

# Who's Hurting?

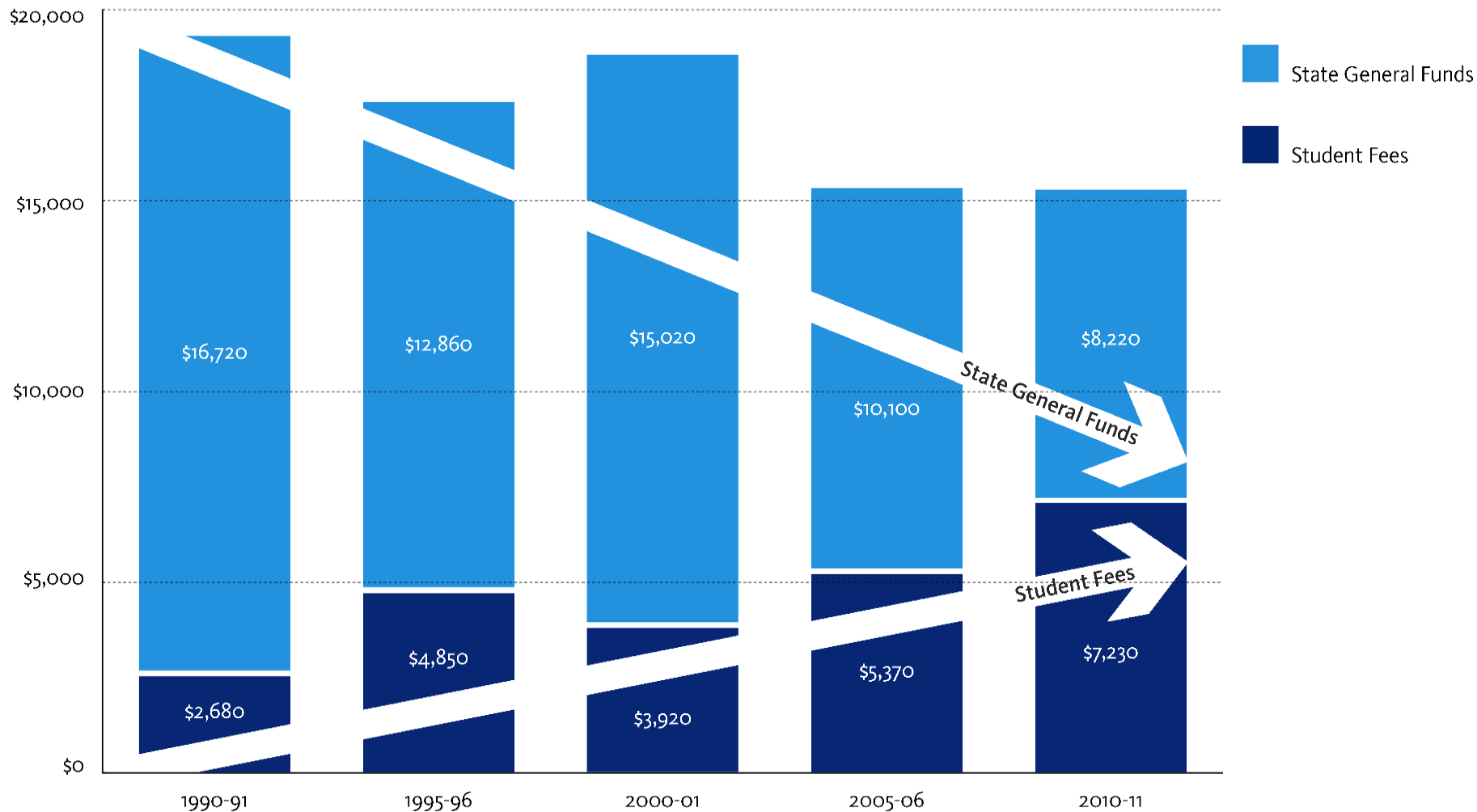
Impact of the Economic Downturn On Students

CAIR 2010

San Diego, CA

November 2010

# Per-Student Average Expenditures for Education



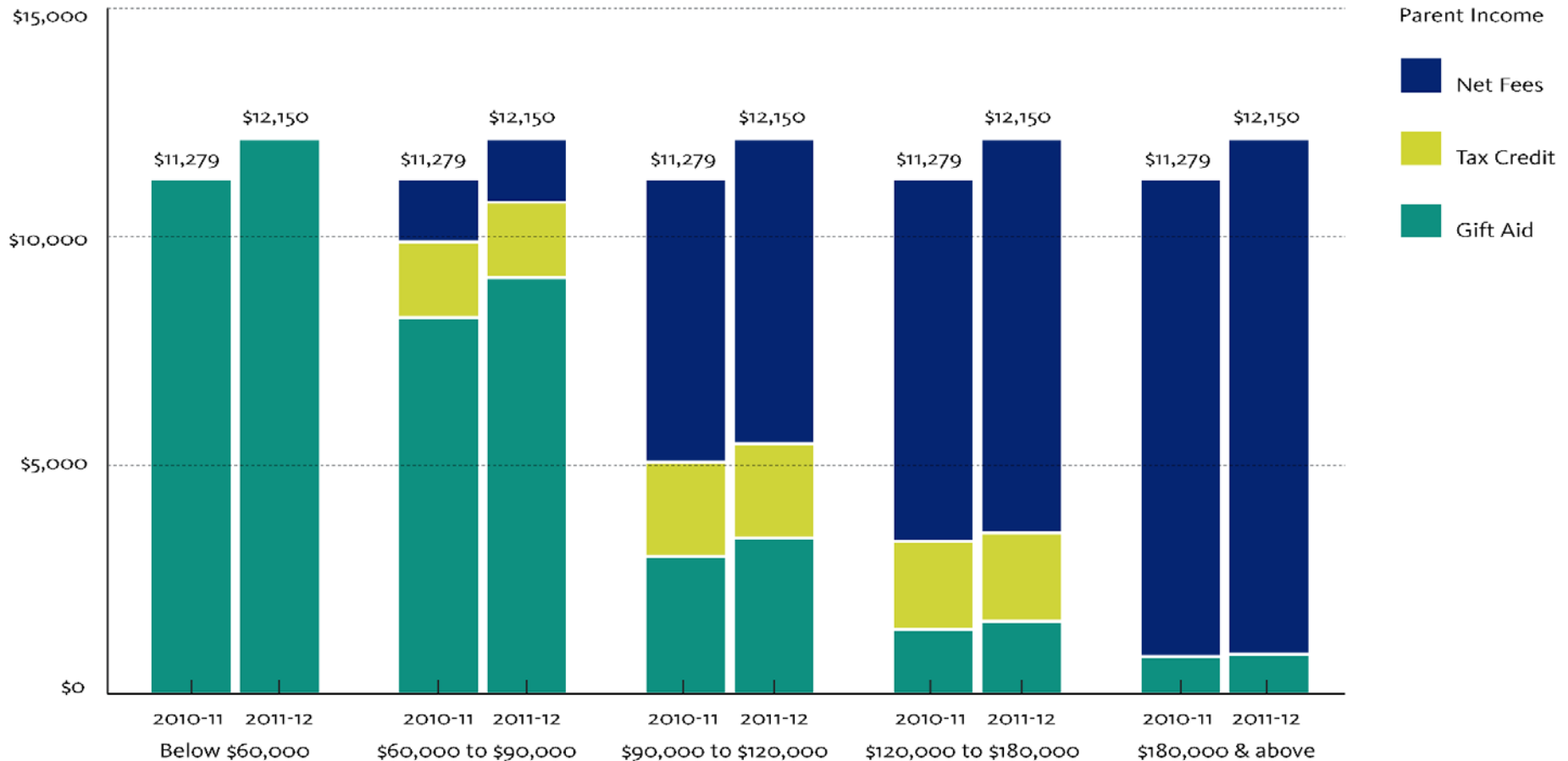
Student fee amounts are net of financial aid.

