

Ensuring the Master Plan Meets the Needs of Students: *The Role of College Affordability*



Assembly Select Committee on
The Master Plan for Higher Education in California

the institute for
college
access & success

DEBBIE COCHRANE

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The Institute for College Access & Success

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In California and nationally, TICAS works to:

- Increase awareness and reduce the burden of student loan debt
- Improve access to available aid
- Strengthen need-based grant programs
- Protect students, borrowers, and taxpayers

Aid's Impact on Access and Success

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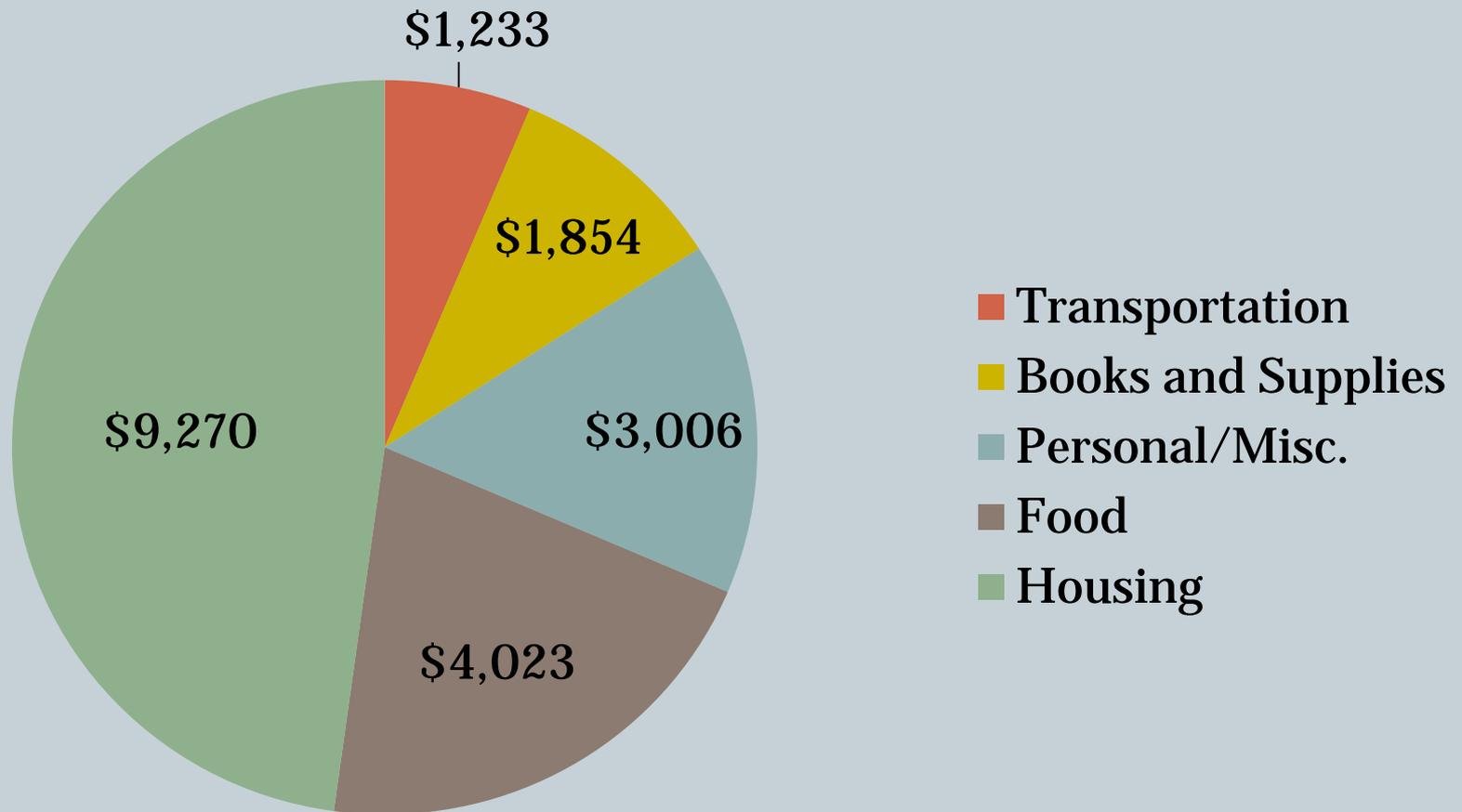
- Can a student enroll in college?
 - Aid for *tuition* facilitates college **access**.
- Can the student get to campus regularly, buy the required books and materials, and afford to spend their time in class and studying rather than working?
 - Aid for *non-tuition* costs facilitates college **success**.

