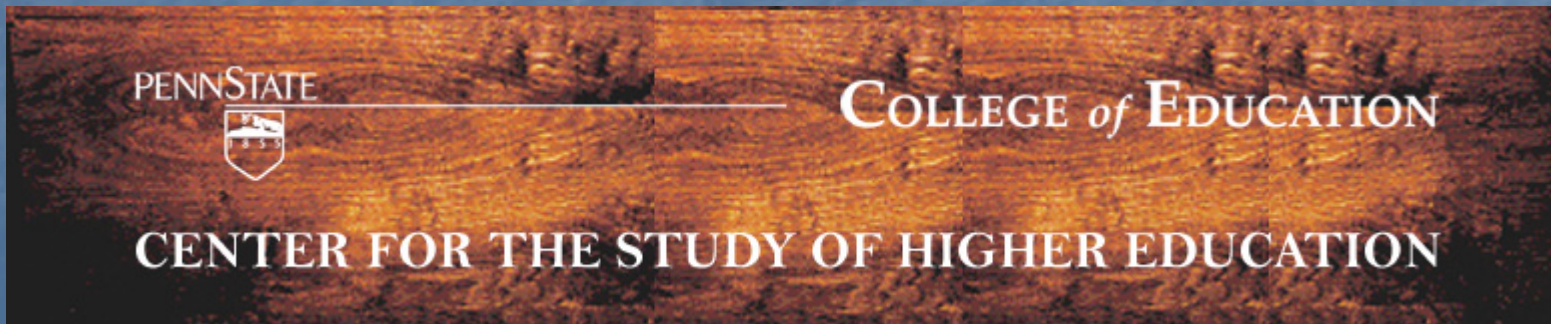


Hardie Forum & The Forum for the Future of Public Education  
University of Illinois College of Education  
January 24, 2007

## College Access and Public Research Universities: Does "Public" Still Apply?

Donald E. Heller



# Overview

- A quiz
- A personal story
- National trends in college financing
- EdTrust, *Engines of Inequality*
- Focus on public research universities
- Related trends
- Conclusions

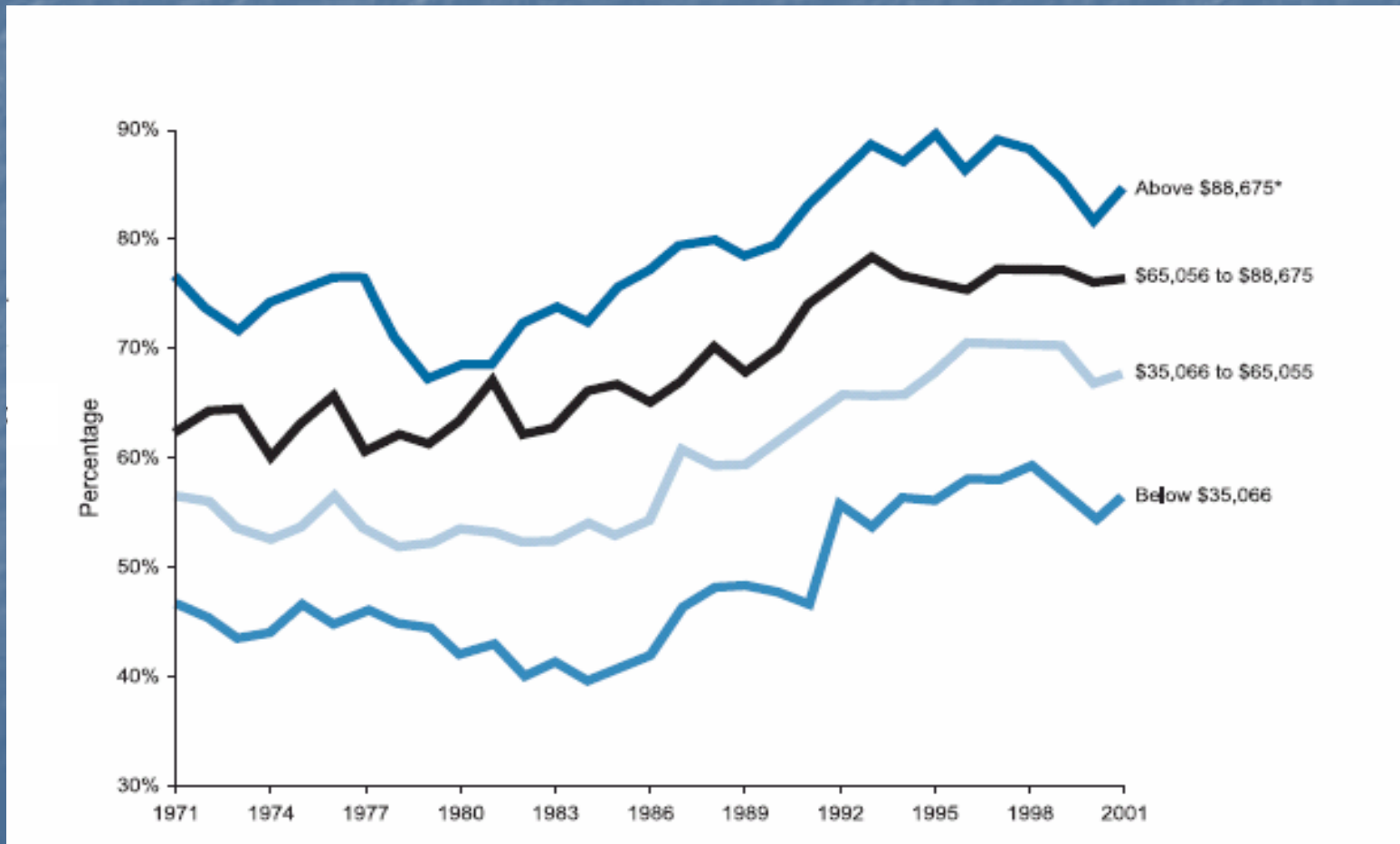
## Quiz

“It is the responsibility of the community, at the local, State, and National levels, to guarantee that financial barriers do not prevent any able and otherwise qualified young person from receiving the opportunity for higher education. . . . The democratic community cannot tolerate a society based upon education for the well-to-do alone. If college opportunities are restricted to those in the higher income brackets, the way is open to the creation and perpetuation of a class society which has no place in the American way of life.”

