e.g., external speaker events), and meetings (e.g., student parent advisory board meetings). Grantees also funded other activities, such as student advising, free finals week child care, and child health screenings.

While some schools paid for the entire cost of child care for CCAMPIS participants, most provided partial subsidies using a sliding fee scale. Among the students that grantees reported as receiving a CCAMPIS-funded child care subsidy, over 75 percent had some out-of-pocket child care expenses (2,091 of 2,754).³² The median amount students paid out-

³² Grantees did not report an amount of CCAMPIS-funded child care subsidy for 570 participating students. Education officials said that some students only participated in parenting classes, for example, but did not receive child care subsidies.

of-pocket each month was about \$160, after receiving about \$385 per month in grant-funded subsidies.

CCAMPIS grants can help schools address the demand for child care that their on-campus child care centers have not been able to accommodate. For example, prior to receiving the CCAMPIS grant, the on-campus child care center at one 2-year school on the West Coast served children age 2.5 to 5 years, according to school officials. With CCAMPIS grant funding, officials said they were able to expand on-campus child care for school-age children (ages 5-13). They said the grant also allows the school to offer drop-in child care when local elementary schools are closed. In another case, to help meet demand for child care among student parents that its on-campus child care center could not accommodate, an official from a 4-year school in the Rocky Mountain region said the school has established relationships with approximately 20 community-based child care centers and used CCAMPIS funds to help students pay for child care provided by these off-campus centers. These CCAMPIS grantees told us they also used grant funds to offer students supportive services in addition to subsidized child care. For example, the 2-year school on the West Coast runs a family resource center that provides free baby clothes, diapers, wipes, college textbooks, and school supplies for students and their children. The 4-year school has used CCAMPIS funds to pay for a graduate student to provide home visits for student parents who have concerns about their children's development or behavior. These schools also relied on funding from other sources to support student parents.³³ For example, officials from the 2-year school we spoke with said the school uses local funds to host weekly faculty-led playgroups and state funding to increase student parent access to food pantries and housing assistance and to host evening parenting workshops led by a marriage and family counselor.

Education Reported Unreliable Persistence and Graduation Rates among CCAMPIS Participants

In its budget justification to Congress, Education reports on the progress that CCAMPIS grantees make toward meeting the program's performance goals; however, flaws in its calculations prevented Education from reporting reliable results. Education reports information on three performance measures for CCAMPIS participants: their persistence

³³ For CCAMPIS grants initially awarded in fiscal years 2013 and 2014, one program priority was for schools to leverage significant local or institutional resources to support grant activities.

in school, the federal cost for each persistent student, and their graduation rate.



The persistence rate for students participating in the CCAMPIS program is the percentage of program participants who receive child care services that remain in postsecondary education at the end of the academic year, according to Education's published definition. To calculate this measure Education's explanation states that it includes any student that has

- remained enrolled in school at the end of the school year,
- transferred from a 2-year to a 4-year school during the school year, or
- graduated during the school year.

However, Education's calculations did not produce results that align with this definition of persistence; specifically, the agency's calculations did not identify students who remained enrolled until the end of the school year. Education counted a student as persisting if the grantee reported the student as enrolled and participating in the CCAMPIS program in either the fall or the winter terms and did not consider whether students were also enrolled in another term during the year. As a result, a student who was enrolled and participating in CCAMPIS during the fall term and withdrew from school during the spring term was counted as having persisted in school. Further, while Education's calculation included students who graduated at some point during the school year, it did not include students who transferred from a 2-year to a 4 year school.³⁴

Using Education's definition, we recalculated the percentage of CCAMPIS participants who persisted until the end of the 2016-2017 school year. Specifically, we limited our analysis to students who grantees reported as having participated in CCAMPIS during either the fall or winter term and

³⁴ We identified other technical errors in Education's persistence rate calculations that affected their accuracy. In addition, Education included students that grantees reported as 1) having declined to participate in CCAMPIS, 2) having an enrollment code not included in Education's report instructions, and 3) having no enrollment information for any of the four academic terms. While Education made efforts to exclude certain students that it identified as not participating in the program, errors in its calculations resulted in only removing a portion of these students. Education officials said that the agency is currently revising the form it uses to collect CCAMPIS performance data from grantees, and Education expects grantees will use this revised form to report on the 2017-2018 school year.

persisted to the spring term.³⁵ While Education reported a persistence rate of about 74 percent in its fiscal year 2020 budget justification to Congress, our recalculation indicated that the persistence rate was an estimated 82 percent.³⁶



The flaws in Education’s persistence rate calculation meant the agency also reported unreliable results for the federal cost per CCAMPIS participant who persisted in school. Given our recalculation of the persistence rate for students enrolled in both 2-year and 4-year schools, we calculated that the cost per CCAMPIS participating student who persisted during the 2016-2017 school year was about \$7,550. Education reported this cost as \$5,625 in its fiscal year 2020 budget justification to Congress.



Education defines its graduation rate measure as the percentage of CCAMPIS program participants enrolled in 2-year schools who graduate from postsecondary education within 3 years of enrollment. According to Education’s published definition of this measure, it is intended to be consistent with Education’s standard graduation rate reported by all 2-year schools that receive federal student aid funds. Education does not

³⁵ While Education considers a student as having persisted in school if that student transferred from a 2-year to a 4-year school during the school year, the data Education collects from CCAMPIS grantees does not distinguish between students who transferred from a 2-year school to a 4-year school or from one 4-year school to another. As a result, we included in our persistence rate calculation all students that grantees designated as having transferred. We also included students who graduated at some point during the school year. We excluded one school from our analysis because it did not have sufficient data to determine students’ persistence. We also excluded students with incomplete participation or enrollment information (495 students) and students for whom grantees reported duplicate information (34 students).

³⁶ We estimated that the average persistence rate was 78 percent among 2-year institutions, and 86 percent among 4-year institutions. In addition, 30 of the 84 schools had estimated persistence rates above 90 percent, and 4 schools had persistence rates of 50 percent or less. While our recalculated persistence rate is higher than Education’s published rate, the number of persisting students is smaller than the number Education included. We excluded students with incomplete participation or enrollment information and revised Education’s numbers in both the numerator and denominator of the persistence rate formula.

calculate or report the graduation rate for CCAMPIS participants enrolled in 4-year schools.³⁷

However, Education's calculations did not produce results that aligned with its published graduation rate definition. To correctly calculate the graduation rate, based on its definition, Education would need to track the enrollment of a cohort of CCAMPIS participating students in 2-year schools who started school in the same year. This would allow Education to follow these students over 3 years to identify how many of them graduated during this time period. Instead, Education included in its calculation students that participated in CCAMPIS at any point during a 3-year period regardless of when they first enrolled in school. Education does not currently collect data from CCAMPIS grantees that indicate when students first enrolled in school, which it would need to accurately calculate the percentage of CCAMPIS program participants enrolled in 2-year schools who graduate within 3 years of enrollment. Education officials said that they were concerned that collecting such student enrollment information could be overly burdensome for grantees.

Education officials acknowledged that they had not accurately defined this performance measure in the fiscal year 2020 budget justification to Congress. Specifically, Education officials said that although the published definition of the CCAMPIS graduation rate states it is consistent with the agency's standard graduation rate measure, program officials actually calculate something different. Officials said that because they do not collect data on when students first enroll in school, they calculated the percent of CCAMPIS participants who graduated within 3 years of receiving CCAMPIS subsidies instead. While this alternative could be used as a CCAMPIS outcome measure, Education's calculations did not align with this definition because they did not organize students into cohorts based on when they first started receiving CCAMPIS subsidies. Education has the data to do this, but would need to revise its calculations. Without either collecting the student enrollment data needed to calculate a standard 3-year graduation rate or accurately defining and calculating a different metric, Education is unable to report reliable college completion results for CCAMPIS participants.