Financial Aid Landscape in California

- **As a state we've done a relatively good job with access:**
 - In California, young adults are more likely to enroll in college - 47.1%, compared to **42.5% nationally**. (National Center for Education Statistics, Digest of Education Statistics, Table 302.65: Percentage of 18- to 24-year-olds enrolled in degree-granting postsecondary institutions, by race/ethnicity and state.)
 - **32% of California undergraduates are age 25 or older, compared to 29% nationally.** (Calculations by TICAS on data from the U.S. Department of Education, Integrated Postsecondary Education Data System for Fall 2015).
- Our community colleges, which serve 2/3s of CA's college students, have the lowest tuition in the country; and about half of all of California's public college and university students attend tuition free.
- The Cal Grant Program is the largest need-based state financial aid program in the country, spending \$2B annually on more than 300,000 students.
- The California College Promise: a new program that allocates money to CCCs to spend in ways that will increase college access and success and decrease inequities in getting students to and through college.

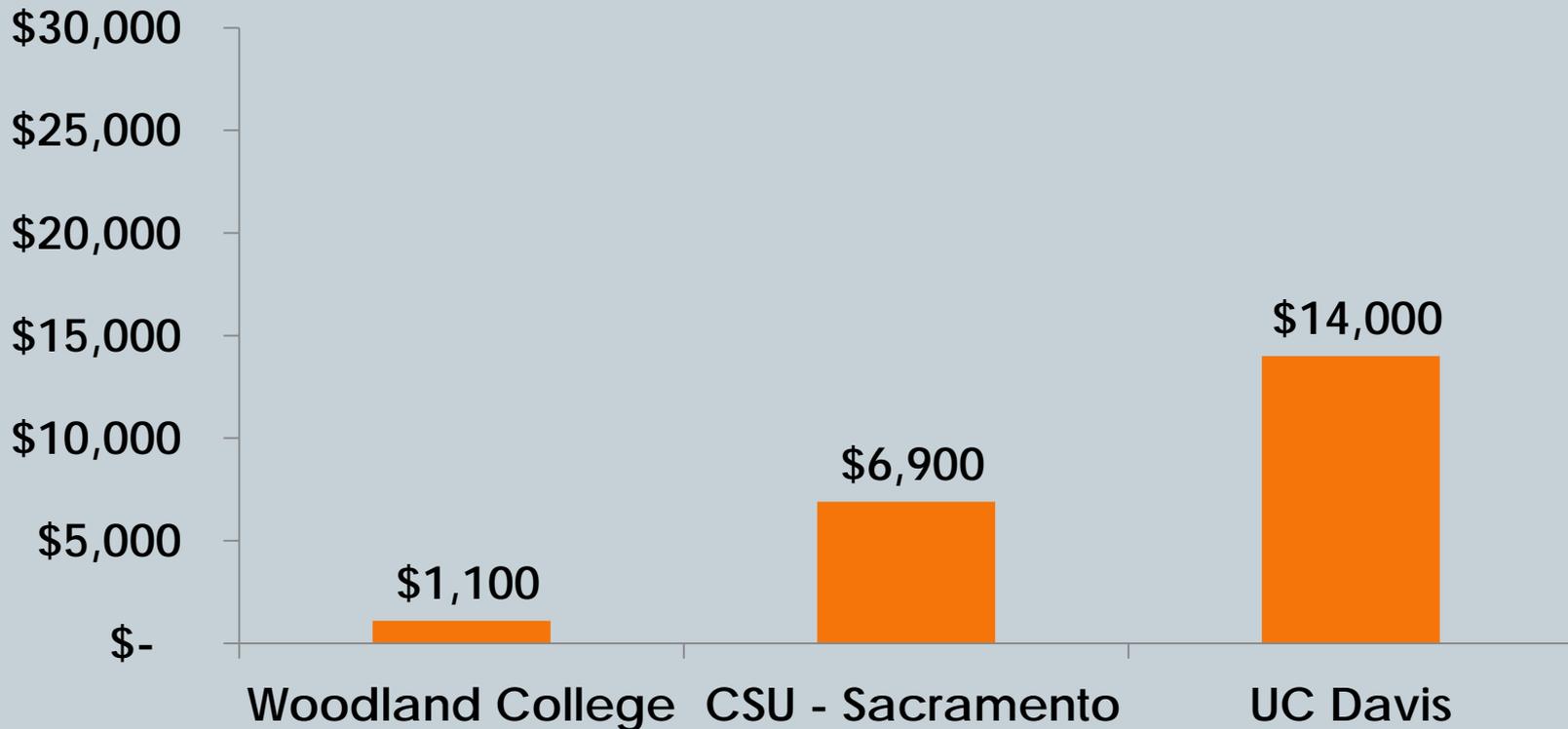
Enabling Students to Be Successful: Non-Tuition Cost Components