- A. Lyndon Johnson, signing the Higher Education Act of 1965
- B. Andrew S. Draper, upon the 35th anniversary of the chartering of the U. of Illinois, 1902
- C. President Truman's Commission on Higher Education, 1947**
- D. Thomas Jefferson, upon his founding of the U. of Virginia, 1819

# College participation by income quartile

College participation rates of unmarried 18-24 year olds



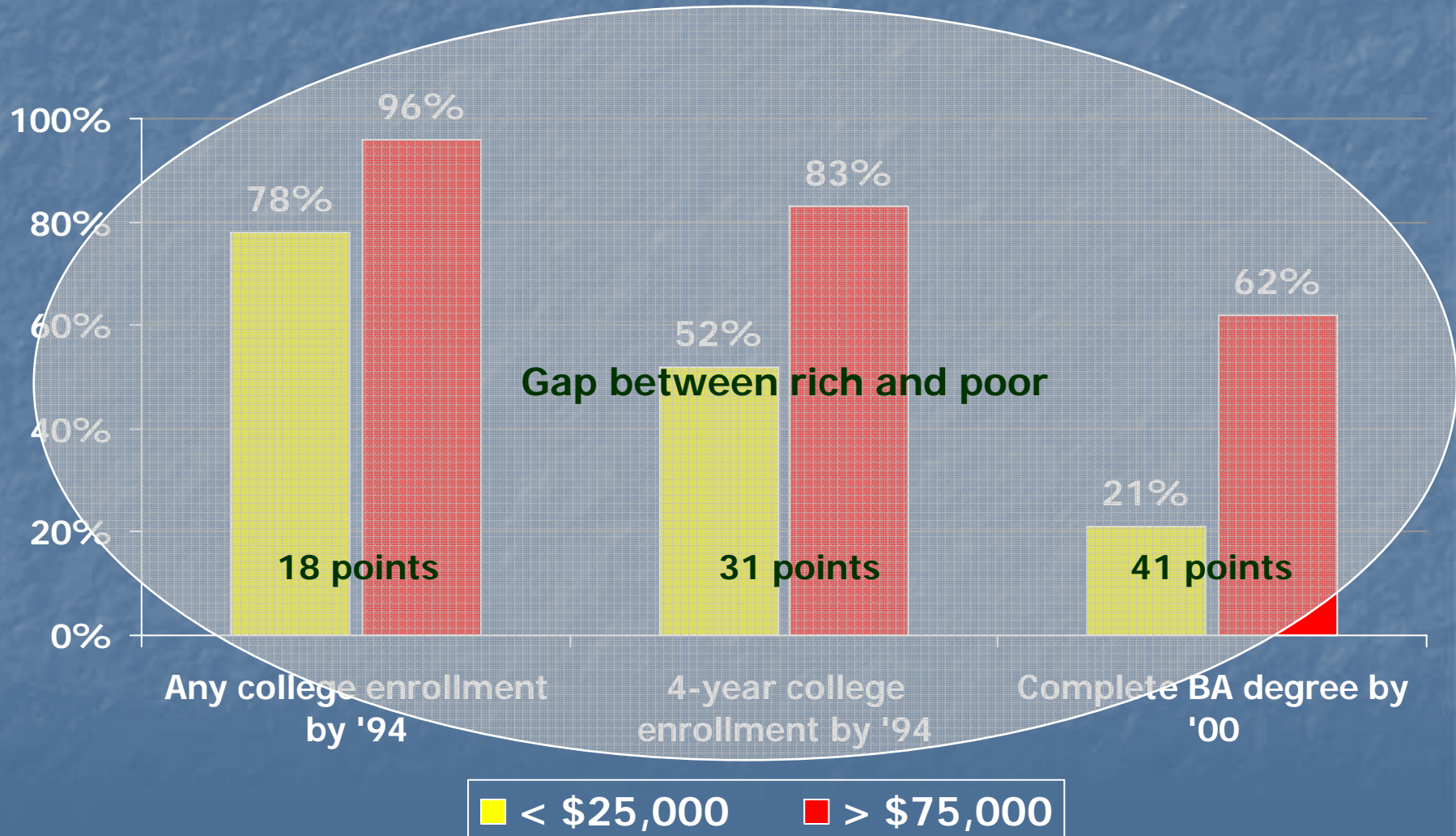
# Academic barriers vs. financial barriers?

Percentage of 1992 high school graduates attending any college by 1994

		<u>SES Quartile</u>	
		Lowest	Highest
<u>Test Quartile</u>	Lowest	36%	77% Not-so-smart rich kids
	Highest	78% Smart poor kids	97%

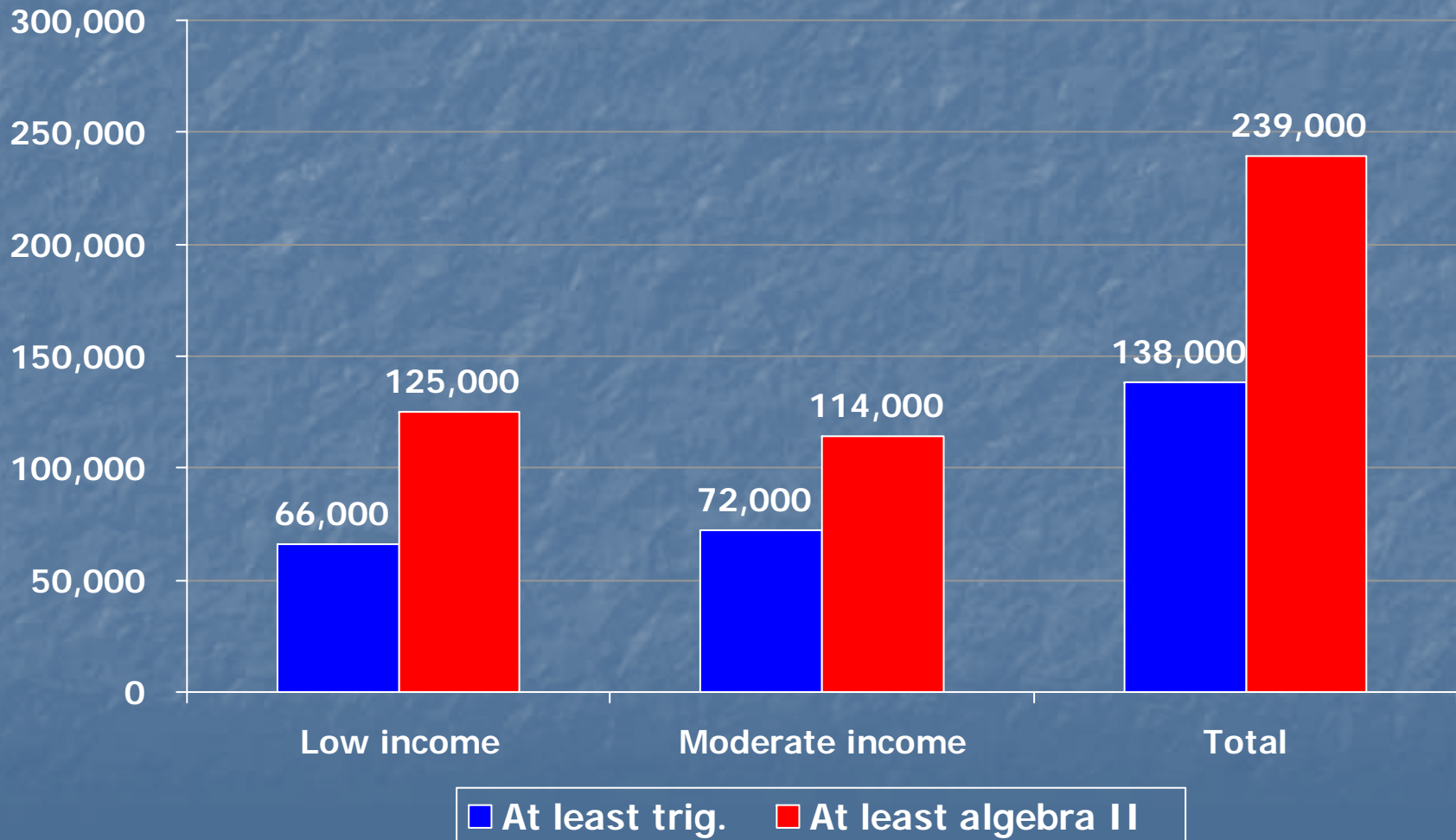
# The educational pipeline – *college-qualified students*