UNIVERSITY OF CALIFORNIA

# High Tuition, High Aid Strategy

## Fees and Financial Aid

55% of undergraduates will have fee increase covered

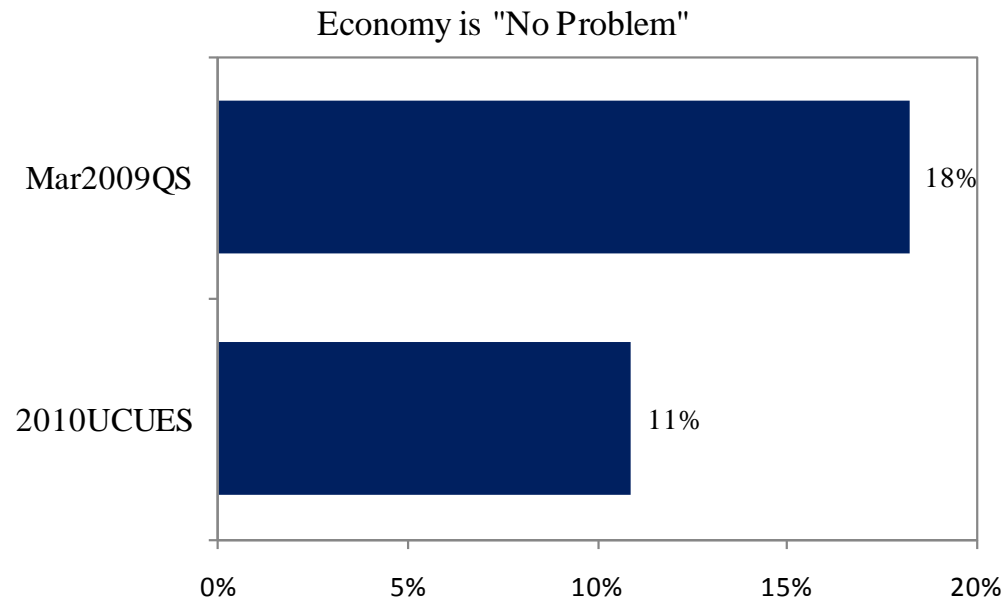


Figures shown are averages per undergraduate.  
Includes systemwide and estimated average campus fees.  
Assumes expanded higher education tax credits are extended for 2011.