³⁷ Federal regulations on reporting program performance limit grantee reporting to the period of performance, which is generally the duration of the grant. Because CCAMPIS is a 4-year grant program, Education is unable to collect 6 years of performance data to allow it to calculate its standard 6-year graduation rate for 4-year schools.

Having accurate performance measures is critical to assessing the effectiveness of the CCAMPIS program. Federal standards for internal controls state that management should ensure that measurements achieve the appropriate level of precision and accuracy for their reporting purposes. These federal standards also state that when communicating with external parties, managers should share quality information to help the entity achieve its objectives.³⁸ However, Education has not calculated a persistence rate or graduation rate that accurately reflects the CCAMPIS program's performance measures, as the agency has publicly defined them. As a result, the agency is unable to give a reliable accounting of CCAMPIS performance in its budget justification to Congress. Reporting unreliable performance information about the CCAMPIS program affects Education's ability to manage the program and Congress' ability to make informed funding and program decisions.

³⁸ GAO, Standards for Internal Control in the Federal Government, [GAO-14-704G](#) (Washington, D.C.: September 2014).

Little Is Known about the Extent to Which Students Access Other Key Federal Programs that Help Low-Income Families Pay for Child Care

College students may benefit from other key federal programs that fund child care services for low-income families—CCDF, TANF, and Head Start—but little is known about the extent to which they benefit.³⁹

Child Care and Development Fund: HHS does not track how many families use CCDF child care subsidies specifically to pursue postsecondary education, as this is an optional program activity, according to HHS officials.⁴⁰ HHS tracks and reports on child care subsidy use for training and education as a broader category.⁴¹ For fiscal year 2016, in about 6 percent of families receiving child care subsidies a parent was enrolled in training or education, and in an additional 7 percent of families a parent was enrolled in training or education while also employed, according to state reported data.⁴² These data also show that states differed in the extent to which parents pursuing training or education received such subsidies. For example, three states provided CCDF subsidies during an average month in 2016 to only a small number of families where a parent was not employed while pursuing education or training (less than one-half of one percent).⁴³ In contrast, two states provided CCDF subsidies to about 20 percent of families where a parent was pursuing education or training while not employed.⁴⁴

³⁹ Other federal benefits can offer financial assistance to student parents. According to our analysis of Education’s 2016 NPSAS data, an estimated 39 percent of undergraduate student parents reported that they received at least one of the following benefits in 2013 or 2014: the Supplemental Nutrition Assistance Program (SNAP), Free or Reduced Price School Lunch, Supplemental Security Income, TANF, or the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). An estimated 26 percent reported receiving SNAP and about 15 percent reported receiving WIC benefits. These estimates are within a margin of error of plus or minus 1.4 percentage points.

⁴⁰ Parents must generally be working or attending a job training or education program to receive CCDF child care subsidies. States have the option, but are not required, to provide child care subsidies to parents participating in training or education, including postsecondary education, according to HHS officials.

⁴¹ This includes postsecondary education and training, high school or General Educational Development certification, and English literacy programs.

⁴² HHS Administration for Children and Families, Fiscal Year 2016 Final Data Table 10-Reasons for Receiving Care, Average Monthly Percentage of Families. (February 5, 2019), accessed April 30, 2019, <https://www.acf.hhs.gov/occ/resource/fy-2016-final-data-table-10>

⁴³ The states were Arizona, Utah, and Wisconsin.

⁴⁴ The states were Tennessee and Vermont.

Some states have established policies that restrict postsecondary students' access to CCDF funds, according to our analysis of an HHS report containing information on key state CCDF policies as of 2017.⁴⁵ Specifically, four states have policies that limit students who are pursuing postsecondary education from receiving child care subsidies.⁴⁶ Nine additional states do not allow access to child care subsidies for full-time students, unless they also meet work requirements.⁴⁷ For example, Arizona, Kentucky, Pennsylvania, and Washington require full-time students to work 20 hours each week in addition to attending school.

States have implemented other policies that affect CCDF subsidy access for postsecondary students.

- **Program length:** Eight states limit the length of time students may receive child care subsidies for enrollment in a postsecondary program. For example, Alabama, Kansas, New Hampshire, and Wisconsin limit postsecondary programs to 24 months.
- **Program type:** Ten states place restrictions on the type or nature of the postsecondary program students may pursue. For example, states may limit approved programs to vocational programs. Almost all states exclude graduate level programs.
- **Academic Achievement:** Four states have policies related to the minimum grade point average students must maintain to receive child

⁴⁵ We did not do an independent review of state policies. Rather, we summarized information published in the following HHS report: Victoria Tran, Sarah Minton, Sweta Haldar, and Kelly Dwyer (2018). *The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2017*, OPRE Report 2018-106, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. The policies summarized were as of October 2017, and some states may have revised their policies since then. For example, an independent organization associated with the University of Washington and the Washington Department of Children, Youth, and Families reported that Washington state recently passed a law that removed certain restrictions on subsidized child care for student parents.

⁴⁶ These four states were Connecticut, Delaware, Georgia, and Rhode Island. Connecticut and Delaware only allow students to receive child care subsidies if they are pursuing postsecondary education if the subsidy is part of an individual's TANF or Supplemental Nutrition Assistance Program employment and training plan according to an HHS report on key state CCDF policies as of 2017. This HHS report also indicated that in Georgia, enrollment in a degree program is not an approved activity; however, participation in vocational programs at colleges or universities is an approved activity.

⁴⁷ These states were: Arizona, Kansas, Kentucky, New York, Oregon, Pennsylvania, Utah, Washington, and Wisconsin.

care subsidies. For example, Illinois requires that students that do not work 20 hours per week maintain a 2.5 average.

In 2016, HHS issued an informational memorandum with examples of policies and practices that could help states support parents who need child care assistance to participate in education programs. Such strategies included limiting the number of hours students were required to work and ensuring student parents are aware of child care services.⁴⁸ See the text box for an example of how one school reported it is using CCDF funds to assist student parents.

Example of using the Child Care and Development Fund (CCDF) to subsidize child care for student parents

New York state uses CCDF funds to offer child care subsidies to students enrolled in its State University of New York (SUNY) and City University of New York (CUNY) schools. These colleges partner with nonprofit child care providers and receive CCDF funds to provide child care subsidies to income-eligible students. Schools receive additional state funds to help pay for child care operating costs, such as staff salaries, supplies, and meals for children.

A school official from one of the state's community colleges told GAO that CCDF subsidizes care during time students are in class. School officials submit students' class schedules to the state when applying for benefits on students' behalf. Students pay out of pocket for any time they elect to enroll their children in care that is in addition to scheduled class time.

Source: GAO interview and analysis of program information. | GAO-19-522

However, eligible families may not receive a CCDF child care subsidy, as states often do not have sufficient funds to serve all eligible families.⁴⁹ HHS officials said that states must prioritize three types of eligible

⁴⁸ Department of Health and Human Services, Administration for Children and Families, Information Memorandum, "Supporting Parents in Job Training and Education Programs with Child Care Assistance." November 29, 2016.