1988 8<sup>th</sup> graders by family income in 1991



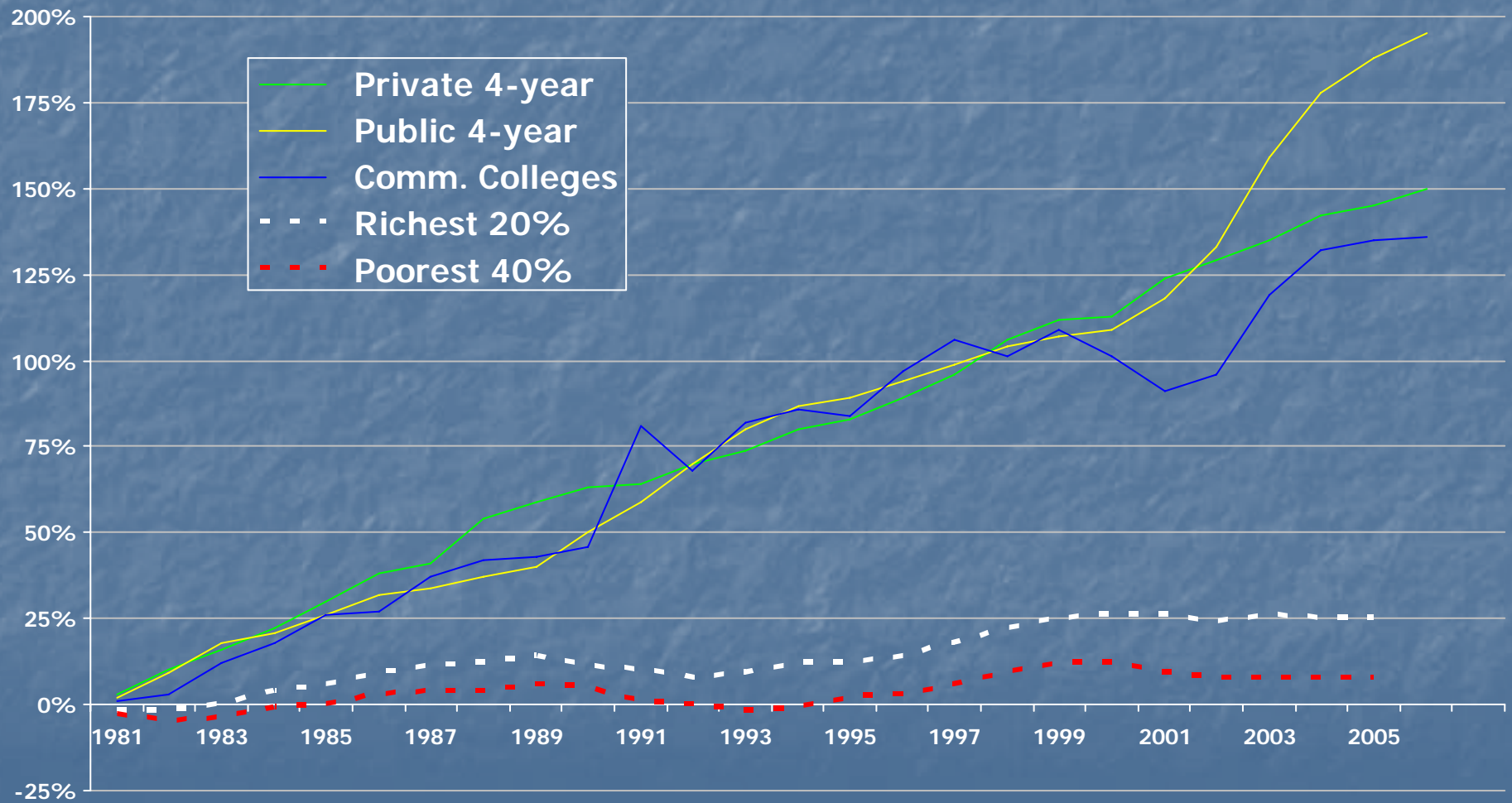
# "Lost" bachelor's degrees

Projected number of bachelor's degrees lost to 2004 HS grads due to financial barriers (conservative projection)