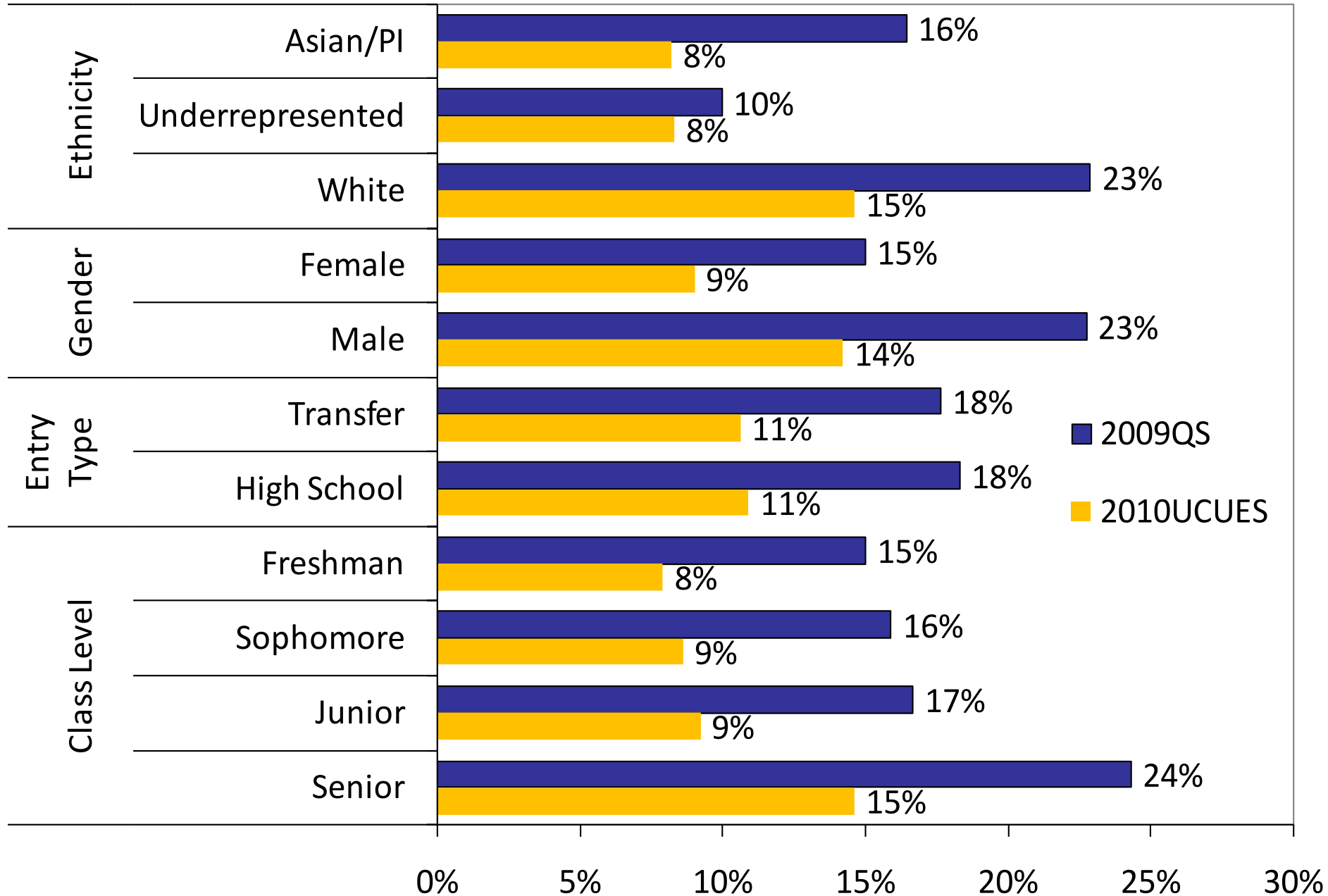
**WHAT, ME WORRY?**



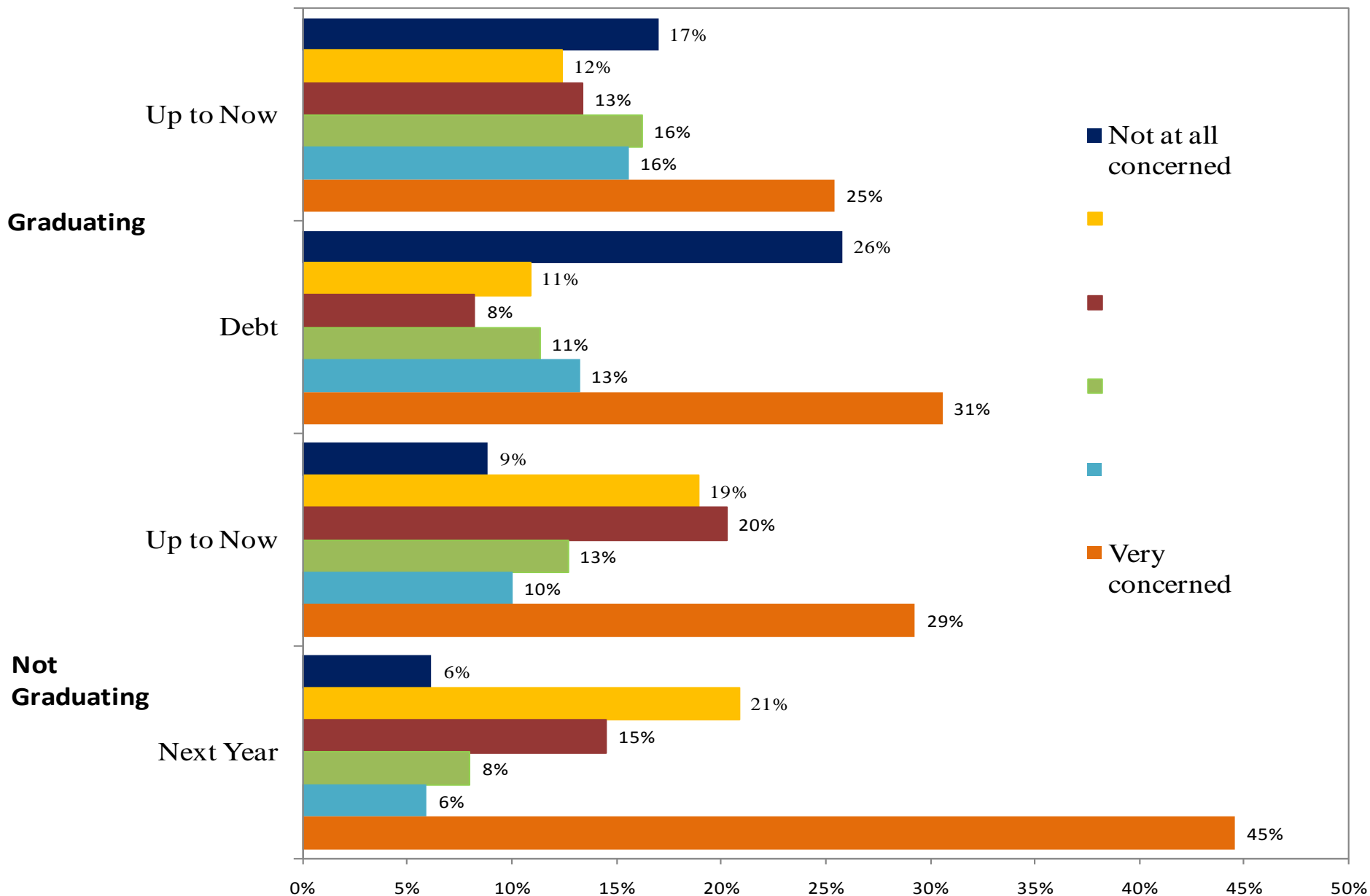
# Comparison: One Year Earlier



# Who's Not Hurting?: QS2009 vs. UCUES2010



# How concerned are you about paying for your college education?

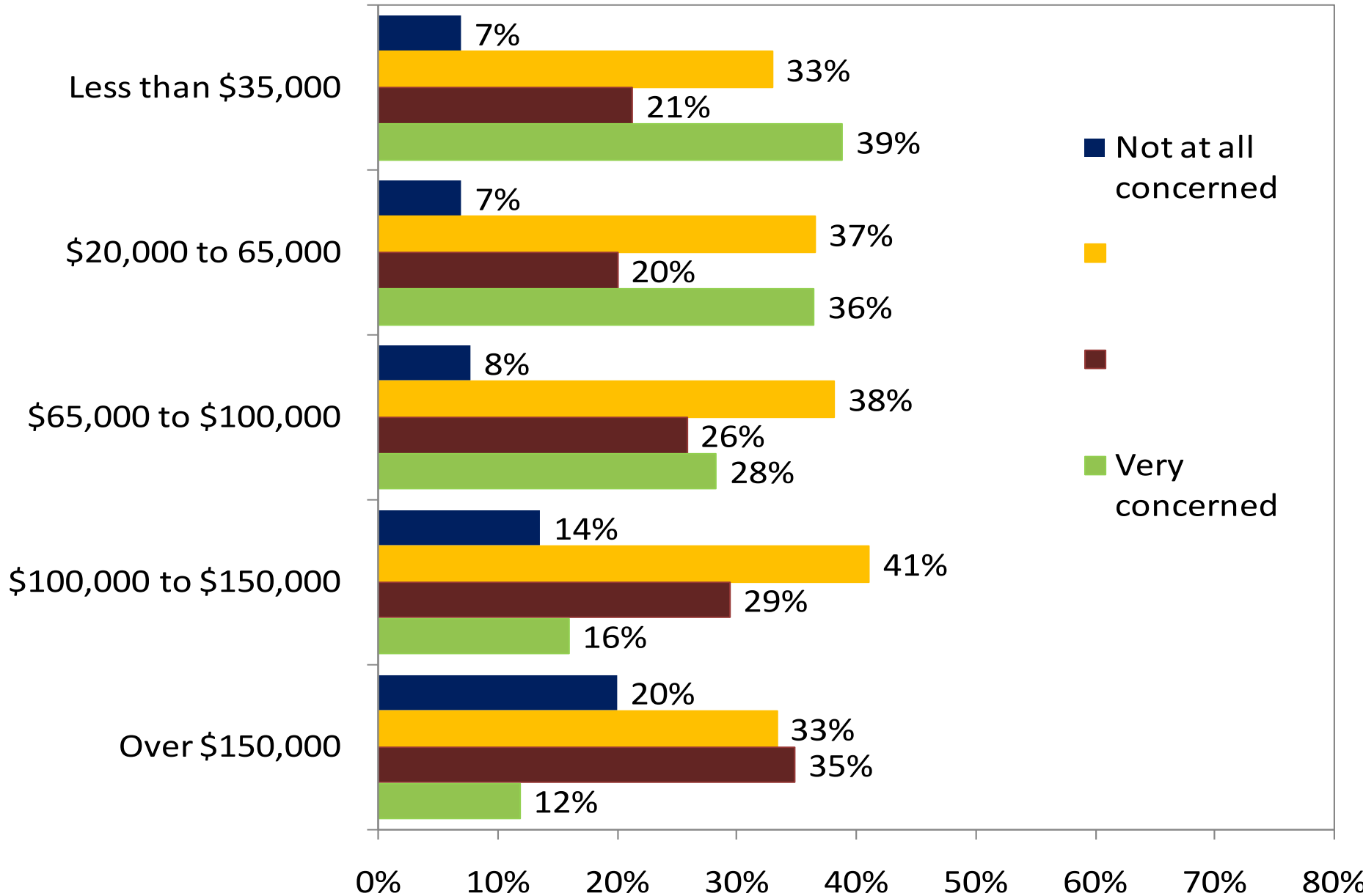