⁴⁹ We previously reported that an estimated one-quarter of children eligible for child care subsidies under state eligibility rules received them, according to HHS's analysis of data from fiscal year 2015. GAO, *Child Care and Development Fund: Subsidy Receipt and Plans for New Funds*, [GAO-19-222R](#) (Washington, D.C.: Feb 15, 2019).

families: families with very low incomes, families with children with special needs, and families who are experiencing homelessness.⁵⁰

Temporary Assistance for Needy Families: Student parents may also be eligible to receive child care subsidies from their state's TANF program, but it is unclear how many students benefit from these subsidies.⁵¹ HHS officials said that although they track the amount of TANF funds states use to help families pay for child care, HHS does not collect information that would allow it to identify how many families are using child care to pursue postsecondary education.⁵² According to NPSAS data, an estimated 4 percent of undergraduate student parents reported that a member of their household received TANF assistance during either 2013 or 2014.⁵³ For an example of how one school reported it is using TANF funds to assist student parents, see the text box.

⁵⁰ According to HHS officials, some states have additional regulations that identify other priorities, such as serving parents without high school diplomas.

⁵¹ Some student parents may also receive cash assistance in addition to TANF-funded child care, as most states list postsecondary education as an allowable activity to meet work requirements.

⁵² We have previously reported that HHS does not collect data on all families who receive child care funded by TANF, and we suggested that Congress may want to require additional data collection on these families. GAO, *Child Care: Additional Information Is Needed on Working Families Receiving Subsidies*, [GAO-05-667](#) (Washington, D.C.: June 29, 2005) and *Temporary Assistance for Needy Families: Update on Families Served and Work Participation*, [GAO-11-880T](#) (Washington, D.C.: Sept. 8, 2011).

⁵³ This estimate is within a margin of error of plus or minus 0.5 percentage points.

Example of using Temporary Assistance for Needy Families (TANF) to subsidize child care for student parents

A TANF-funded program in Arkansas called the Career Pathways Initiative assists student parents with child care costs. This program also offers financial assistance for school-related expenses and a number of other supportive services.

To access child care assistance from the Career Pathways Initiative, student parents must have an income at or below 250 percent of the poverty level or receive another state service, such as Medicaid. According to an official from one community college in the state, in order to receive a child care subsidy at that school, students must also work at least one hour per week.

Research on the Career Pathways Initiative found that, of the nearly 30,000 low-income participants enrolled in Arkansas community colleges between 2006 and 2013, more than 52 percent graduated with a degree or certificate. This is more than double the 24 percent completion rate of all Arkansas community college students who did not participate in the program.^a

Source: GAO interview and analysis of program information. | GAO-19-522

^a Metis Associates and the Arkansas Research Center, "College Counts Evidence of Impact: A Research Analysis of the Arkansas Career Pathways Initiative." January 2018.

Head Start: Student parents may also enroll their children in Head Start programs, and some colleges have received Head Start grants or partnered with local Head Start programs to connect eligible student parents with services. HHS officials said they do not, however, collect information from Head Start grantees to identify how many grantees partner with colleges or how many Head Start grantees themselves are colleges. They also said they cannot quantify the number of student parents with children enrolled in Head Start programs because that information is not collected by the Office of Head Start, as this is not a primary purpose of the program. At many Head Start programs—particularly those located in early learning or child care centers—services are only available on a part day or part week basis, which may not align

with a student's school or work schedules.⁵⁴ See the text box for an example of how one school reported it is supporting its student parents with Head Start funds.

Example of using Head Start to subsidize child care for student parents

A community college district in the Northwest that comprises two campuses, has received a Head Start grant for approximately the past 25 years. According to school officials, in 2018, the district managed 9 Head Start and Early Head Start centers located across the county, including centers on each of the district's community college campuses.

According to school officials, the district used Head Start funding to offer family well-being services for student parents, including helping families find housing, providing referrals for mental health counseling, and providing bus passes. In addition, the program connected families with medical and dental services. For the 2017-2018 school year, the district reported that over 88 percent of children enrolled in its Head Start centers were up-to-date on dental and medical screenings.

Source: GAO interview and analysis of program information. | GAO-19-522

⁵⁴ HHS issued final regulations in 2016 that, among other things, increases the minimum number of annual hours of planned class operations required for center-based programs. The regulations generally require center-based Head Start programs to offer at least 1,020 annual hours of planned class operations over at least eight months. The requirement is to be phased in over time with full implementation by August 1, 2021. In March 2019, HHS published a notice of proposed rulemaking to remove the requirement for all Head Start programs to serve 100 percent of their preschool center-based children for a full-school day and full school year by this August deadline.

Websites at Many Selected Schools Did Not Publicize Information about the Option to Increase Federal Student Aid to Pay for Child Care

Students May Receive Additional Federal Student Aid to Help Pay for Child Care in Certain Circumstances

In certain circumstances, a student parent may be eligible to receive additional federal student aid to help pay for child care. Students with dependent children in paid child care are allowed to request a dependent care allowance as part of their financial aid calculation, but whether it provides them with additional financial aid depends largely on other school costs. For example, at higher-cost schools, these students may already be eligible for the maximum amount of federal student loans before adding this allowance.⁵⁵ In these situations, requesting a dependent care allowance would not increase the amount of federal student loans available to the student because they have already reached the maximum. At lower-cost schools, such as community colleges, costs may be low enough to allow student parents to access additional federal student loans by adding a dependent care allowance. According to our analysis of 2016 NPSAS data, an estimated 2.6 million student parents nationwide were eligible for a lower federal loan amount than the maximum allowable loan amount, so that adding a dependent care allowance might make them eligible for a higher federal loan amount.⁵⁶

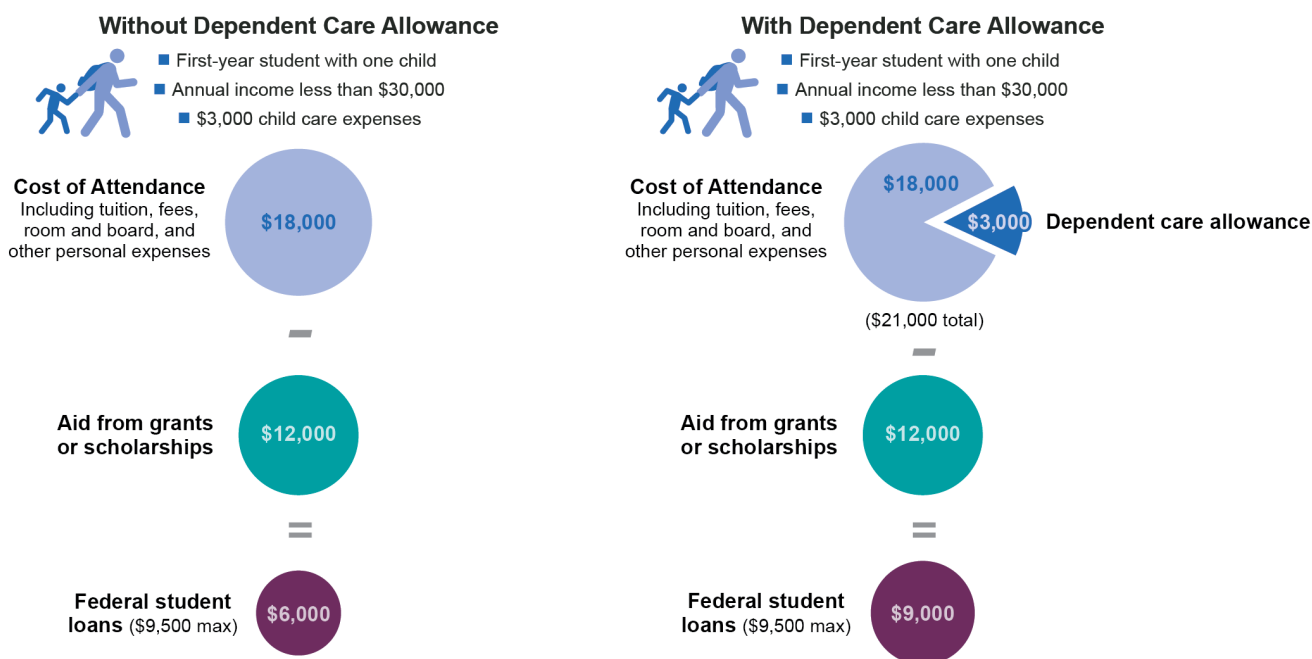
Figure 6 illustrates how adding a dependent care allowance can affect a student's federal student loan amount at a school with a relatively low cost of attendance. In this example, adding a \$3,000 dependent care allowance to a student's cost of attendance increases the amount of

⁵⁵ For the purposes of this report we used the term federal student loans to refer to Subsidized and Unsubsidized Federal Direct Loans.