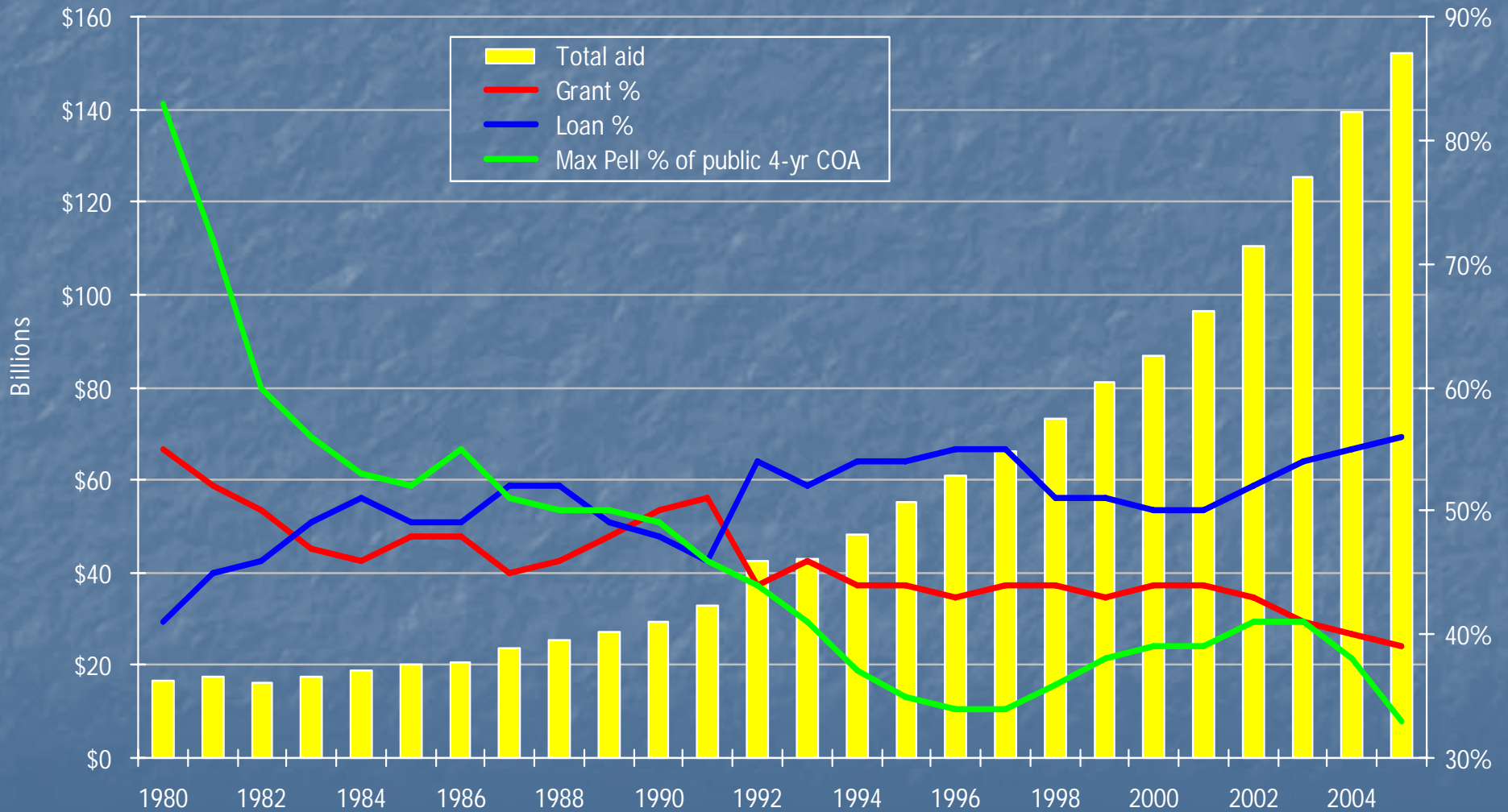


# Changes in tuition prices and income

Increase since 1980, **constant** (2006) dollars



# The growth – and shift – in financial aid



# State spending on undergraduate grants

Billions of dollars



## Findings from EdTrust Report *Engines of Inequality*

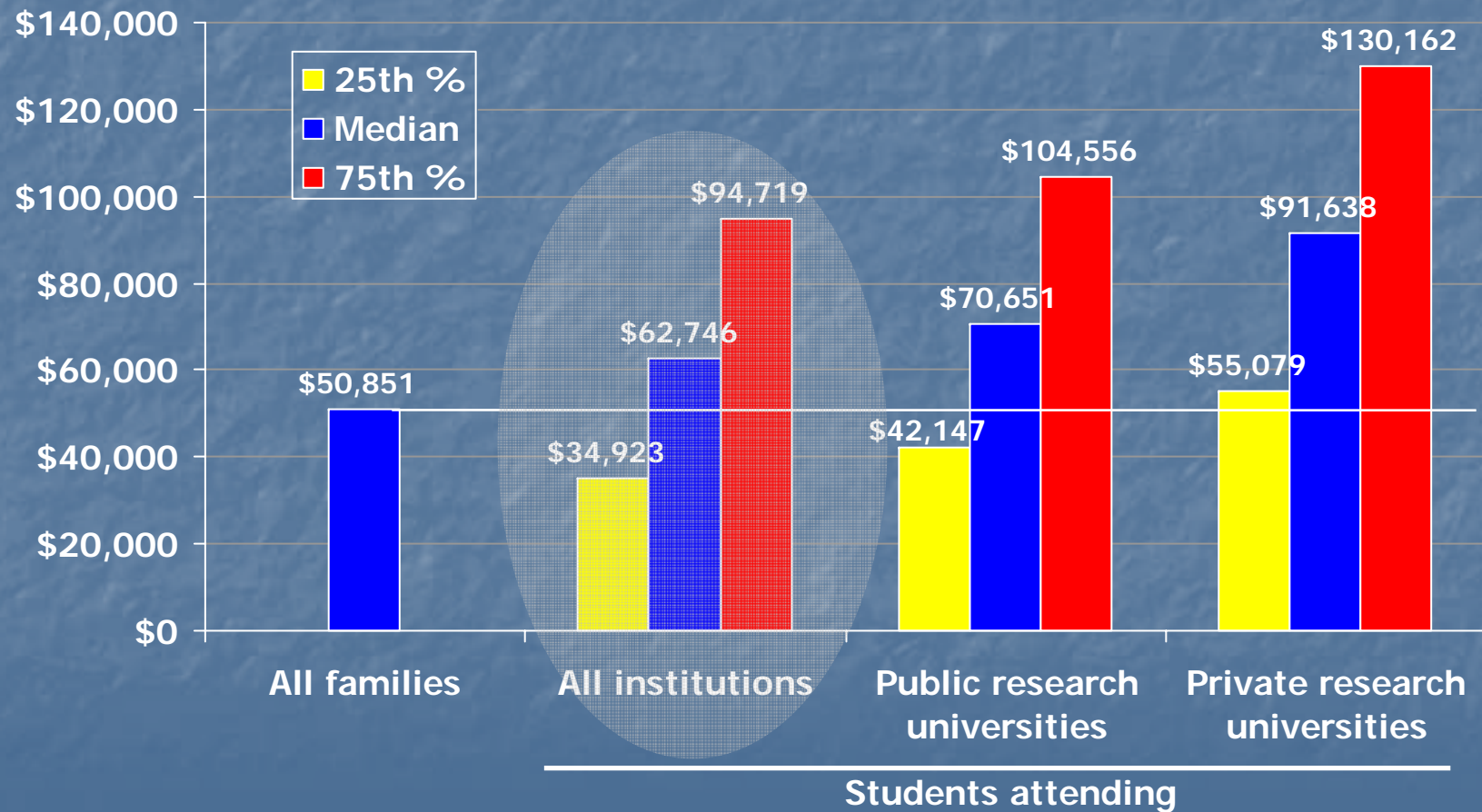
- Focus on the 50 state flagships, access and graduation rates
- Minority and low-income students
  - underrepresented in access
    - trend over a decade is downward
  - have lower graduation rates than white and wealthier students
    - trend is improving (for minority students)
- U. of Illinois *and* Penn State
  - "F" in minority and low-income access
  - "C" in minority graduation rates
  - "F" overall
- Overall grades: B - 3, C - 15, D - 25, F - 7
- Becoming the "gated communities of higher education"

## Expanding on the Ed Trust report

- Data on financial aid and enrollment from the National Postsecondary Student Aid Study, 2003-2004
- Focus on full-time, dependent students
- Public, research extensive universities – approximately 100, including most of the flagships (with some comparisons to other institutional sectors)

