

## Community College Basics

### Topline Numbers

- In 2020, about 7.7 million postsecondary students (30% of America’s 26.1 million college students) were pursuing degrees or certifications through community colleges.<sup>1</sup> Another 3.7 million learners were enrolled in non-credit programs at community colleges.<sup>2</sup>
- Across America, 985 public community colleges would meet the Biden “free college” plan’s definition.<sup>3</sup> Their full-time enrollments range from a few hundred students to almost 75,000.<sup>4</sup>
- Postsecondary enrollments declined across the board during the pandemic, and community colleges experienced the largest declines. They saw total enrollment drop 13% between fall of 2019 and fall of 2021.<sup>5</sup>
- Community colleges employ approximately 550,000 staff nationwide.<sup>6</sup> Many of these government employees belong to unions. The faculties are often represented by the American Association of University Professors, which became an affiliate of the American Federation of Teachers in June 2022.

### Characteristics

- Community colleges differ widely by state in terms of how they are funded, what credentials and programs they offer, and how they are governed. To accommodate these differences and provide a buffer against federal intrusion, federal aid has historically been given to students, not directly to institutions. The Biden “Free Community College for All” plan is a dramatic departure from this approach.



- Community colleges are open-enrollment, so anyone holding a high-school diploma can attend their local community college. Students do not need to demonstrate that they are college-ready, and in fact, about two-thirds of community college students take a least one class to remediate what they did not acquire in secondary school.<sup>7</sup>
- Of the average cohort of high-school graduates, a substantial portion, 45%, choose to enroll in college, while the balance pursued careers through other pathways, including military services and apprenticeships. Of the 2021 graduating class, 19% matriculated to two-year colleges and 25%, to four-year colleges.<sup>8</sup>
- A number of programs and pathways already help students afford full tuition and fees at community colleges, including state-based “College Promise” programs (currently in 46 states and the District of Columbia), federal Pell grants, military and corporate tuition benefits, and dual enrollment and early college programs.

## Outcomes

- Most first-time, full-time community-college students never receive their associate’s degrees. Only 17% of these students graduate within the requisite two years. Within three years (the period allowed in the Biden plan), only 30% of them graduate.<sup>9</sup> The completion rate rises to just 35% within six years.<sup>10</sup>
- Community colleges award more than 865,000 associate degrees each year, plus approximately 600,000 workforce certificates.<sup>11</sup> The median annual income of those with an associate’s degree is approximately \$10,000 higher per year than those with only a high school diploma.<sup>12</sup>



## Revenues and Costs

- Public community colleges collectively receive almost \$56 billion in total revenue each year, according to the latest available data from NCES.<sup>13</sup> Under the Biden “free” plan, the federal government would send community colleges an additional \$109 billion over five years, increasing their total revenue by nearly 40% each year.<sup>14</sup>
- Community college total revenue works out to \$18,684 per full-time equivalent student.<sup>15</sup> Nationwide, students are asked to cover a small portion of this amount, paying tuition and fees of, on average, about \$3,800 per year.<sup>16</sup> (Depending on the state, average community-college tuition and fees vary between almost nothing to \$8,600.)<sup>17</sup>
- Meanwhile, the average annual published tuition at state and private four-year schools are much higher than those at community colleges, \$10,740 and \$38,070 respectively.<sup>18</sup> This pricing makes it attractive to complete a two-year degree before pursuing a four-year degree. However, only 31% of community-college graduates pursue four-year degrees, and of those, only 47% complete a four-year degree within six years (15% of the original cohort).<sup>19</sup>
- The State Higher Education Executive Officers Association (SHEEO) projects that, to meet the requirements of the Biden “free” proposal, states would be forced to increase their local funding for higher education by anywhere from 8% to 142%.<sup>20</sup>

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## Endnotes

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<sup>1</sup> “Number of students enrolled in postsecondary institutions annually, by sector of institution: 2019-20,” National Center for Education Statistics. <https://nces.ed.gov/ipeds/TrendGenerator/app/build-table/2/2?cid=1>.



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<sup>2</sup> Tamar Jacoby, “The Indispensable Institution: Taking the Measure of Community College Workforce Education,” Opportunity America, September 2021. <https://opportunityamericaonline.org/wp-content/uploads/2021/10/FINAL-survey-report.pdf>.

<sup>3</sup> Sophia Laderman, Jenna R. Sablan, and Kelsey Kunkle, “Modeling State Investment in America’s College Promise,” State Higher Education Executive Officers Association, September 27, 2021. <https://sheeod.medium.com/modeling-state-investment-in-americas-college-promise-e3e65cafaafc>.