⁵⁶ This estimate has a margin of error of plus or minus 7.6 percent. The NPSAS data do not show how many of these student parents had a dependent care allowance already incorporated into their financial aid calculations.

federal student loans the student can borrow without exceeding the maximum amount available (\$9,500 for a first-year, independent undergraduate student). At a higher-cost school, however, a student may already be eligible for the maximum possible loan amount, so adding a dependent care allowance would not affect how much the student could take out in federal student loans.

Figure 6: Example of How Adding a Dependent Care Allowance Can Make a Student Eligible for Additional Federal Student Loans at a Relatively Low Cost School



Source: GAO analysis of U.S. Department of Education Integrated Postsecondary Education Data System cost and net price information for a school that received a Child Care Access Means Parents in School grant in fiscal year 2017. | GAO-19-522

Notes: Estimated school cost and grant or scholarship aid are provided for a student paying in-state tuition. The maximum federal student loan amount for an independent, first-year, undergraduate student is \$9,500.

Officials from seven of the 13 schools we interviewed said that adding a dependent care allowance would more likely increase the amount of federal student loans a student can borrow, rather than increase a student's access to grant or scholarship aid.⁵⁷ However, school officials

⁵⁷ We interviewed financial aid officials from 13 of the 62 schools that received a CCAMPIS grant in 2017 and whose websites we reviewed to learn more about their practices for incorporating the dependent care allowance into students' financial aid calculations.

we interviewed who recently added dependent care allowances to students' financial aid calculations said that students with a dependent care allowance may, in some cases, receive additional grants from the state or school.⁵⁸

Officials at most of the 13 schools we contacted said they receive relatively few requests for a dependent care allowance, generally ranging from zero to 47 in 1 year.⁵⁹ Officials at the eight schools that had included this allowance in recent years reported different ways of determining the amount of the allowance. At two of these schools, officials said they allot a fixed amount for the dependent care allowance. Officials at the other six schools said allowance amounts are flexible and based on students' documented child care expenses, and can vary depending on the number of children in child care.

- **Fixed.** One school in the Northwest surveys local child care providers annually to determine the community standard rate each year and bases its dependent care allowance amount on the average market value in the area, according to a school official. This rate is two tiered. The first tier is for children ages 0-5 and is \$552 per month and the second is for children ages 6-12, with a monthly allowance of \$276. At a school in the Midwest, an official said that the school provides a fixed allowance amount to all students who indicate they have a dependent child on the Free Application for Federal Student Aid (FAFSA). The allowance amount is based on the student's enrollment status (e.g., \$900 per school year for a student enrolled full-time). The school included a dependent care allowance for 30 percent of students who received financial aid in 2017-2018, according to a school official.
- **Flexible.** At one school in the South, students can request a dependent care allowance based on their actual child care expenses, according to a school official. Financial aid officials at the school use their judgment to determine if the request is reasonable for the community and may request documentation for requests exceeding \$2,500 per semester. For example, students with more than one child may spend more than \$2,500 per semester on child care. An official at

⁵⁸ The amount of Pell Grant aid students receive would likely not increase with the addition of a dependent care allowance, as the maximum amount available to students is less than the total cost of attendance for most colleges before the addition of a dependent care allowance.

⁵⁹ These requests included both undergraduate and graduate students.

another school in the West said it does not set limits for the allowance, but financial aid counselors use their judgment to counsel students if the requested amount looks too high for the student's circumstances. The average allowance amount at this school is between \$600 and \$1,000 per month.

Not all students may want to increase their student loans to finance their child care costs while in school, but access to additional federal student loans could be a useful option for those students who need it. We previously reported that officials at a national association of community colleges said that low-income students often use federal loans to help them pay for basic living expenses. These loans can be a valuable resource for some students who need additional funds to support themselves while in college, but some school officials cautioned that loans may not be the best choice for all students, and may worsen the financial position of already vulnerable students.⁶⁰ However, two recent studies of 2-year students examined how federal financial aid improved students' college outcomes. One study found that federal financial aid helped reduce the drop-out risk for some students, while another study found that students who received federal student loans had completed more college credits and earned higher grades than those who did not.⁶¹

⁶⁰ [GAO-19-95](#)

⁶¹ Jin Chen, and Don Hossler, "The Effects of Financial Aid on College Success of Two-Year Beginning Nontraditional Students," *Research in Higher Education*, vol. 58, no. 1 (2017): pp. 40-76. This study examined the role of federal financial aid in college success of two-year beginning nontraditional students and found that they were most likely to drop out in the third college year and that federal financial aid helped reduce dropout risks. Benjamin M. Marx, and Lesley J. Turner, "The Benefits of Borrowing," *Education Next*, vol. 19, no. 1 (2019): pp. 71-76. The study tested whether the amount of federal student loan aid listed on a student's financial aid award letter had meaningful effects on borrowing and student attainment at a large community college. It found that students who borrowed federal student loans earned 3.7 additional credits compared to those who did not borrow, and raised their grade point averages by more than half a grade on a four-point scale, both representing increases of roughly 30 percent. One year after receiving financial aid award letters listing loan aid, borrowers were 11 percentage points more likely to have transferred to a four-year public institution than non-borrowers.

Selected Schools Generally Did Not Provide Information on their Websites as of December 2018 about the Option to Increase Federal Student Aid to Help Pay for Child Care

About two-thirds of the college websites we reviewed (40 of 62) did not include information on their websites about the option to include a dependent care allowance in financial aid calculations. While schools are required to post certain college cost information on their websites and inform students about the availability of financial aid, they are not required to inform students about the dependent care allowance.⁶²

At 29 of these 40 schools, the average net price for a low-income student is low enough that some students may qualify for additional loan amounts with the addition of a dependent care allowance.⁶³ We reviewed the websites of schools that were CCAMPIS grant recipients. As CCAMPIS grant recipients, these schools serve students with a demonstrated need for child care services, and have shown an interest in helping students with their child care needs. Given that most of these schools do not provide information online about the option to include a dependent care allowance, other schools without the same focus on student parents may be even less likely to make information about this option available. If schools are not consistently informing students about the option to access additional federal student aid, student parents who could benefit may not be aware the option exists, and therefore not apply for additional aid that could help them pay for child care.

Among the 22 schools that did provide information about the dependent care allowance on their websites, we found that the details they provided varied. They ranged from a general statement on the existence of the allowance to explicit instructions on how to request it, and, in some cases, the specific dependent care allowance amounts the school would provide.

⁶² Education officials said that they are statutorily prohibited from regulating on the cost of attendance components.

