The Overlooked Obstacle: How Satisfactory Academic Progress Policies Impede Student Success and Equity

As the nation slowly emerges from the COVID-19 pandemic, it is clear that the repercussions will be long lasting. A recent report from the National Student Clearinghouse Research Center found that just seventy-four percent of first-time freshmen in fall 2019 returned to college for their second year. This rate represents a pandemic-related, unprecedented one-year drop of two percentage points. Students of color have been disproportionately impacted by these trends. Wide gaps remain between racial and ethnic groups, with the Latinx persistence and retention rates declining most steeply. Further, the learning loss suffered by many students due to school closures means that the impact of the pandemic will like ripple through higher education for years.

For college and university students, access to financial aid has long been cited as key to improving academic outcomes and addressing racial inequities. While much attention has been paid to the need to expand financial aid access at the beginning of a student’s academic career, virtually no attention is given to whether students are subsequently able to maintain financial aid once enrolled. National efforts have focused on simplifying the application process for federal financial aid, providing tuition-free community college, increasing the amount paid by the Federal Pell Grant, and reducing reliance on student loans. While these efforts are undoubtedly essential, they address only half of the financial aid equation. What has been largely ignored is that sizeable numbers of students lose access to financial aid after just one year of college due to academic standards known as Satisfactory Academic Progress (SAP) – and these students are unlikely to return.

SAP standards include a two-part assessment that requires that students meet minimum Grade Point Average (GPA) and course completion requirements to maintain access to financial aid. Students who fail to meet these standards for two consecutive terms lose eligibility for federal financial aid. Students must also complete their program within 150 percent of the published time frame for the program.

Research has found that college students are more likely to complete an academic degree or certificate if they come from higher-income families, have parents who went to college, have stronger academic preparation in high school, enroll in college shortly after high school graduation, and attend college full-time without interruption. And yet, when it comes to the standards that govern maintaining financial aid, little consideration is made for the additional challenges faced by students from lower-income families, who are first in their family to attend college, who attended low-performing high schools, or who cannot attend college full-time due to work and family obligations. As a result, these students, who are also disproportionately students of color, are further hindered by SAP requirements in their ability to succeed in college. In the face of the long recovery ahead, the negative impact of these standards is likely to become even more pronounced.

To understand the scope of this issue, John Burton Advocates for Youth conducted an analysis of data representing students who enrolled in a California Community College for the first time in Fall 2017 and received a Pell Grant, a total of 76,125 Pell Grant recipients. This analysis found that:

- One in four of California’s incoming community college Pell Grant recipients are not making SAP for their first two consecutive terms, disqualifying them from continued access to most forms of financial aid without a successful appeal.
- Rates of SAP failure for Black students who received a Pell Grant in their first year were more than twice that of white students: 34 percent vs. 15 percent.
- After one year, the rate of disenrollment for students who did not make SAP was triple that of those who did. Fifty-eight percent of students who failed to make SAP during their first year did not return for a second year, compared to 18 percent of students who did achieve SAP.
- When disenrollment and loss of Pell Grant were examined together, just 13 percent of students who did not achieve the necessary GPA and course completion rates remained enrolled and continued to receive a Pell Grant by the start of their second year of college.

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Federal Policy Recommendations:

In recognition of the impact on students from the COVID-19 crisis, temporary measures were put into place that broadened the flexibility available to students in relation to SAP. Guidance issued by the U.S. Department of Education allowed for the exclusion of courses not completed because of circumstances that included “economic hardship, added work hours, loss of childcare, inability to continue with classes via distance education, or inability to access wi-fi due to closed facilities.” The types of circumstances addressed by these temporary measures, however, represent the ongoing reality for many students and point to the need to reexamine both the statutory and regulatory framework for SAP and how this framework is put into practice at the institutional level.

The U.S. Department of Education should consider:

1. **Extending waivers enacted due to COVID related to SAP.** Just as the Department of Education recently changed student verification policies, acknowledging their disparate impact on low-income students, first-generation students, and students of color, so too should the Department extend provisions that provide additional flexibility to students who withdraw from courses or otherwise fail to meet SAP standards for at least two years, while also examining longer-lasting/permanent administrative changes.

2. **Providing guidance to institutions that describes the broad range of circumstances that can be the basis for appeals.** Circumstances that were offered as valid bases for appeal during the pandemic such as economic hardship, added work hours, loss of childcare and inability to access Wi-Fi should be adopted as permanent. Other circumstances, such as food or housing insecurity, lack of transportation, family responsibilities, or difficulties with the transition into college should also be included.

3. **Requiring institutions receiving ARP and CARES funds to report on SAP disqualifications, including differences across student subgroups and the impact on student retention.** The impact that SAP policies have on student retention and success has gone largely unrecognized and the availability of data on this issue is scarce. Mandatory reporting on the prevalence and impact of SAP failure would help both individual institutions and the Department of Education better understand how SAP policies impact students and whether additional changes to policies are indicated.

Congress should consider:

1. **Expanding the period during which a student can retain financial aid while not making SAP.** For many students who are new to college, do not receive proper advising, arrive with academic deficiencies, or who are balancing a multitude of life obligations, additional time is necessary before a judgment is made that the student is either “undeserving” of aid or unable to be successful. A period of one year is inadequate to make an assessment that could potentially disqualify a student from ever again having an opportunity to pursue postsecondary education.

2. **Allowing for reinstatement of financial aid after a period of disenrollment without precondition.** When a student is disqualified from financial aid because of failure to make SAP, this disqualification typically follows them for the rest of their life and poses a significant barrier to their subsequent return to college.

3. **Modifying maximum time frame standards.** While completion of an academic program within 150 percent of the published time frame is a laudable goal, extenuating circumstances can prevent completion within this time frame, and more flexibility is needed. Students who enter college with significant gaps in their academic skill set, who do not receive proper advising, or who encounter challenges along the way that result in disenrollment from courses may need additional time to finish their program.

4. **Requiring institutions to proactively communicate with students about their SAP status.** Students often find out that they are at risk of losing financial aid only when it is too late to remedy the situation. Institutions should be required to both clearly communicate with students up front regarding their SAP policies and implement early warning systems that ensure that students have adequate time to seek additional support before the loss of financial aid.