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Tuition Costs at Three Public California Institutions

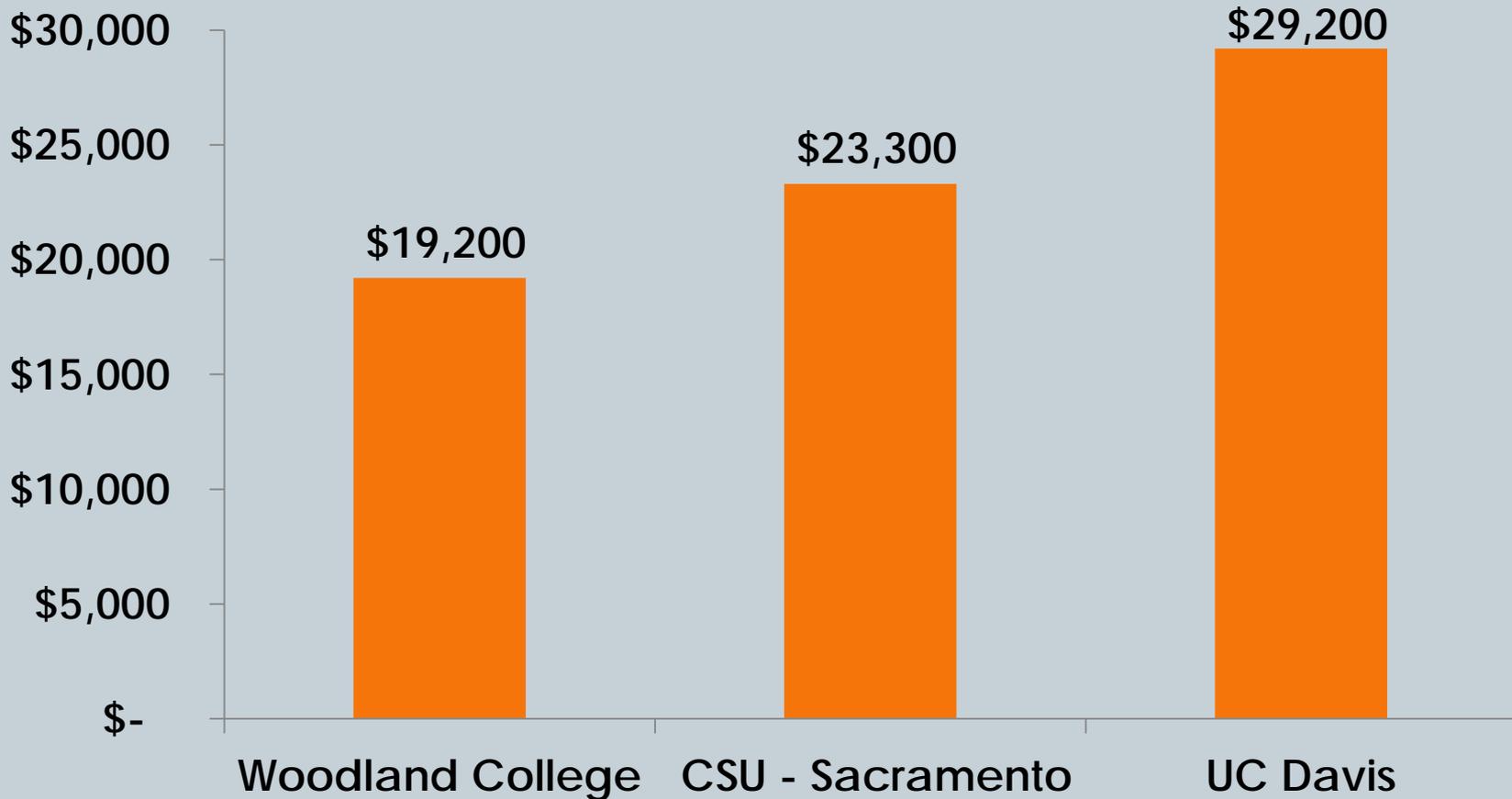
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Sources: Figures from each school's Net Price Calculator (NPC) for a dependent student from a family of four (with one child in college) with a family income of \$20,000 (or under \$30,000 at the community college and CSU), living independently off-campus. Among dependent students attending California public colleges with family incomes between \$0 and \$30,000, \$18,000 is the median parental income and \$2,000 is the median student income (from the U.S. Department of Education, National Postsecondary Student Aid Study, 2008). NPCs were accessed in November 2017; figures are rounded to the nearest \$100.