⁶³ The HEA defines net price as “the average yearly price actually charged to first-time, full-time undergraduate students receiving student aid at an institution of higher education after deducting such aid,” and describes how it is calculated. See 20 U.S.C. § 1015a(a)(3). Essentially, net price provides students and families with an idea of how much a first-time, full-time undergraduate student who was awarded aid will pay to attend a particular institution after grant or scholarship aid is subtracted from the published cost of attendance. Like the 29 schools mentioned above, the average net price is similarly low at 11 of the 22 schools that do provide information on their websites about the dependent care allowance. We used Department of Education’s 2016-2017 IPEDS data to analyze all 62 schools’ average net price for full-time, first-time degree/certificate-seeking undergraduates with incomes \$0 - \$30,000 who were paying the in-state or in-district tuition rate and were awarded federal student aid, including grants or loans. At three of the 62 schools, no students received federal student loans in 2016-17.

Three of the 22 schools that discussed the dependent care allowance on their websites did not post any instructions on how to add the allowance to financial aid calculations, and the instructions posted on the other 19 school websites varied. Such instructions included directing students to contact the financial aid office and submitting a financial aid award appeal.

Among the 13 schools at which we conducted interviews, six schools included information about the dependent care allowance on their websites and seven did not. Officials at two schools that publicized the allowance on their websites said that the schools also took other steps to inform current students about the dependent care allowance. For example, one school official said the school references the allowance in emails to students about the on-campus child care center. Officials at the other schools—including the seven schools that did not include information on their websites—said that they did not use any other method to inform current students about the dependent care allowance. Further, none of the 13 schools made information publicly available to prospective students using anything other than the schools' website, according to school officials. Additionally, although not generalizable, there was a relationship between those schools that used their websites to inform student parents about the option to include a dependent care allowance and whether they had provided this allowance in recent years. All six schools that provided dependent care allowance information online also reported including this allowance in the financial aid calculations of some students in recent years. Of the seven schools that did not include dependent care information online, just two of them reported that they had provided any dependent care allowances in recent years.

Education uses its Federal Student Aid (FSA) Handbook—a comprehensive annual guide to regulatory and administrative requirements for federal student aid programs—to instruct school financial aid officials on how to incorporate the dependent care allowance in a student's financial aid calculations. However, the handbook does not encourage schools to make information readily available to students via school websites about the option to increase federal student aid to help pay for child care or what steps they need to take to request it. Posting this information on school websites would make it more easily accessible to students, including prospective students who may not have access to publications located on campus. Education has used its handbook to encourage schools to adopt other suggested practices, such as informing students about how to save money on textbooks by either renting them or purchasing used copies. Moreover, Education officials said that they

could include language in the handbook encouraging schools, as a best practice, to include information about the dependent care allowance on school websites along with other college cost information. Federal standards for internal control state that management should consider the availability of information and the extent to which information is readily available to the intended audience.⁶⁴ Because the dependent care allowance can affect how much financial aid a student can access, making this information accessible on school websites would help ensure enrolled and prospective students are aware of all of their financial aid options.

Conclusions

Student parents face many obstacles to completing college, including paying for child care, and are less likely to complete school than students without children. The CCAMPIS program offers financial assistance that can provide key support to help student parents complete college. However, because Education is not accurately calculating its CCAMPIS performance measures, the agency is not reporting reliable information on program outcomes. As a result, it is difficult for Education and Congress to evaluate the effectiveness of the program and make informed funding and program decisions.

Federal student aid can be an important resource available to help student parents—who have fewer financial resources than other students—pay for child care while enrolled in school, but only if students are aware of the option to increase aid to help cover child care costs. Without information made widely available on school websites, student parents who could benefit may not know they can obtain additional aid. Moreover, the challenges this population faces in completing college make it especially important that they know about the types of assistance available to them. This information is particularly important for prospective students as they consider costs among different schools. Encouragement from Education for schools to provide information about the dependent care allowance on their websites could offer student parents more complete information about the financial aid resources available to them and how to request additional aid that could ultimately help them remain in school and graduate.

⁶⁴ GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014).

Recommendations for Executive Action

We are making the following three recommendations to Education.

- The Assistant Secretary for Postsecondary Education should correctly calculate its CCAMPIS program persistence rate and cost per persisting student measures. (Recommendation 1)
- The Assistant Secretary for Postsecondary Education should either collect the CCAMPIS participant enrollment data needed to calculate a standard 3-year graduation rate or accurately define and calculate a different college completion measure. (Recommendation 2)
- The Chief Operating Officer of Federal Student Aid should encourage schools—through appropriate means, such as the FSA Handbook—to inform students via school websites about the availability of the dependent care allowance and how to request the allowance. (Recommendation 3)

Agency Comments and Our Evaluation

We provided a draft of this report to HHS and Education for review and comment. HHS provided technical comments, which we incorporated as appropriate. Education provided written comments, which are reproduced in appendix III.

In its comments, Education stated that the report inaccurately characterizes the CCAMPIS performance data as unreliable and disagreed with the recommendation to correctly calculate its CCAMPIS persistence rate and cost per persistent student measures (recommendation 1). Regarding this first recommendation, Education acknowledged one error in its persistence rate calculation that affected the accuracy of both the persistence rate and cost per persistent student measures that it reported in its fiscal year 2020 budget justification to Congress. The agency noted that it plans to correct this error in its fiscal year 2021 budget justification. In addition, Education stated that it would explore a different model for calculating the persistence rate. While we support Education's plans to correct the error it acknowledged and explore another model for calculating the persistence rate, Education's persistence rate calculation has additional errors that the agency needs to correct to accurately calculate the CCAMPIS program's persistence rate. For example, as we stated in the report, Education's calculations did not include students who transferred, which the agency has reported should be included in its persistence rate measure. Moreover, we identified other technical errors in the numerator and denominator of Education's formulas. For example, when calculating the persistence rate for CCAMPIS participants, Education counted students who declined to

participate in the CCAMPIS program. We continue to believe that it is important for Education to report reliable program information to oversee and monitor the program and to provide accurate information to Congress. To do this, Education needs to take additional action to address all of the errors in its persistence calculations.

Education disagreed with the recommendation to collect the CCAMPIS participant enrollment data needed to calculate a standard 3-year graduation rate or accurately define and calculate a different college completion measure (recommendation 2). Education stated that it could address our concerns with a modification to the description of the measure published in the agency's budget justification. Specifically, Education said it plans to clarify that, for graduation rate data published for fiscal year 2020 and prior years, the term "within 3 years of enrollment" means within 3 years of enrolling in the CCAMPIS program. However, as we stated in the report, Education's calculations do not align with this measure either. As for future years, the agency stated that it will explore transitioning to a new model of tracking CCAMPIS students over time, which, as described, would be consistent with Education's standard graduation rate. However, Education noted that it must carefully balance the need to collect more informative and reliable data from grantees with the need to avoid adding unnecessary reporting burdens. We recognize that collecting the enrollment data needed to calculate the standard graduation rate could place a burden on grantee schools. Our recommendation therefore gives Education the option to define a different college completion measure and calculate it correctly. We continue to believe that Education needs to take steps to either collect the necessary enrollment data to calculate a standard 3-year graduation rate or correctly calculate a modified college completion measure.

Education disagreed with the recommendation to encourage schools—through appropriate means, such as the FSA Handbook—to inform students via school websites about the availability of the dependent care allowance and how to request the allowance (recommendation 3). Education stated that it believes it would be inappropriate to indiscriminately encourage all schools to encourage student parents to borrow additional loans without considering a student's individual financial circumstances. We did not suggest that schools should encourage all student parents to borrow additional loans to pay for child care. Instead, we recommended that Education encourage schools to make students aware of this potential option—which federal law makes available to students—to allow them to make informed financial decisions based on their personal circumstances. We made this recommendation because

we found that schools were not consistently sharing information with students about the dependent care allowance or how to request one. We further recognized in the report that not all students may want to increase their student loans to finance their child care costs while in school; however, access to additional federal student loans could be a useful option for those students who may need it, so we believe students should be aware of this potential option.