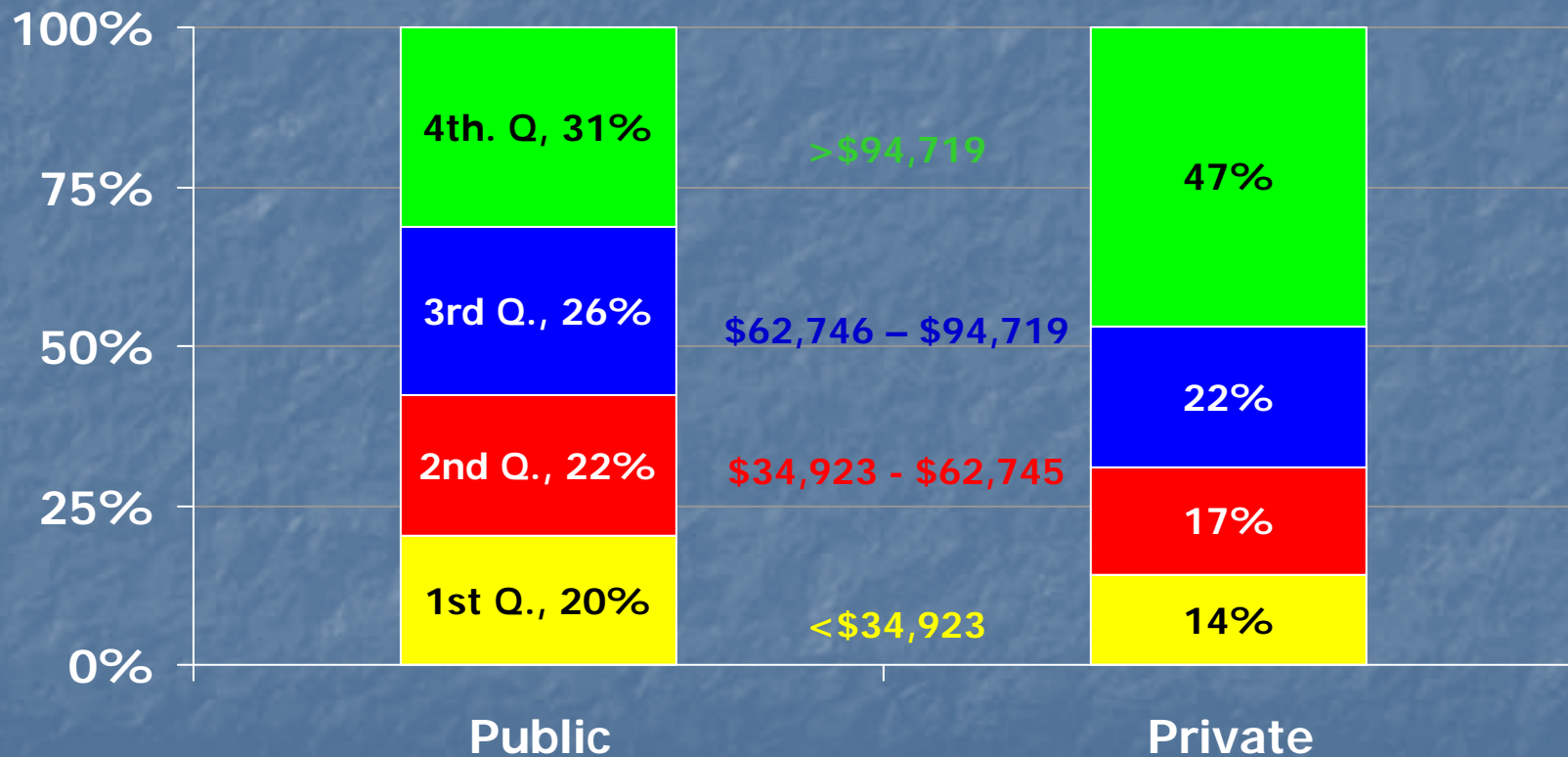
# Income quartiles of students, 2003

Dependent students attending full-time



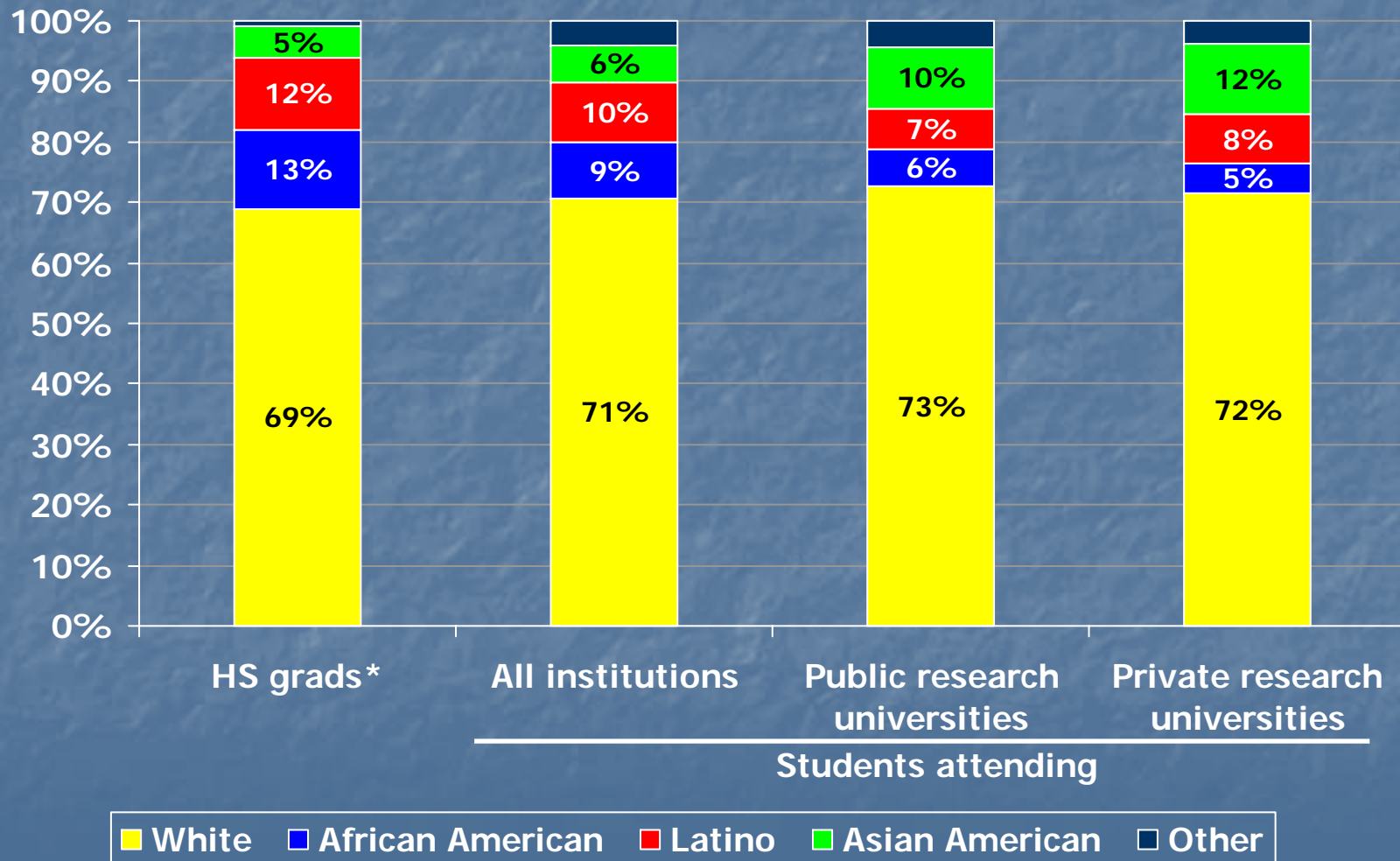
# Representativeness of research universities