# Measures of Economic/Socio-economic Status

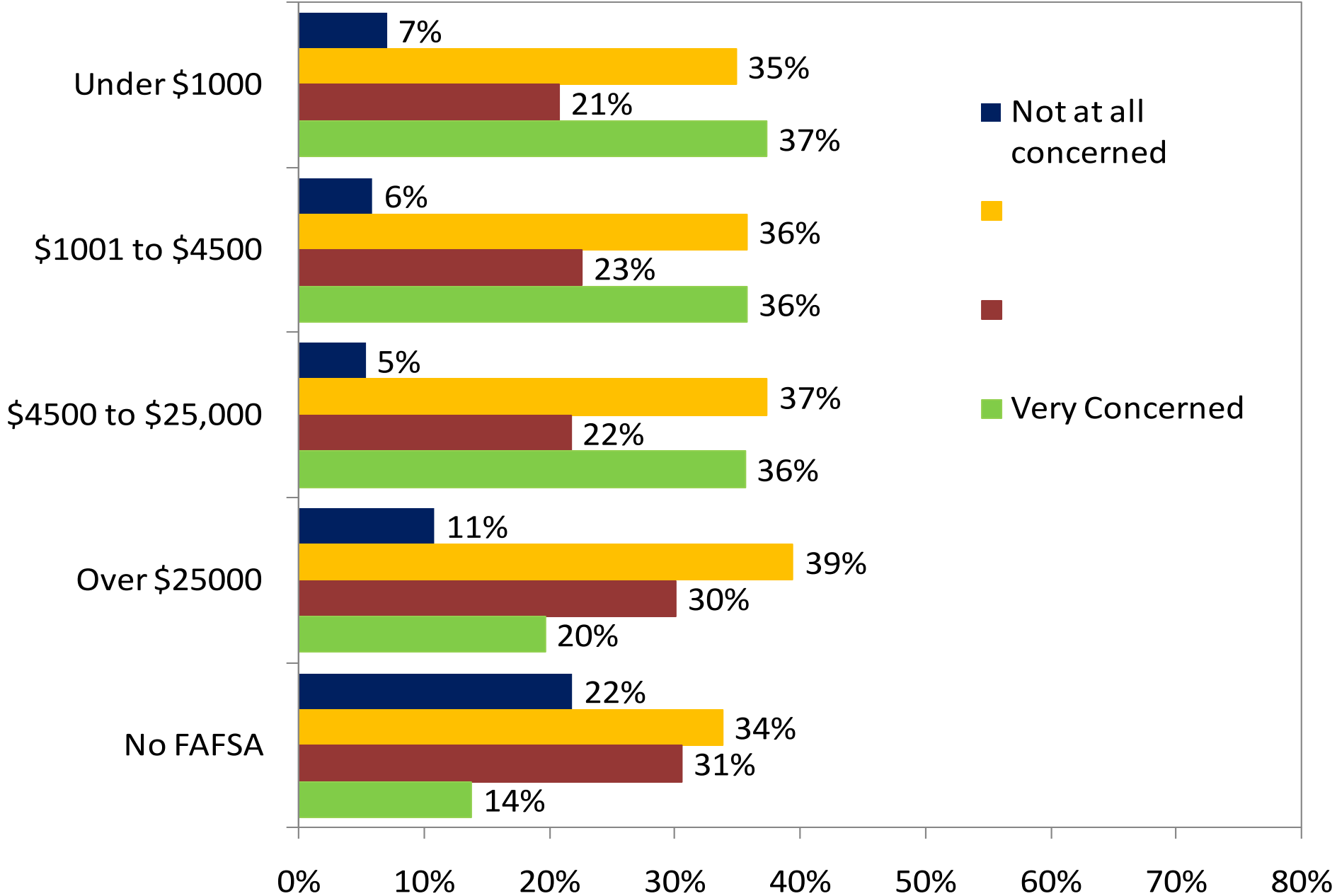
- Student's perception of own or parents' household income
- Expected Family Contribution
- Student's perception of social class growing up
- Educational Opportunity Program