Education also stated that it would be inappropriate for the agency to require schools to take actions that could erode their student loan repayment and default rates. We did not recommend that Education require schools to take any action; rather, we recommended that Education encourage schools to inform students about a potentially available federal resource. In addition, Education did not provide any evidence that being aware of or using the dependent care allowance would negatively affect student loan repayment or default rates. Further, access to additional financial resources can help some students succeed in school if it allows them to work less and study more. For example, as cited in the report, recent research suggests that additional federal financial aid, including student loans, can lead to improved academic outcomes for some students.

Education also expressed concerns about students borrowing more and noted there are numerous federal, state, local, and private options that offer low-income students affordable or no-cost child care. Education noted that the federal Child Care and Development Fund (CCDF) provides significant resources for student parents. However, as we noted in the report, some states either fund very few families pursuing education or training or have implemented policies that restrict access to CCDF subsidies for college students. Education also noted that many colleges, as well as countless faith-based organizations offer affordable or no-cost child care to low-income students. However, we found that nearly half of student parents reported paying for child care, with costs averaging about \$490 per month. Moreover, even colleges that received a CCAMPIS grant had significant waiting lists for assistance and reported more children on waiting lists for CCAMPIS assistance than children receiving subsidized care from the CCAMPIS program.

Finally, Education noted that the Federal Student Aid Handbook already contains information about the dependent care allowance and its inclusion in students' financial aid calculations. While the handbook does include information to help school financial aid administrators implement a dependent care allowance appropriately, it is not a resource directed at

student parents. For this reason, we recommended that Education encourage schools to take steps to inform students about the dependent care allowance and how to request one. We continue to believe that it is important for Education to encourage schools to inform student parents about the availability of the dependent care allowance and how to request it.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the Secretary of Health and Human Services, the Secretary of Education, appropriate congressional committees, and other interested parties. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (617) 788-0534 or emreyarrasm@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix IV.

Melissa Emrey-Arras

Melissa Emrey-Arras
Director,
Education, Workforce, and Income Security

Appendix I: Objectives, Scope, and Methodology

This report examines 1) What is known about the characteristics and degree completion of undergraduate students with dependent children? 2) What is known about the Child Care Access Means Parents in School grant program and how reliable is Education's reported outcome information? 3) What is known about student parent access to other key federal programs that help low-income families pay for child care? 4) To what extent do selected schools that serve student parents publicize information about the option to increase federal student aid to help pay for child care? This appendix provides details of the data sources used to answer these questions, the analysis we conducted, and any limitations to our analysis.

Student Parent Characteristics and Degree Completion

To examine the characteristics and degree completion of undergraduate student parents, we analyzed data from the Department of Education's (Education) National Postsecondary Student Aid Study (NPSAS) from the 2015-2016 school year, the most recent year available. NPSAS data contain nationally representative, detailed demographic and financial aid data for college students enrolled in postsecondary education programs. These data come from institutional records, government databases, and interviews with students. We also analyzed Beginning Postsecondary Students Longitudinal Study (BPS) data from 2008-2009. BPS tracks students over a 6-year period and collects both survey and transcript data. The most recently completed BPS cohort first enrolled in postsecondary education in the 2003-2004 school year. We assessed the reliability of the NPSAS and BPS data by reviewing existing information about the data and the system that produced them. We also interviewed agency officials knowledgeable about the data. We determined these data to be reliable for our purposes.

Because the NPSAS and BPS data are based on probability samples, estimates are calculated using the appropriate sample weights provided, which reflect the sample design. Unless otherwise noted, all percentage estimates from the NPSAS data analysis have 95 percent confidence intervals within plus or minus 3.8 percentage points of the percent estimate, and all number estimates from the NPSAS data analysis have 95 percent confidence intervals within plus or minus 9 percent of the estimate. Similarly, all percentage estimates from the BPS data analysis have 95 percent confidence intervals within plus or minus 3.7 percentage points of the percent estimate. We compared 95 percent confidence intervals for both NPSAS and BPS data to identify statistically significant differences between specific estimates and the comparison groups.

The information collected from the interview portions of the NPSAS and BPS studies, such as the variables measuring whether students have children in paid child care and a student's monthly child care costs, is self-reported and is not based entirely on federal determinations or cross-verified with outside sources.¹ Students' monthly child care costs may be prone to more error than simpler yes/no questions.

Child Care Access Means Parents in School Grant Program

To determine what is known about the Child Care Access Means Parents in School (CCAMPIS) grant program, we reviewed relevant program information and federal laws and regulations, and interviewed Education officials knowledgeable of the program. To provide illustrative examples of how selected colleges and universities use CCAMPIS grant funding to help students pay for child care, we interviewed officials from two schools. We selected these two schools based on expert and agency recommendations and research. We also considered level of degree program (2-year and 4-year) and geographic diversity. We also conducted descriptive analysis of the performance data that CCAMPIS grantees reported to Education for the 2016-2017 school year, the most recently available performance data at the time of our review. Education provided us with performance information from the 85 colleges and universities that received their first year of grant funding in fiscal years 2013 and 2014. At the time of our review, Education had not yet collected performance data for the 2017-2018 school year, which would be the first project year for the 62 schools that were awarded CCAMPIS grants in fiscal year 2017.

Education collects annual performance information from CCAMPIS grantees using annual performance reports. Grantees report both summary information for all participating students as well as detailed information—listed separately—for each participating student. Education officials said that they do not use the summarized participant data for performance calculations because of inconsistencies they identified in grantees' reported data. Instead, Education uses the detailed information

¹ Such self-reported data are subject to several sources of nonsampling error, including the inability to obtain information about all sample cases; difficulties of definition; differences in the interpretation of questions; respondents' inability or unwillingness to provide correct information; and errors made in collecting, recording, coding, and processing data. These nonsampling errors can influence the accuracy of NPSAS information, although the magnitude of their effect is not known.

grantees provide for each student. This student-level data includes student demographic information, the number of children served, CCAMPIS child care subsidies received, and child care fees paid.² Grantees also report each student's CCAMPIS participation and academic enrollment during four academic terms (fall, winter, spring, and summer).³

To assess the reliability of the CCAMPIS performance data, we reviewed related program documentation, interviewed knowledgeable agency officials, and conducted electronic data testing for missing data, outliers, and logical errors. When we reviewed the student-level data, we identified instances of incomplete and inconsistent data that affected which students could be identified as participating in the CCAMPIS program. To address these concerns, we excluded from our analysis students that grantees reported as having 1) declined to participate in CCAMPIS for each of the four academic terms, 2) no enrollment information for any of the four academic terms, and 3) an enrollment code not included in Education's report instructions. We discussed our methodology for identifying program participants with Education officials, who agreed with our approach. We also omitted from our analysis any student for whom grantees reported duplicate information.⁴ After these corrections, we determined that CCAMPIS student-level performance data were sufficiently reliable for the purpose of describing participant characteristics.⁵ We determined that selected summary variables reported elsewhere in grantees' performance reports were similarly

² Included among the demographic information that Education collects from CCAMPIS grantees is participant race and ethnicity information. Education uses the following categories: American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, White, and Two or More Races.

³ Education asks CCAMPIS grantees to report whether or not the student participated in the CCAMPIS program while enrolled at the institution or declined CCAMPIS participation at any point while enrolled. Participation status selection codes include: enrolled participating in CCAMPIS; enrolled but declined CCAMPIS participation; or withdrew from CCAMPIS participation.

⁴ We identified instances of perfectly duplicated student entries and instances of duplicated student identification numbers with other non-matching demographic and enrollment information. We excluded from our review 3 lines of the perfectly duplicated entries and 31 lines of partially duplicated entries.