Total Cost of Attendance at Three Public California Institutions

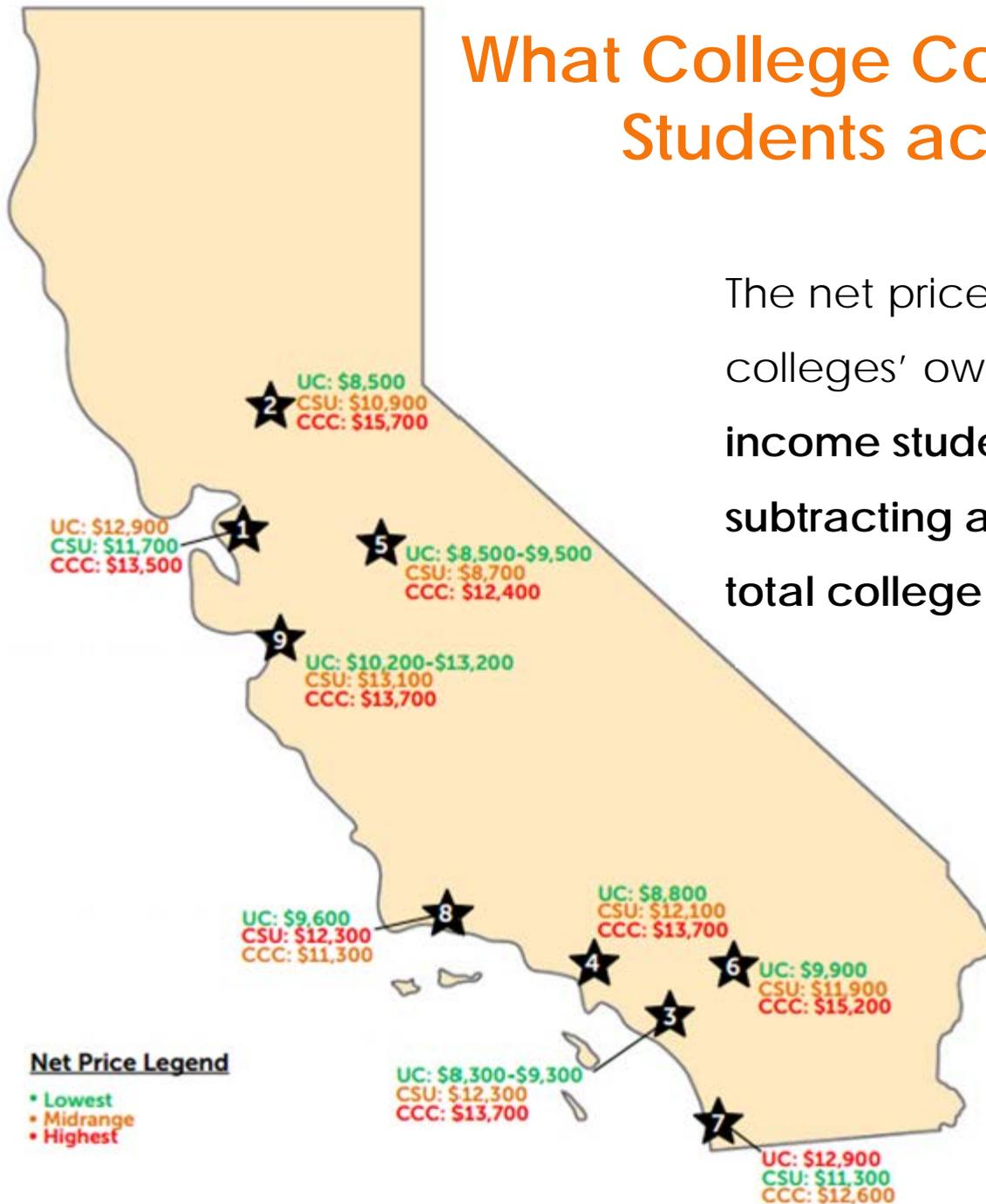
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What College Costs for Low-Income Students across California