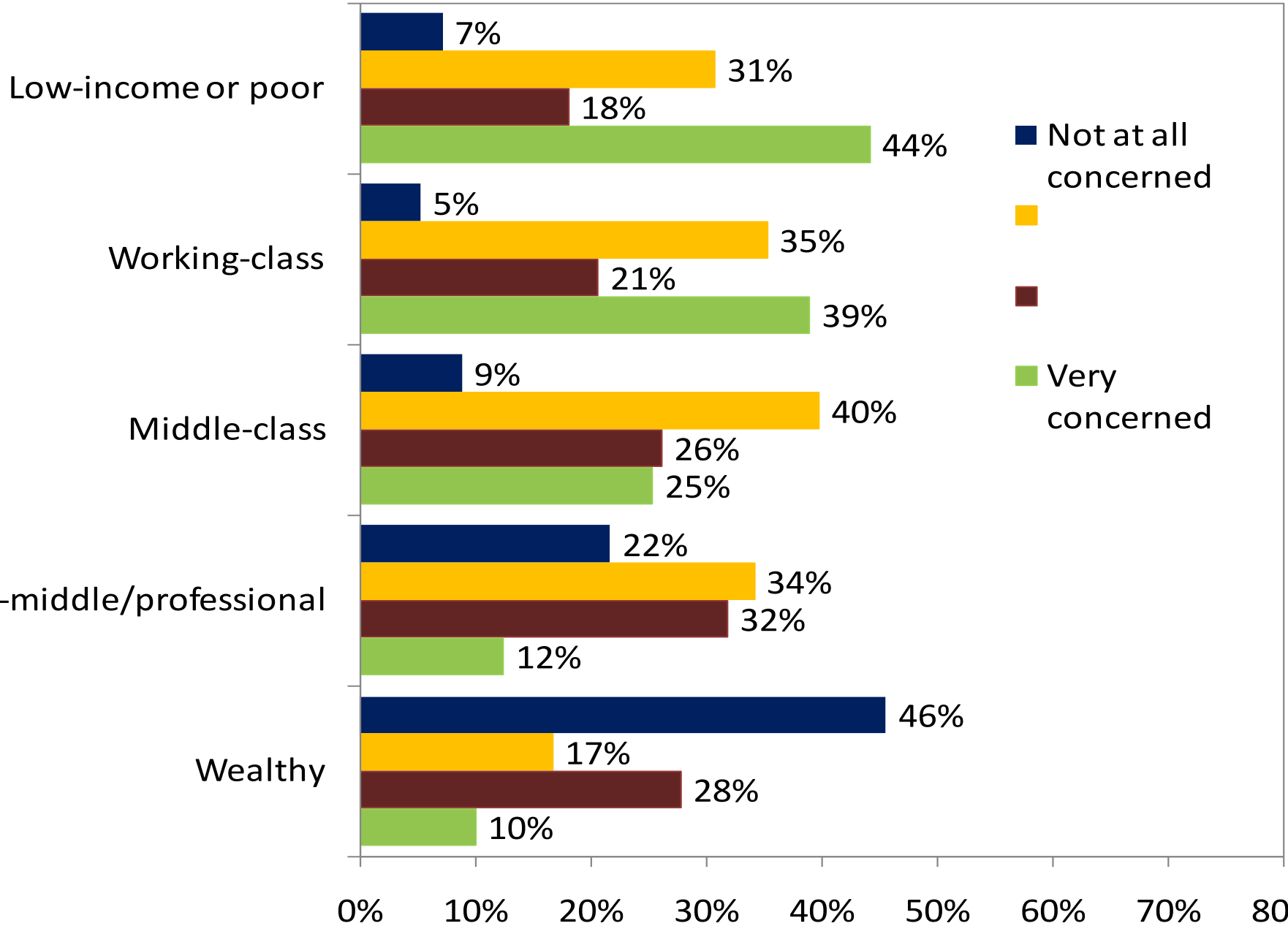
# Concern by Students' Perception of Income



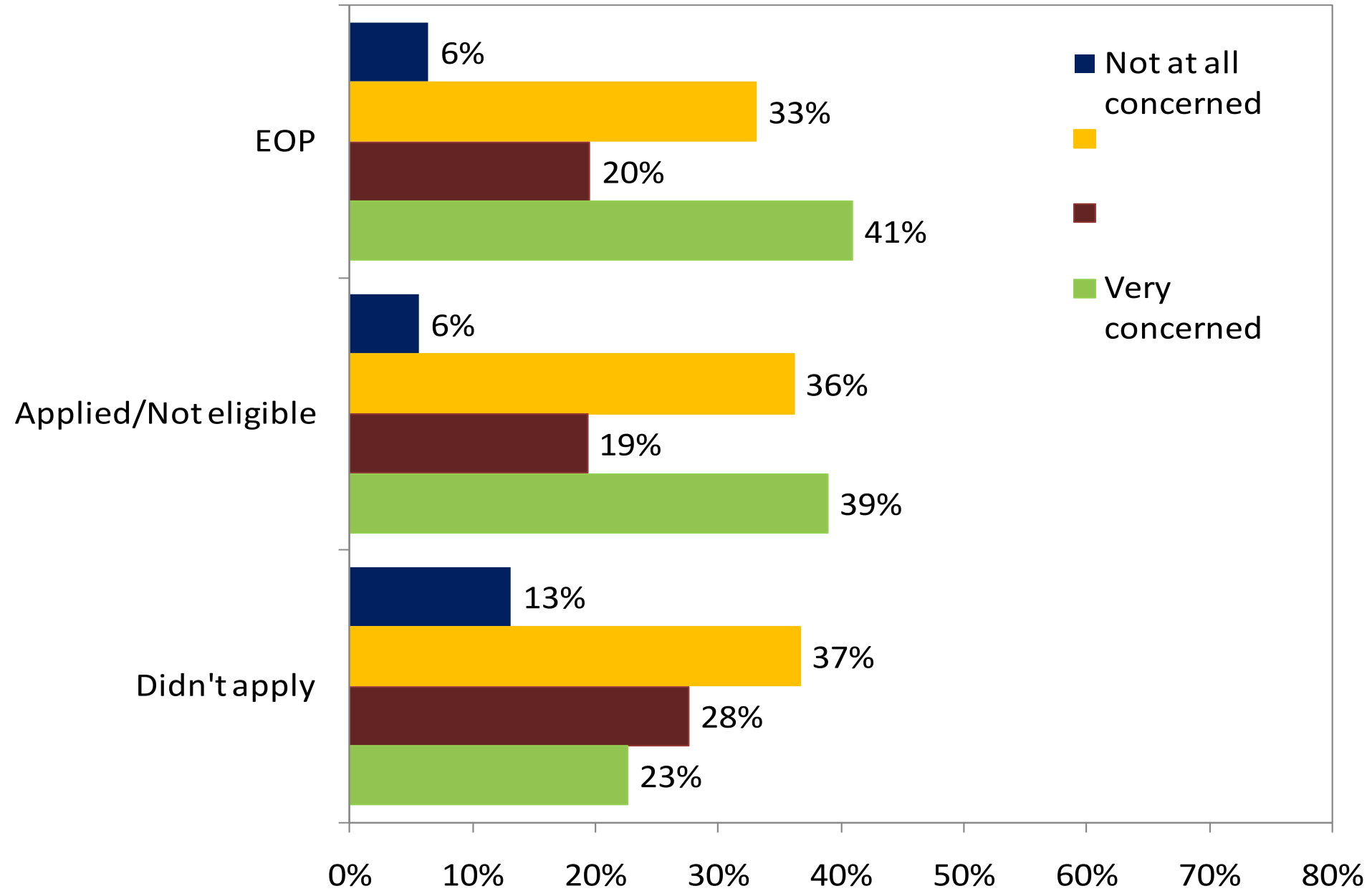
# Concern by EFC



# Concern by Social Class



# Concern by EOP Status



# More UCUES Questions

- How frequently have you engaged in the following behaviors in the past year?
- *Never; Rarely; Occasionally; Somewhat often; Often; Very often*
- Skipped meals to save money
- Cut down on personal / recreational spending
- Worried about my personal debt
- Worried about my family's debt and financial circumstances