⁵ Education officials said that the agency is currently revising the CCAMPIS program annual performance report, and they expect grantees to use this revised form to report on the 2017-2018 school year.

reliable for the purpose of describing child care services funded and number of children on waiting lists.

We also examined Education's calculations underlying the CCAMPIS program's performance measures that the agency reported in its fiscal year 2020 budget justification to Congress and assessed them against federal internal control standards related to data quality. Because of the flaws we identified in Education's calculations, we developed our own calculations of Education's performance measures using the 2016-2017 CCAMPIS program performance data.⁶

Student Parents Access to Other Key Federal Child Care Programs

To examine student parents' access to other key federal programs that assist low-income families with child care costs, we focused on the Child Care and Development Fund (CCDF), Temporary Assistance for Needy Families (TANF), and Head Start and reviewed relevant federal laws and regulations, agency guidance, and program documents.⁷ To describe the extent to which states have established CCDF program policies that limit postsecondary students' access to child care subsidies, we summarized information published in the CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2017.⁸ To provide illustrative examples of how selected schools use these programs to help college students pay for child care, we interviewed school officials from three colleges and universities that also received CCAMPIS grants. We selected schools based on expert and agency recommendations and research. We also considered level of degree program (2-year and 4-year) and geographic diversity.

⁶ We recalculated the measure of CCAMPIS participant persistence in school and the cost per successful outcome. We could not re-calculate the 3-year graduation rate among students enrolled in 2-year schools because Education did not collect sufficient student enrollment data.

⁷ We identified these three programs (in addition to the CCAMPIS program) as key federal programs that help student parents pay for child care after reviewing program information and interviewing agency officials and experts.

⁸ Victoria Tran, Sarah Minton, Sweta Haldar, and Kelly Dwyer (2018). *The CCDF Policies Database Book of Tables: Key Cross-State Variations in CCDF Policies as of October 1, 2017*, OPRE Report 2018-106, Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. HHS funds the CCDF Policies Database project, which is maintained by the Urban Institute. We did not do an independent review of state laws and policies.

School Website Review

To assess the extent to which selected schools are publicizing information about the option to increase federal student aid to help pay for child care, we reviewed the websites of the 62 schools that first received a CCAMPIS grant in fiscal year 2017. These were the most recently awarded CCAMPIS grants at the time of our review. In order to review comparable information across all schools, we developed a standardized data collection instrument that we used to examine the availability of information on the option to include a dependent care allowance. We developed the instrument after reviewing the websites of 22 schools and interviewing officials from four schools to learn more about their practices for informing students about the dependent care allowance. We selected these four schools because they did not include information about the dependent care allowance on their websites, students attending these schools borrowed federal student loans, and at least one-third of enrolled students were age 25 or older. We conducted our review from October through December 2018. One analyst recorded information in the data collection instrument and another analyst checked and verified it. We collected complete information for all 62 schools and analyzed the information across schools. We did not, as a part of our review of school websites, assess the schools for compliance with any laws or regulations. Instead, this review was intended to understand what information is made available to students on school websites.

To better understand these 62 schools and their practices, we examined additional federal data and interviewed financial aid officials from 13 of the 62 schools to obtain additional information about school practices for incorporating the dependent care allowance into students' financial aid calculations. The results from our website reviews and school interviews are not generalizable. We selected these schools to achieve a mix of schools that did and did not publicize the availability of the dependent care allowance on their websites, as well as degree levels (2-year and 4-year), and geographic diversity. We also considered the cost of attendance for the average low-income student, after grant or scholarship aid.⁹ We also analyzed the characteristics of all 62 schools using 2016-

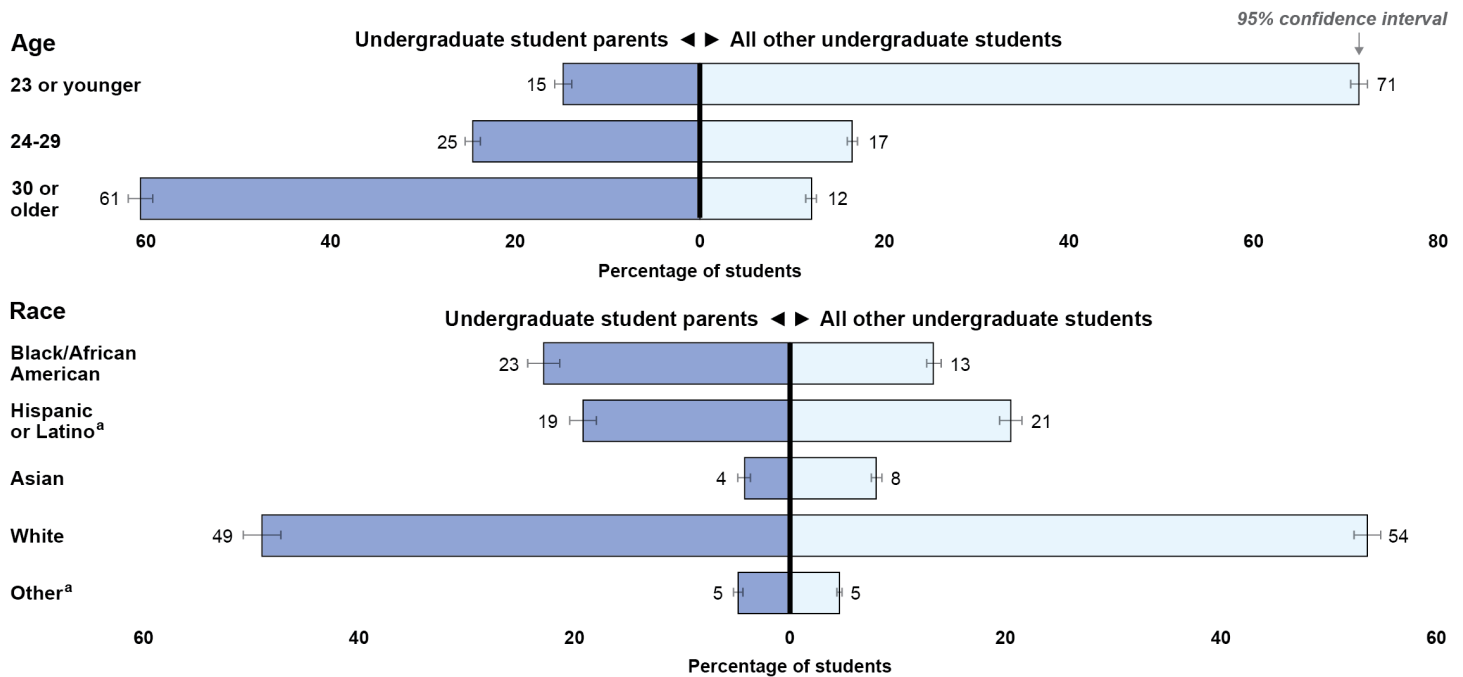
⁹We used average net price data from Education's Integrated Postsecondary Education Data System for full-time, first-time degree or certificate-seeking undergraduates with incomes between \$0 - \$30,000 who were paying the in-state or in-district tuition rate and were awarded federal student aid. Average net price is calculated by subtracting the average amount of federal, state or local government, or institutional grant and scholarship aid from the total cost of attendance.

2017 data, the latest available, from Education’s Integrated Postsecondary Education Data System (IPEDS), and examined the characteristics in the context of our website analysis. We also interviewed federal officials from Education about the information the agency provides to schools about the dependent care allowance. We assessed the reliability of the IPEDS data by reviewing existing information about the data and the system that produced them, and determined they were reliable for our purposes. We assessed Education’s practices against federal internal control standards for communicating with external parties.