The net prices shown here reflect the colleges' own estimates of **what low-income students have to pay, after subtracting available grant aid, to cover total college costs.**



For details and methodology, see http://www.ticas.org/sites/default/files/pub_files/what_college_costs_for_low-income_californians.pdf

On the Verge of Homelessness: Housing Costs and Insecurity

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“I am a student who is constantly on the verge of being homeless, and being a full-time student makes finding a job to work with my schedule extremely difficult. More grants would really help me put myself through college.”

“I work really hard to keep up with the rest of the class, because I have lost my place three times due to my inability to pay because of my lack of financial aid. I have done two semesters without books and cry daily because I just want to give up sometimes. I really don’t know what to do to prove I want and deserve this other than continue to show up. And I pray I don’t get killed in the park while I sleep.”

Struggling to Survive: Food Costs and Insecurity

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“Often times it feels like I have to decide to pay for bills or groceries or books. I do not rely solely on financial aid for my school expenses and often times I end up having to pay out of pocket. But I also do not have the funds to support myself and pay for school at the same time without living on the streets. I do not want to choose between buying a \$150 book or eating for a week.”

“100 percent of my financial aid goes toward rent, and I have around \$25 per month to spend on food. As you may guess, I don’t eat very healthy because I can’t afford it, and I am unable to find a job to better my situation. It would increase the difficulty of my life to work and be a full-time student; however, I continue to seek a job because I must”

To Book or Not to Book: The Cost of Textbooks and Supplies

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“The book costs are what really wipe out my school budget. I select classes partially based on the cost of books. I spent over \$1,000 this semester on books, fees, and tutoring.”

“The cost of textbooks, even used textbooks, is atrocious and feels like robbery. I paid \$200 for a used textbook for my current Business 51 class. How is a low-income student supposed to afford this?”

Implications of Unaffordable College Costs

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- **Borrowing to buy more time to study**
- **Excessive work hours**
 - Research finds that working more than 15-20 hours/week can be detrimental to student success.
- **Low rates of full-time attendance**
 - Students who enroll full time are more likely to be successful.

Low-Income Students and Students of Color Face Disproportionate Debt Burdens

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- At CSU, in 2015-16 **65% of BA recipients who graduated with debt had family incomes below \$27K**; and graduates of color were more likely to borrow than their white peers.
- At UC, **half of BA graduates with debt had family income less than \$55K**, and the lowest income graduates are three times as likely to borrow as their highest income peers.

When the Job Must Come First: Work as a Barrier to Completion

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*“I only take a couple classes a semester because that is all I can afford at the time, and **I have to keep working 30-40 hours a week to pay for everything else.**”*