Income distribution of dependent students attending full-time



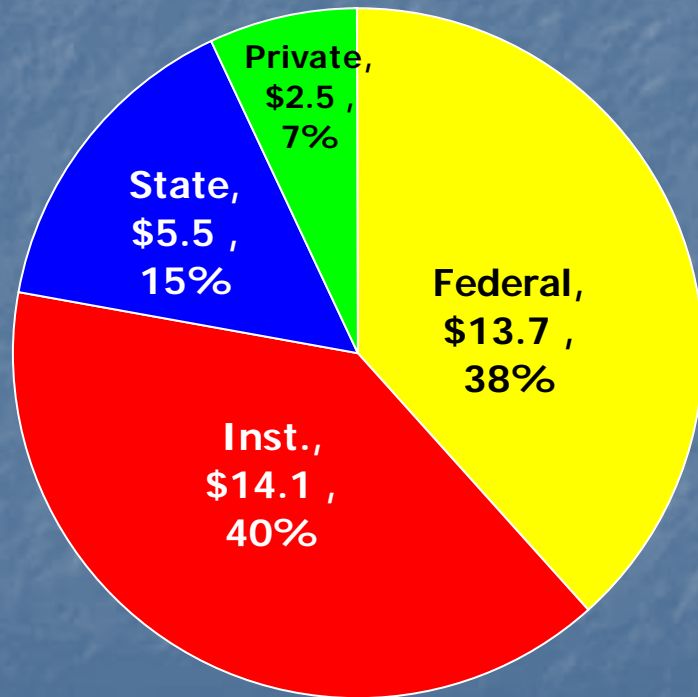
# Racial distribution of students, 2003

## Dependent students attending full-time

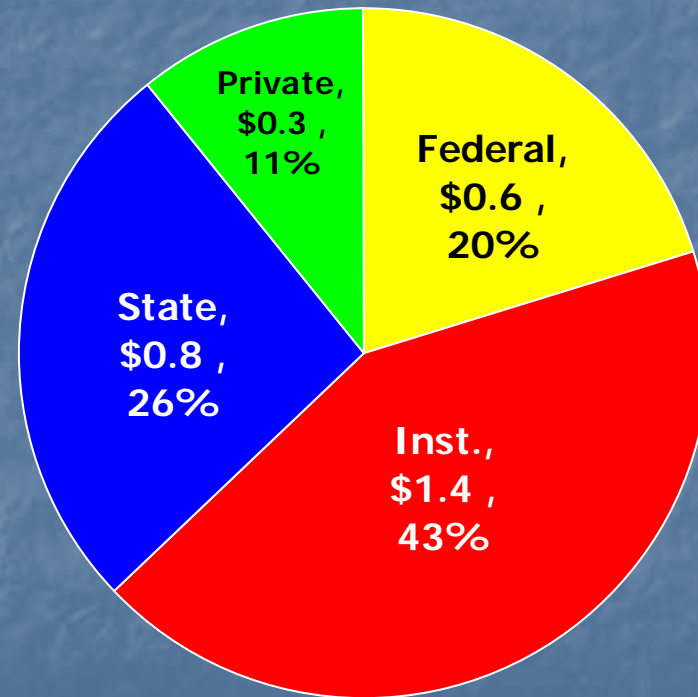


# Sources of grant aid to undergraduates, 2003

All students, \$36 billion