# Measure of Association: Somer's d

| Measure of Economic/<br>Socio-economic Status | Overall<br>Concern | Skipped<br>Meals | Cut personal<br>expences | Worried<br>about<br>personal<br>debt | Worried<br>about<br>family's<br>finances |
|---|--------------------|------------------|--------------------------|--------------------------------------|--|
| Parents'/Student's Income                     | -0.15              | -0.14            | -0.09                    | -0.20                                | -0.18                                    |
| Expected Family Contribution                  | -0.14              | -0.13            | -0.08                    | -0.23                                | -0.21                                    |
| Social Class                                  | -0.18              | -0.21            | -0.14                    | -0.28                                | -0.27                                    |
| Educational Opportunity<br>Program            | -0.16              | -0.17            | -0.15                    | -0.22                                | -0.21                                    |

## Level of Concern About Paying for College (6 pt. scale)

Tukey HSDa,b

| EFC_Ord              | N    | Subset for alpha = 0.05 |      |      |
|----------------------|------|-------------------------|------|------|
|                      |      | 1                       | 2    | 3    |
| No FAFSA             | 2254 | 3.30                    |      |      |
| Over \$50,000        | 408  | 3.54                    | 3.54 |      |
| \$25,001 to \$50,000 | 682  |                         | 3.67 |      |
| \$11,001 to \$25,000 | 1022 |                         |      | 4.09 |
| \$4,501 to \$11,000  | 1048 |                         |      | 4.06 |
| \$1,001 to \$4,500   | 940  |                         |      | 4.09 |
| Less than \$1000     | 500  |                         |      | 3.99 |
| \$0                  | 1733 |                         |      | 4.13 |
| Sig.                 |      | .082                    | .779 | .725 |

## Level of Concern About Paying for College (6-pt. scale)

Tukey HSDa,b

| EFC3_Ord       | N    | Subset for alpha = 0.05 |       |       |
|----------------|------|-------------------------|-------|-------|
|                |      | 1                       | 2     | 3     |
| No FAFSA       | 2254 | 3.30                    |       |       |
| Over \$25,000  | 1090 |                         | 3.62  |       |
| Up to \$25,000 | 5243 |                         |       | 4.09  |
| Sig.           |      | 1.000                   | 1.000 | 1.000 |

Somer's d = -.210



# Done in past year to meet college expenses?

|                                | All Undergrads | Graduate Spring/ Summer 2010 | Not Graduating |
|--------------------------------|----------------|------------------------------|----------------|
| Bought fewer/cheaper books     | 77%            | 75%                          | 78%            |
| Economized on living expenses  | 73%            | 72%                          | 74%            |
| Sought more financial aid      | 45%            | <b>36%</b>                   | <b>48%</b>     |
| Minimized cost of units        | 40%            | 38%                          | 40%            |
| Forewent enrichment activities | 36%            | 37%                          | 36%            |
| More paid employment           | 34%            | <b>42%</b>                   | <b>32%</b>     |
| Took on more debt              | 32%            | 34%                          | 32%            |
| Took action to graduate sooner | 23%            | <b>30%</b>                   | <b>21%</b>     |
| Took more courses per term     | 9%             | 29%                          | 31%            |
| Dropped double major           | 9%             | 9%                           | 10%            |
| Took fewer courses per term    | 8%             | 9%                           | 8%             |
| Changed my major               | 7%             | 5%                           | 7%             |
| Took a leave of absence        | 2%             | 4%                           | 2%             |

# Do strategies vary by SES status?

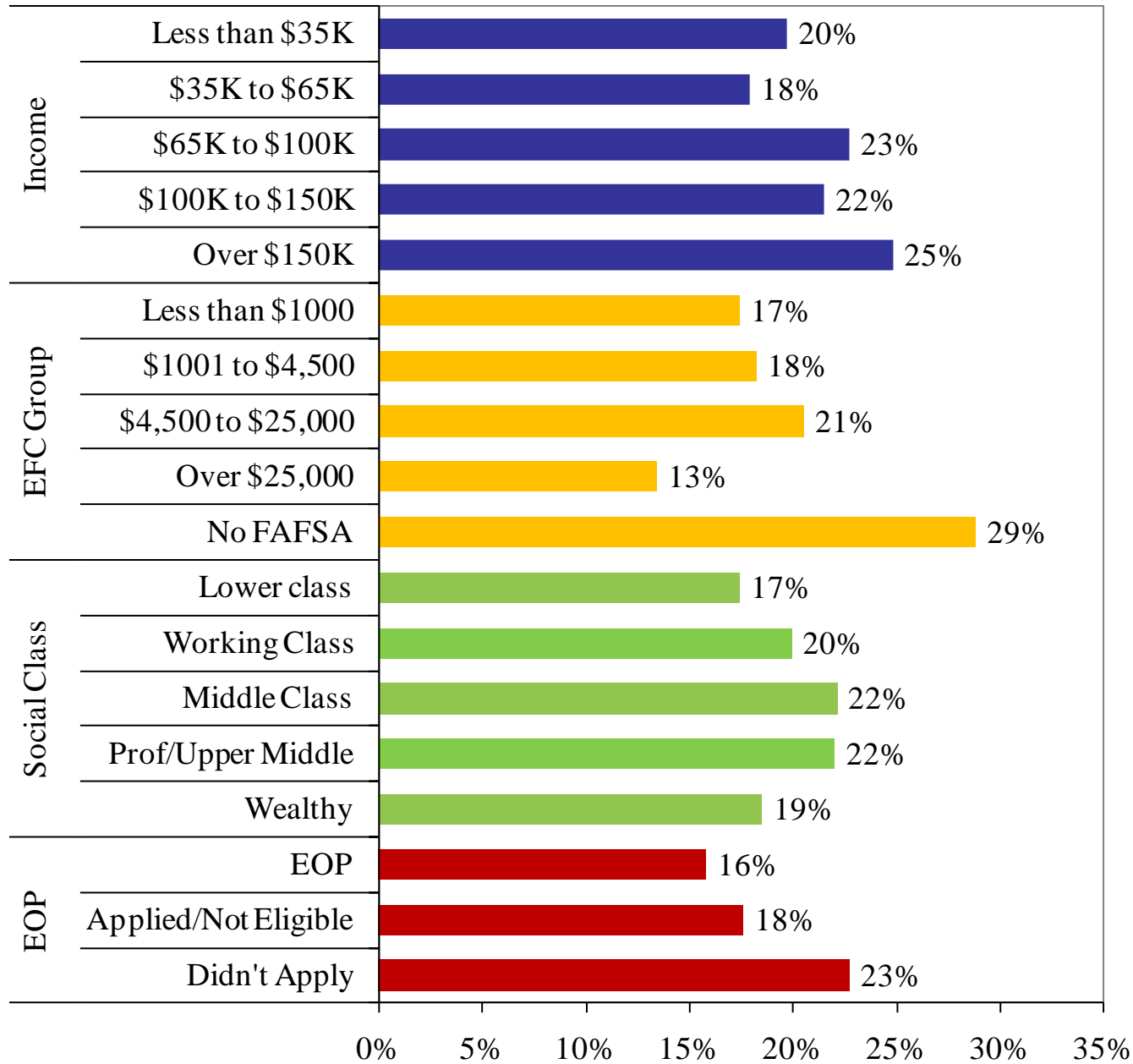
Used factor analysis to identify four strategies:

- Personal action: Fewer books, cut personal expenses , increased debt, forewent enrichment programs
- Graduate sooner: Took more courses per term, took action to graduate more quickly, dropped double major
- Extend enrollment: Took fewer courses per term, changed major or minor, took a leave of absence
- Institutional solutions: Sought financial aid, took cheaper units

No perceptible differences in strategy by economic or socio-economic status, regardless or whether spring/summer graduates are included.

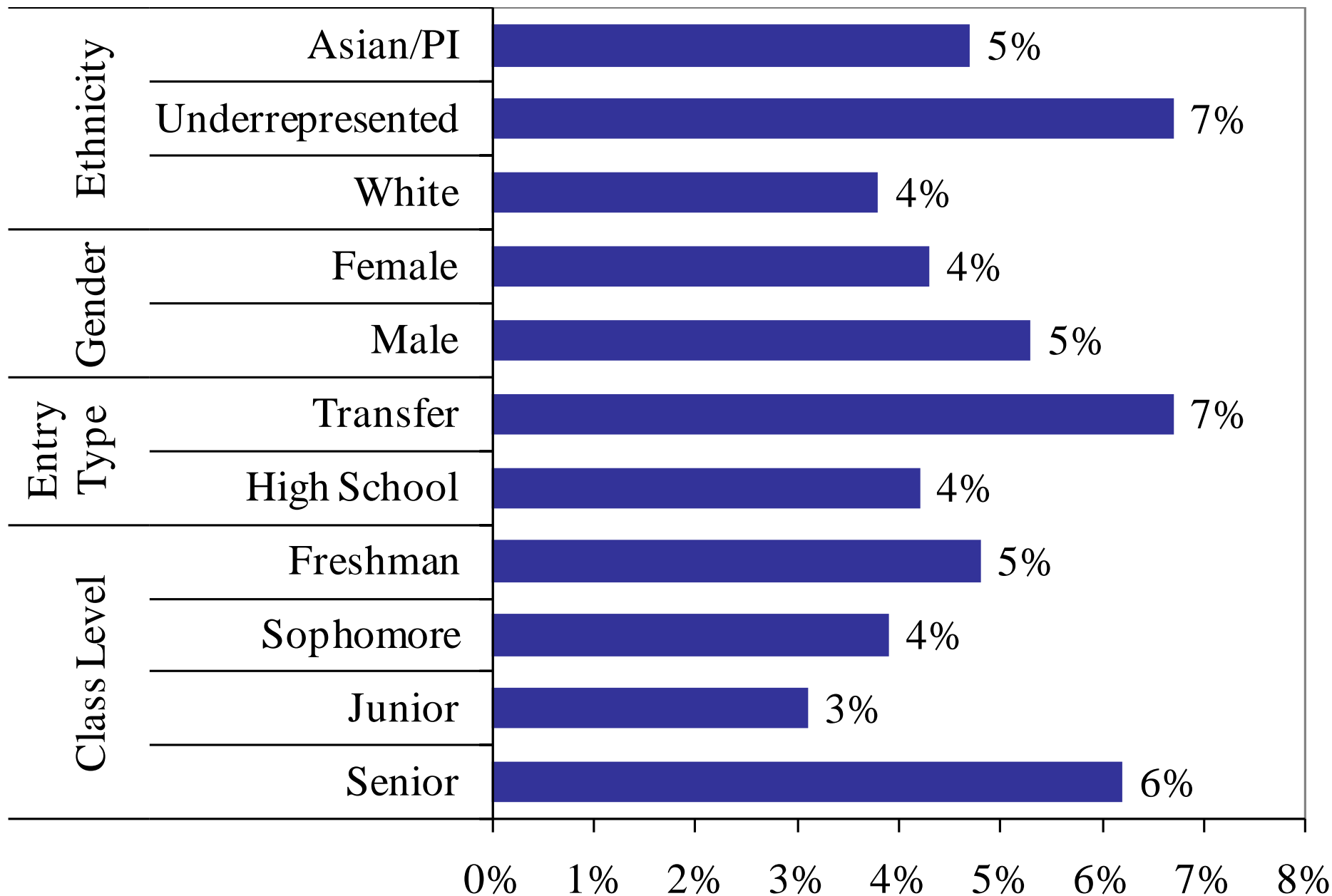
# Who Graduated?