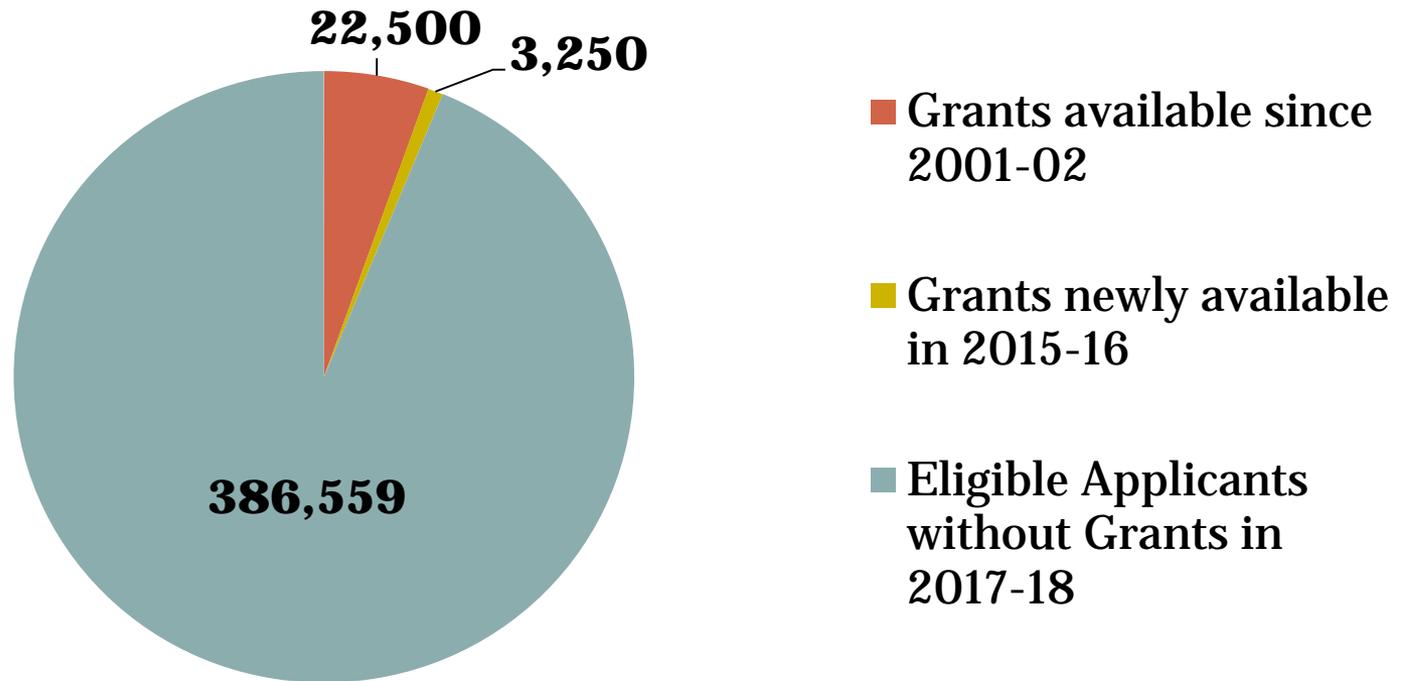
*“I pay for all of my bills, school, and personal needs with the hours I work. Because of this, it’s taking me much longer to get through school than I would like, and **I struggled a lot my first two years with the balance of work and school.**”*

Key Implications for Financial Aid Policy

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- The state needs to better recognize and address the **full cost of attending college**, including tuition, textbooks, transportation, and living costs.
- Financial aid investments **should be targeted at the students for whom college costs are most burdensome**, and for whom college costs serve as a barrier to enrollment and completion.