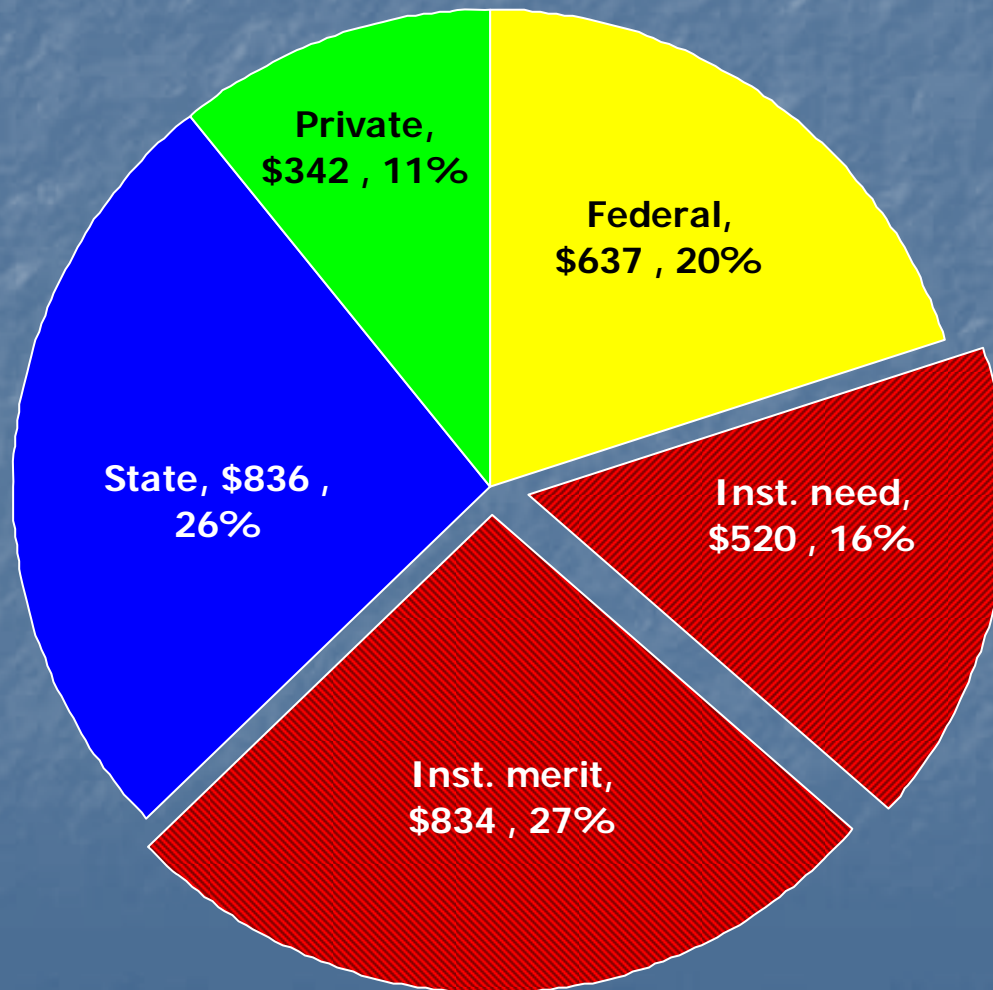


FT dependents at public research universities, \$3.2 billion



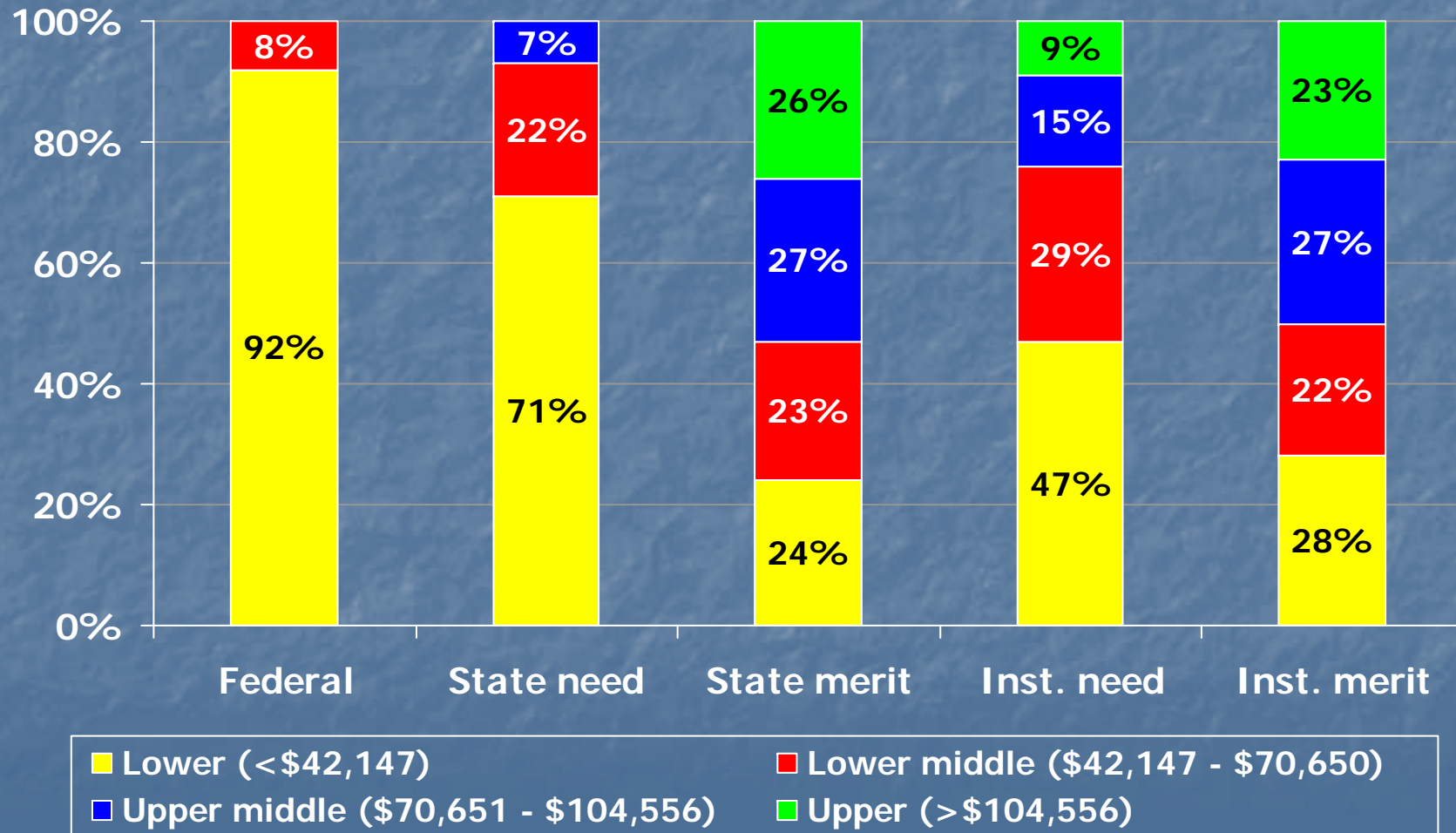
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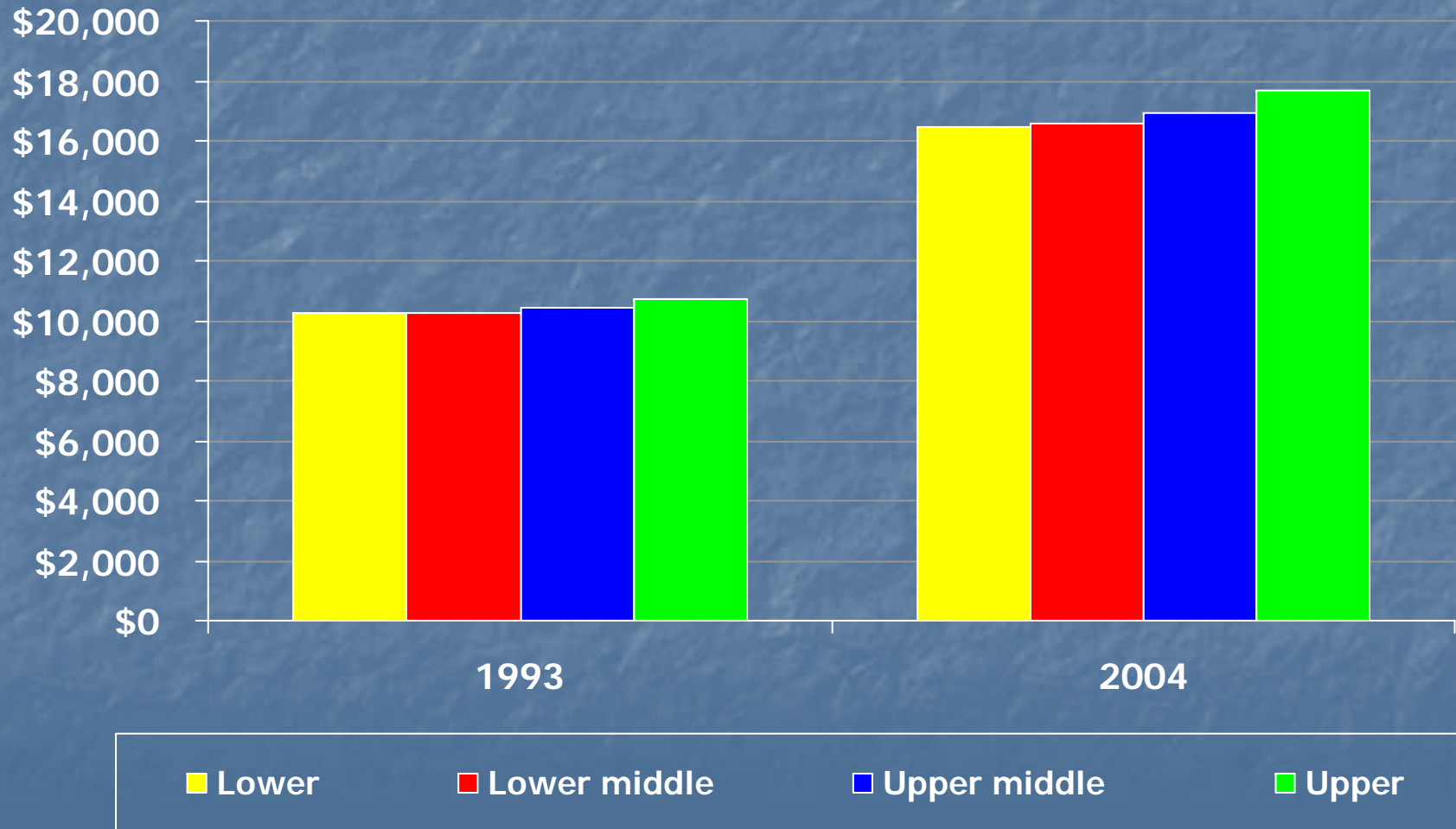
# Distribution of grant dollars by income quartile