n=1993 respondents

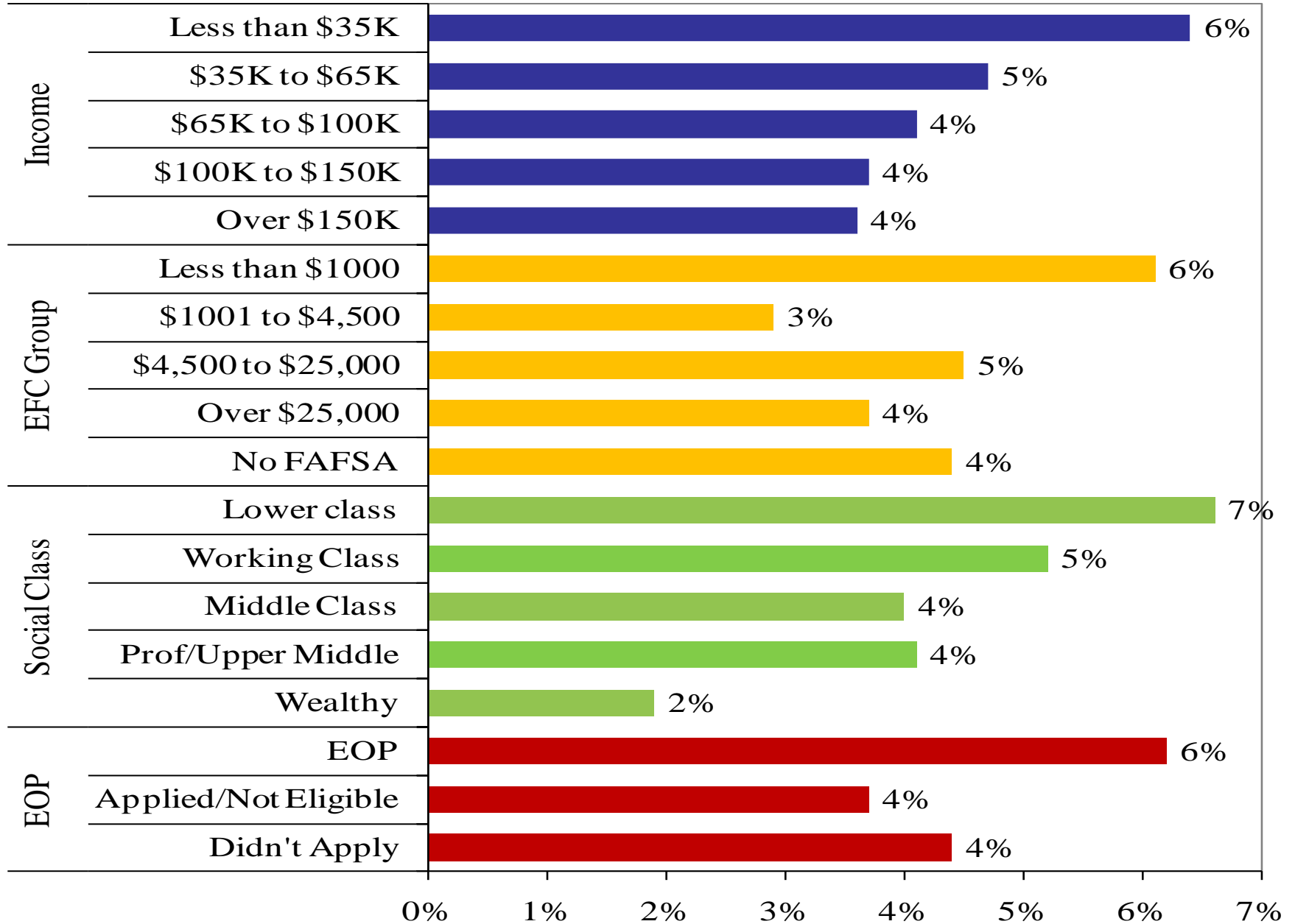


# Students who left without graduating: F2009-F2010

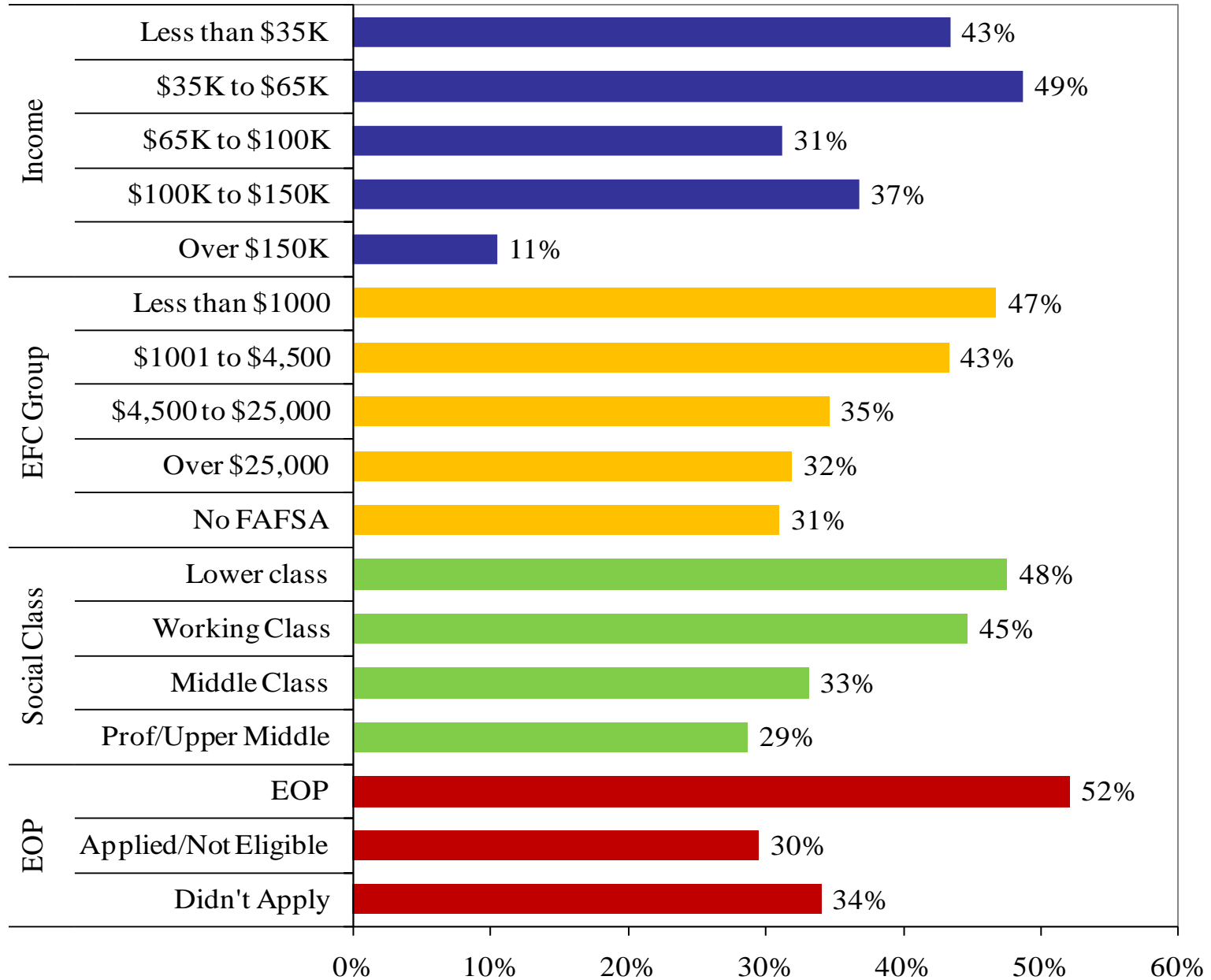
n=452 respondents



# Leavers by Economic/Socio-economic Status



# % of Leavers on Probation/Subject to Dismissal by Economic/Socio-economic Status





***"What's the takeaway on all this?"***

# Conclusions

The High Tuition/High Aid Policy levels the financial burden on poor and middle-class students.

However, our poorest students remain our most vulnerable students. They remain the most concerned about paying for their education, whatever measure of economic well-being is used. They also remain the most vulnerable in terms of academic success and retention to graduation.

Research linking financial aid data with student record system data and survey data is essential to monitor the outcomes of the High Tuition/High Aid Policy to avoid unintended consequences that hinder the aims of the university.