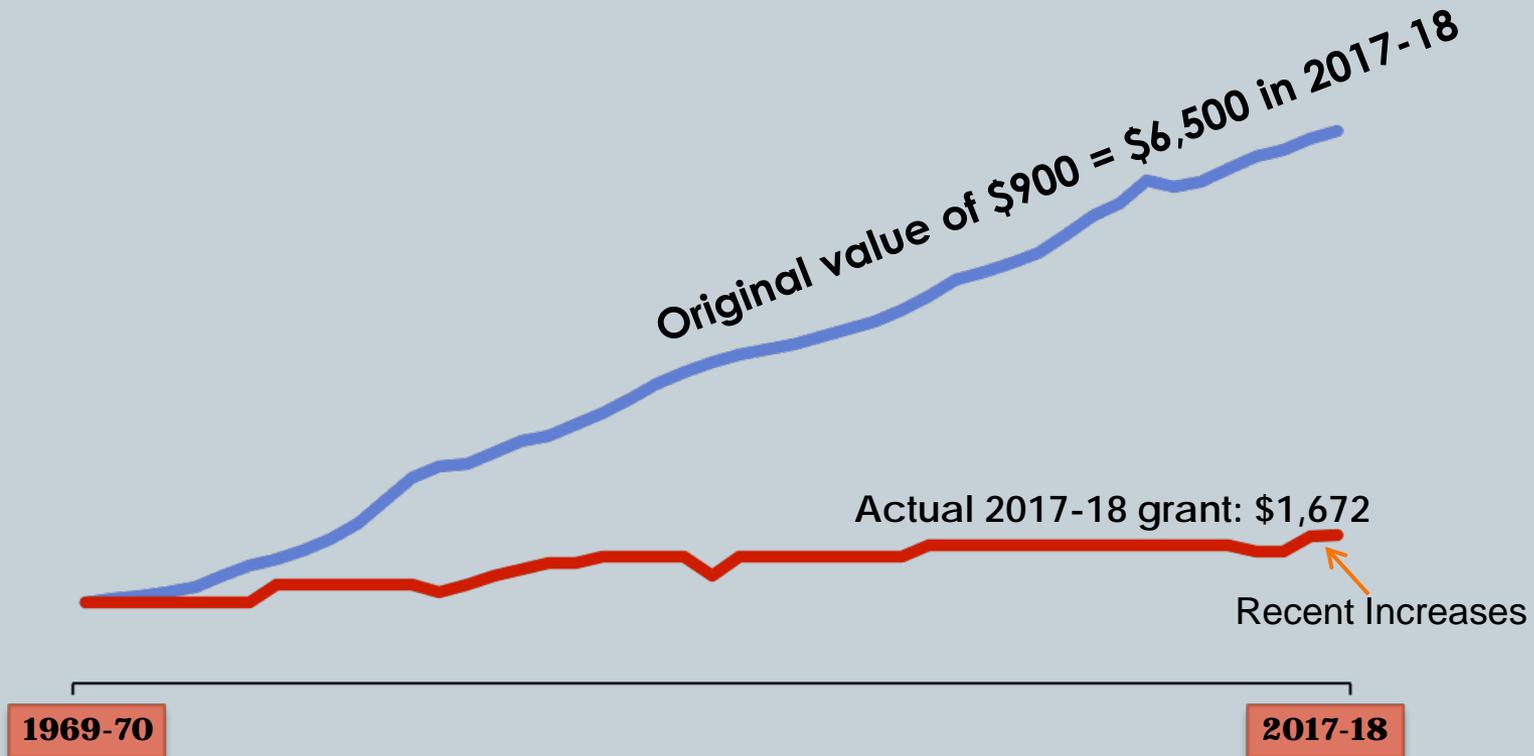
Hundreds of Thousands of Eligible Applicants Don't Get a Cal Grant Because There Aren't Enough



The majority of eligible applicants turned away have family incomes so low they cannot afford to contribute any money towards college costs.

Cal Grant B Access Award Continues to Stagnate

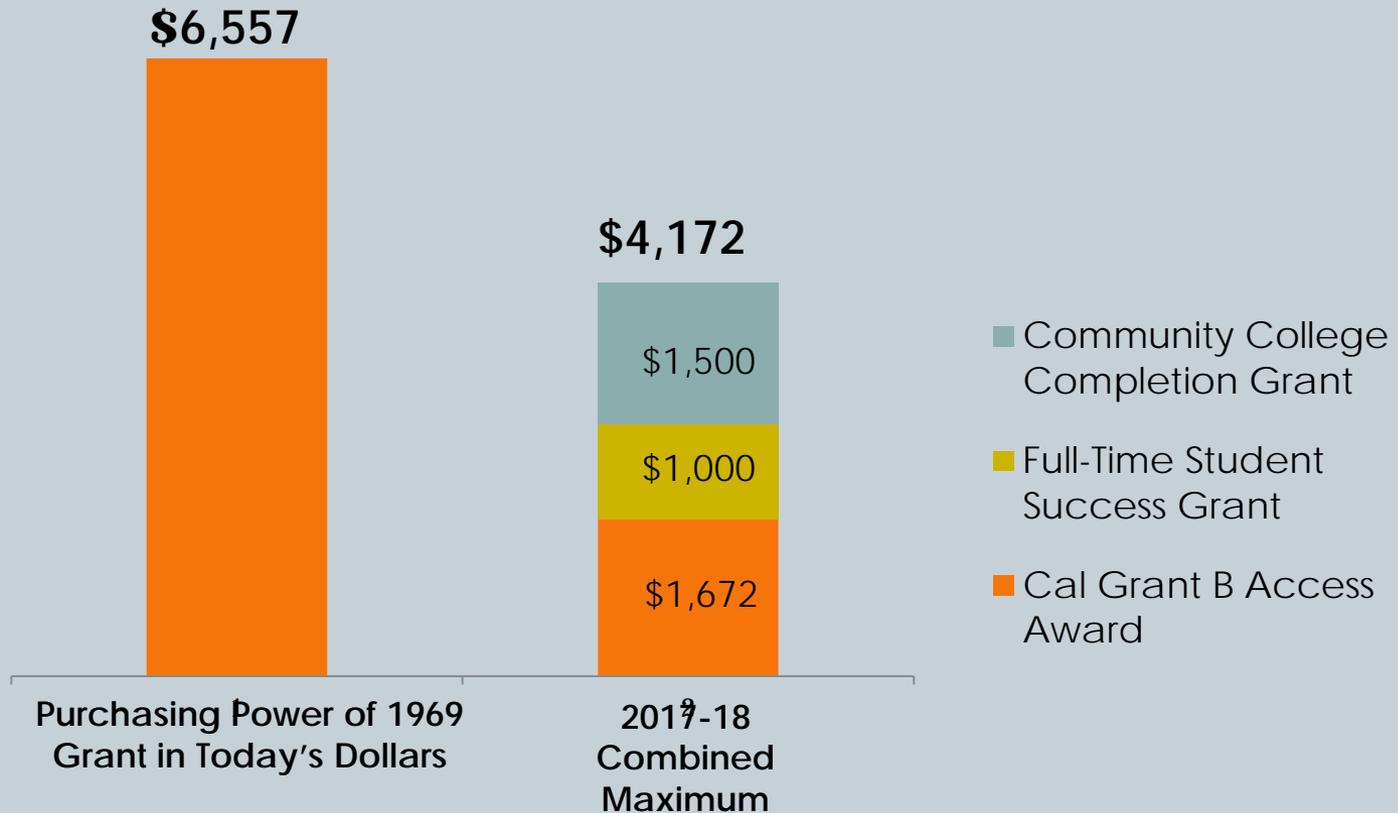
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CCC Students' Cal Grant Award Value