We conducted this performance audit from April 2018 to August 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Estimated Percentages of Selected Demographics for Student Parents and All Other Undergraduate Students, 2015-2016

Figure 7: Age and Race of Student Parents and All Other Undergraduates, 2015-2016



Source: GAO analysis of 2016 National Postsecondary Student Aid Study data from the U.S. Department of Education. | GAO-19-522

Note: All comparisons are statistically significant at the 95 percent confidence level, unless otherwise indicated. Some percentages do not add to 100 because of rounding.

^a Percentage estimate for undergraduate student parents and all other undergraduates is not statistically different at the 95 percent confidence level. Other includes American Indian or Alaska Native; Native Hawaiian/other Pacific Islander; and more than one race.

Appendix III: Comments from the U.S. Department of Education



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE UNDER SECRETARY

July 9, 2019

Ms. Melissa Emrey-Arras
Director, Education, Workforce
and Income Security Issues
United States Government Accountability Office
Washington, DC 20548

Dear Ms. Emrey-Arras:

Thank you for providing the U.S. Department of Education (Department) with a draft copy of the Government Accountability Office's (GAO's) report entitled, "Higher Education: More Information Could Help Student Parents Access Additional Federal Student Aid." (GAO 19-522; Job Code 102784). We appreciate the hard work that went into the audit and the opportunity to comment on the draft report.

The Department questions a number of assumptions that underlie the recommendations made in the draft GAO report. Specifically, the Department has concerns that the draft report inaccurately characterizes the performance data for the Child Care Access Means Parents in Schools (CCAMPIS) program reported in the Department's Congressional budget justifications as "unreliable." Moreover, the Department does not agree that its published CCAMPIS performance data negatively affects the Department's ability to manage the program or the ability of Congress to make informed decisions about the program.

Additionally, the Department does not agree that encouraging parent-students to borrow more under the Federal student loan programs to pay child care costs, as recommended by the draft GAO report, is always an appropriate way to meet the needs of these students.

More generally, the Department believes that the draft report and related recommendations highlight flaws in the CCAMPIS program, as currently authorized, that both (1) prevent the program from maximizing child care benefits to the parent-students who need them most and (2) inhibit the meaningful measurement of program performance and outcomes. In particular, we believe the program would achieve its primary purpose more effectively and efficiently if the use of such funds were restricted to child care subsidies, as proposed in the Administration's budget.

For these reasons, and as explained below in more detail, the Department does not concur with the three recommendations included in the draft report.

Recommendation 1: The Assistant Secretary for Postsecondary Education should correctly calculate its CCAMPIS program persistence rate and cost per persisting student measures.

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Response: The Department does not concur with this recommendation. We previously acknowledged to GAO that a spreadsheet that was developed in part to assist GAO in its review of CCAMPIS performance measures, and which subsequently was used to calculate CCAMPIS persistence rates for the FY 2020 Congressional budget justification, contained a cell reference error that affected both the persistence rate and the cost per persisting student efficiency measure based on an inadvertent use of the wrong column in a spreadsheet. Upon discovery of this error, the Department contacted GAO and consistent with past practice in such instances, the Department will publish corrected data for these measures in its FY 2021 Congressional budget justification in early calendar year 2020. However, while we do not concur with GAO's assertion that the Department's past approach to calculating these measures was incorrect, we do agree with the draft GAO report that the CCAMPIS performance data calculation would be improved by using a cohort-based evaluation model that would determine how many students who received CCAMPIS benefits in one semester persisted to the next semester, regardless of the semester in which the parent-student started to receive CCAMPIS benefits. As described below, the Department will explore transitioning to such a model for its calculation of both persistence and graduation rates.

Recommendation 2: The Assistant Secretary for Postsecondary Education should either collect the CCAMPIS participant enrollment data needed to calculate a standard 3-year graduation rate or accurately define and calculate a different college completion measure.

Response: The Department does not concur with this recommendation. Rather, the Department believes that the concerns raised by GAO in its draft report regarding the CCAMPIS graduation rate measure may be addressed on an interim basis by revising the description of that measure in the Congressional budget justification. More specifically, the Department plans to clarify that, for graduation rate data published for FY 2020 and prior years, the term "within 3 years of enrollment" means within 3 years of enrolling in the CCAMPIS program. For future years, the Department agrees it should explore transitioning to a cohort model that would be applied to grantees funded at both 2- and 4-year institutions, which means that we would need to monitor completion of parent-students over a 6-year period such that completions that take place at any point during that time period would be included in the analysis, rather than only completions that occurred within a given year.

Please note that while the Department agrees on the potential benefits of switching to a cohort model for evaluating outcomes, including the use of definitions that are consistent with those used for other Department purposes (such as IPEDS reporting), we cannot yet determine whether our updated methodologies for persistence and graduation rate measures will be exactly the ones recommended in the draft GAO report. The Department must carefully balance the need to collect more informative and reliable data from grantees with the need to avoid adding unnecessary reporting burdens that divert resources away from CCAMPIS participants to administrative functions. We are willing to obtain input on, and explore options for using a cohort model, but we cannot commit to using such a model at this time.

Recommendation 3: The Chief Operating Officer of Federal Student Aid (FSA) should encourage schools— through appropriate means, such as the FSA Handbook—to inform students

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via school websites about the availability of the dependent care allowance and how to request the allowance.

Response: The Department does not concur with this recommendation. While it may be helpful to parent-students to use Federal student loans to pay child care costs, the Department is mindful that these individuals are at high risk for noncompletion and student loan default. Therefore, the Department believes it would be inappropriate to indiscriminately encourage all institutions to encourage these students to borrow more without considering a student's individual financial circumstances.

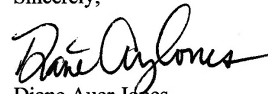
It is especially concerning that the draft GAO report would suggest parent-students should borrow more when there are numerous Federal, State, local, and private options available to support low-income parents with affordable or even no-cost child care. There are a number of institutions of higher education that already provide child care services to parent-students without the benefit of CCAMPIS funding. In addition, countless faith-based organizations provide such care in communities nationwide and the Federal Child Care and Development Block Grant provides significant resources far beyond CCAMPIS for this purpose.

Higher education institutions know their students best, and they, rather than the Department, should determine on an individual student basis whether encouraging additional borrowing is in the parent-student's best interest. Further, we believe it is inappropriate for the Department to require institutions to take actions that could erode their student loan repayment and default rates, which could lead to reputational damage or even loss of title IV eligibility.

Lastly, the FSA Handbook already contains information about the availability of the dependent care allowance. The FSA Handbook, Volume 3, Chapter 2 contains information concerning cost of attendance (COA); COA includes an allowance based on the estimated actual expenses incurred for dependent care.

The Department appreciates the opportunity to comment on the GAO draft report. We are available to respond to any questions or have further discussions if that would be helpful.

Sincerely,



Diane Auer Jones
Principal Deputy Under Secretary
Delegated the Duties of Under Secretary

Appendix IV: GAO Contact and Staff Acknowledgments

GAO Contact

Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov

Staff Acknowledgments

In addition to the individual named above, Michelle St. Pierre (Assistant Director), Karissa Robie (Analyst-in-Charge), Jennifer Cook, and Marissa Jones Friedman made key contributions to this report. Also contributing to this report were, Deborah Bland, Kevin Daly, Nisha Hazra, Gina Hoover, Michael Kniss, Sheila R. McCoy, Jean McSween, Brittini Milam, John Mingus, Jessica Orr, Joshua Paul, Benjamin Sinoff, and Adam Wendel.

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