<sup>4</sup> “Enrollment of the 120 largest degree-granting college and university campuses, by selected characteristics and institution: Fall 2019,” National Center for Education Statistics. [https://nces.ed.gov/programs/digest/d20/tables/dt20\\_312.10.asp](https://nces.ed.gov/programs/digest/d20/tables/dt20_312.10.asp).

<sup>5</sup> “Fall 2021 Enrollment Estimates,” National Student Clearinghouse Research Center. [https://nscresearchcenter.org/wp-content/uploads/CTEE\\_Report\\_Fall\\_2021.pdf](https://nscresearchcenter.org/wp-content/uploads/CTEE_Report_Fall_2021.pdf).

<sup>6</sup> “Community Colleges in the US—Employment Statistics 2005-2027,” *IBISWorld*, June 23, 2022. <https://www.ibisworld.com/industry-statistics/employment/community-colleges-united-states>.

<sup>7</sup> “2004/09 Beginning Postsecondary Students Longitudinal Study,” National Center for Education Statistics, November 2011. <https://nces.ed.gov/pubs2012/2012246.pdf>.

<sup>8</sup> “Labor force status of 2021 high school graduates and 2020-2021 high school dropouts 16 to 24 years old by school enrollment, educational attainment, sex, race, and Hispanic or Latino ethnicity,” Bureau of Labor Statistics, October 2021. <https://www.bls.gov/news.release/hsgec.t01.htm>.

(Note: total components do not comprise 100%, due to rounding errors.)

<sup>9</sup> “National Postsecondary Student Aid Study, Administrative Collection: 2017-2018,” National Center for Education Statistics. <https://nces.ed.gov/pubs2021/2021476rev.pdf>.

<sup>10</sup> “Graduation rates within 100, 150, and 200 percent of normal program completion time at Title IV institutions among the students who started as full-time, first-time degree/certificate-seeking undergraduate students, by control of institution, degree or certificate sought, and level of institution: United States, cohort years 2012 and 2016,” National Center for Education Statistics. <https://nces.ed.gov/ipeds/search/ViewTable?tableId=30450&returnUrl=%2Fipeds%2Fsearch>.

<sup>11</sup> “IPEDS Fall 2020 Completions Survey,” National Center for Education Statistics, as analyzed by American Association of Community Colleges, 2022. <https://nces.ed.gov/ipeds/use-the-data/survey-components/8/fall-enrollment>.

<sup>12</sup> Jennifer Ma, Matea Pender, and Meredith Welch, “Trends in Higher Education Series: Education Pays 2019, the Benefits of Higher Education for Individuals and Society,” CollegeBoard. <https://research.collegeboard.org/media/pdf/education-pays-2019-full-report.pdf>.

<sup>13</sup> “Total revenue of public degree-granting postsecondary institutions, by source of revenue and level of institution: Selected years, 2007-08 through 2019-20.” [https://nces.ed.gov/programs/digest/d21/tables/dt21\\_333.10.asp](https://nces.ed.gov/programs/digest/d21/tables/dt21_333.10.asp).

<sup>14</sup> “Fact Sheet: The American Families Plan,” The White House, statements and releases, April 28, 2021. <https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/28/fact-sheet-the-american-families-plan/>.



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<sup>15</sup> “State Funding to Public Colleges Surpasses Expectations Amid Historic Declines in Student Enrollment and Tuition Revenue,” State Higher Education Executive Officers Association, May 5, 2020. <https://sheeo.org/new-sheeo-report-finds-state-funding-remains-below-historic-levels-as-public-colleges-brace-for-a-recession-and-expected-budget-cuts/>.

<sup>16</sup> Jennifer Ma and Matea Pender. “Trends in College Pricing and Student Aid 2021,” CollegeBoard. <https://research.collegeboard.org/media/pdf/trends-college-pricing-student-aid-2021.pdf>.

<sup>17</sup> *Ibid.*

<sup>18</sup> *Ibid.*

<sup>19</sup> “Tracking Transfer: Measures of Effectiveness in Helping Community College Students to Complete Bachelor’s Degrees.” National Student Clearinghouse Research Center, September 2017. [https://nscresearchcenter.org/wp-content/uploads/SignatureReport13\\_corrected.pdf](https://nscresearchcenter.org/wp-content/uploads/SignatureReport13_corrected.pdf).

<sup>20</sup> Sophia Laderman, Jenna R. Sablan, and Kelsey Kunkle, “Modeling State Investment in America’s College Promise,” State Higher Education Executive Officers Association, September 27, 2021, <https://sheeod.medium.com/modeling-state-investment-in-americas-college-promise-e3e65cfaafc>