Dependent students attending public research universities full-time



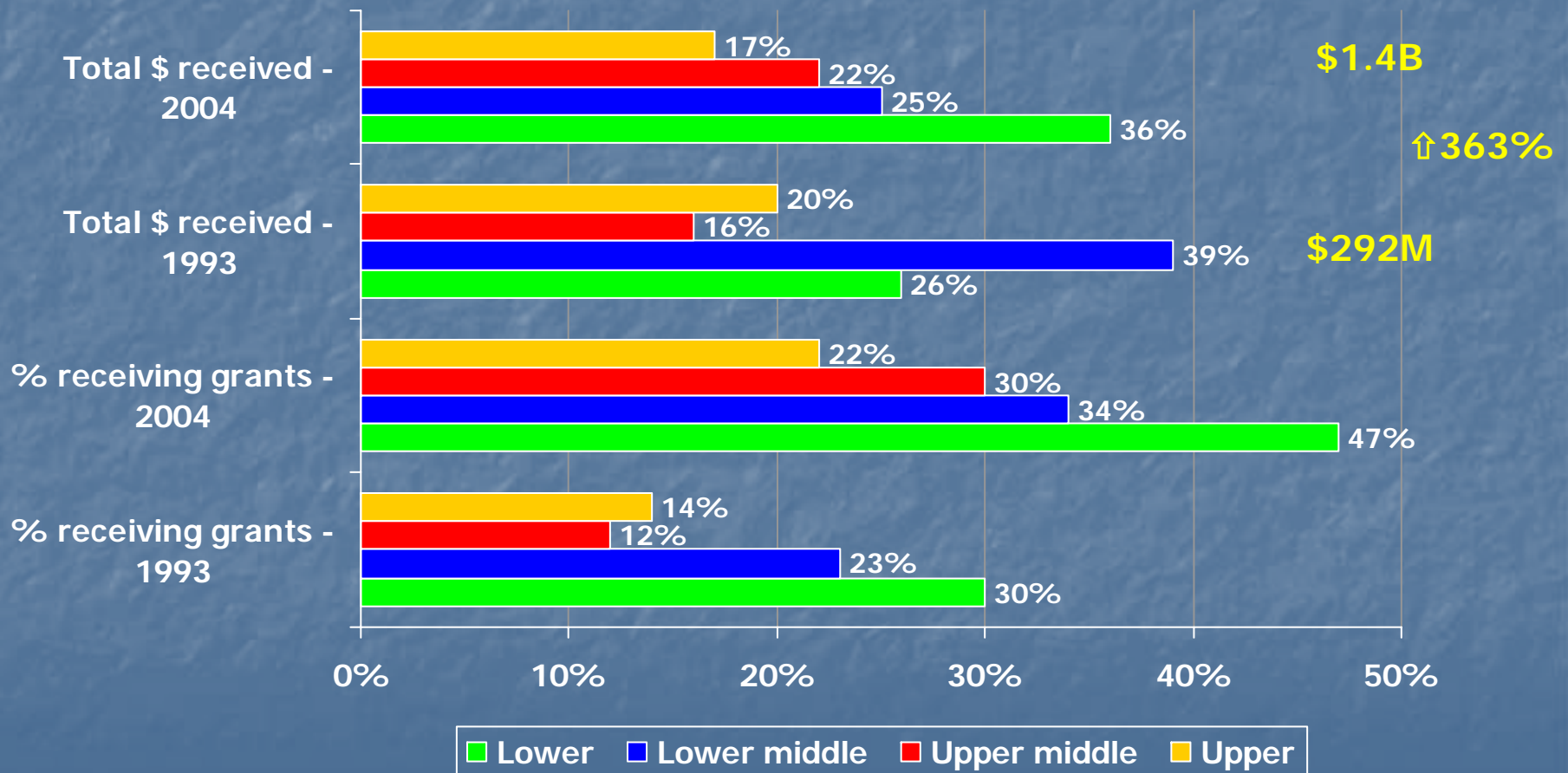
# Average sticker prices

Dependent students attending public research universities full-time



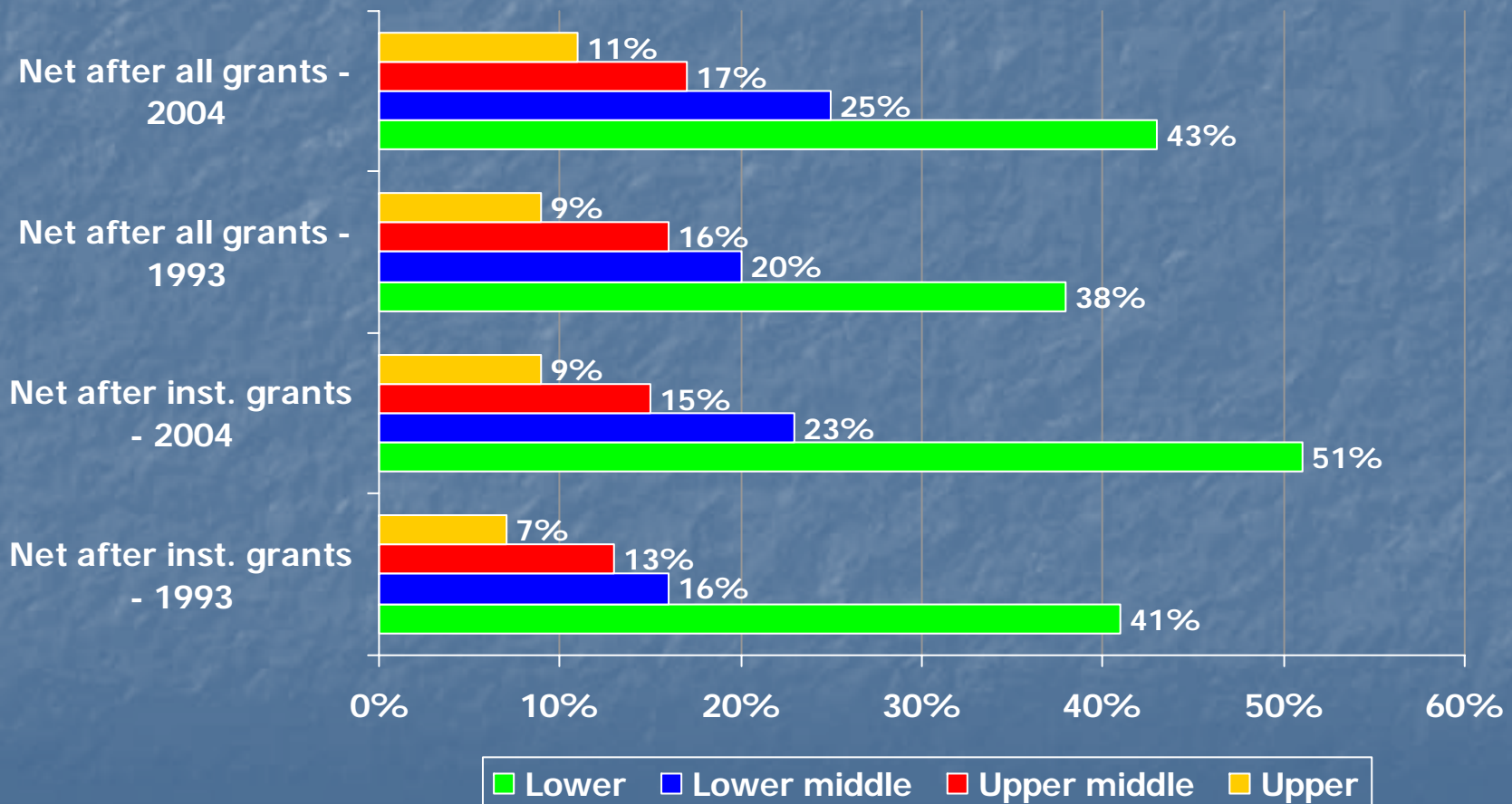
# Institutional grants by income quartile

Dependent students attending public research universities full-time



# What do students pay after grants?

Net price after grants as percentage of parents' income  
Dependent students attending public research universities full-time



# Erosion of lower- and middle- income students at PSU

## Income distribution of dependent aid recipients

<i>Income Range</i> <i>(constant dollars)</i>	2001-02	2002-03	2003-04	2004-05
\$0 to \$40,000	12,635	12,464	12,455	12,391 -2%
\$40,001 to \$85,000	15,921	15,860	15,540	14,938 -6%
\$85,001 and higher	10,839	12,021	12,796	13,209 +18%

## Other trends

- Presidential salaries
- Out-of-state students
- Good news: Carolina Covenant and similar programs
  - Guarantee full ride without loans for qualified students
  - Illinois Promise
    - Full COA scholarship for students up to poverty level (\$19,350)
  - But. . . . .

# Conclusions

- The college attainment pipeline still has many leaks, particularly for lower-income and minority students – and a good portion are attributable to *cost* barriers, not *academic* barriers
- Financial aid is shifting
  - More loans
  - More use of merit aid
  - Aid shifting up the income ladder
  - More aid from institutions, rather than federal or state governments
- The EdTrust report has been criticized for its methodology, but its basic arguments are accurate
- Even though grant aid to all income groups is increasing, the net price is growing fastest for poorer students
- If these trends continue, what will it mean for access by these students to our public research universities?