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While important gains have been made in recent budgets, CCC students' Cal Grant awards (for those fortunate enough to get one) have not retained their purchasing power.



Unpacking California College Affordability: Experts Weigh in on Strengths, Challenges, and Implications

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All 22 experts agreed that improving college affordability means focusing on covering non-tuition costs.

Extent to which Existing California Financial Aid System Addresses College Costs, by Category

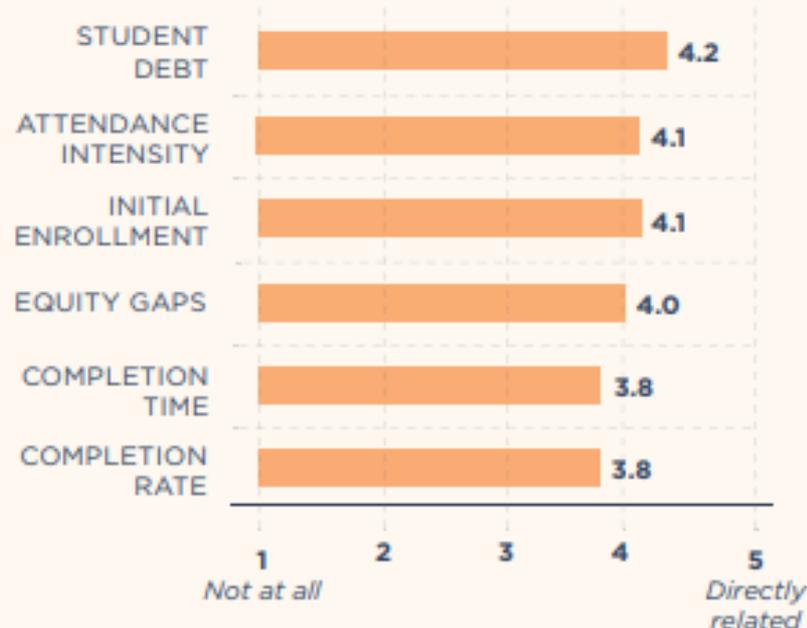


Unpacking California College Affordability: Experts Weigh in on Strengths, Challenges, and Implications

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Experts universally agreed that affordability challenges negatively impacted students in several ways.

Extent to Which the Costs of College Relate to Key Student Outcomes



How to Address these Challenges

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- Need broader systemic reform
- Outdated assumptions about who college students are and their cost challenges
- Improving college affordability requires supporting students' non-tuition college costs, including for non-traditional students

Contact Information

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Debbie Cochran

Vice President

510-318-7900

dcochrane@ticas.org