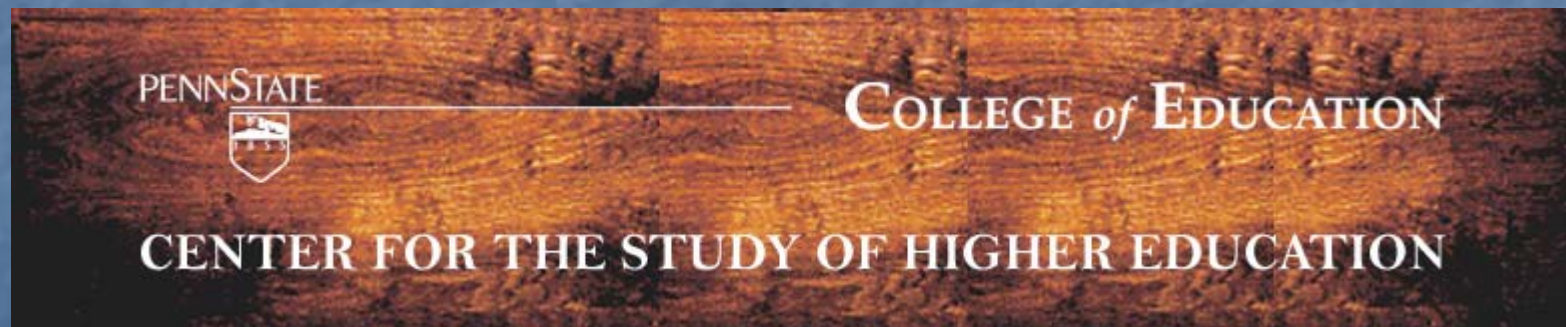


Oregon State University

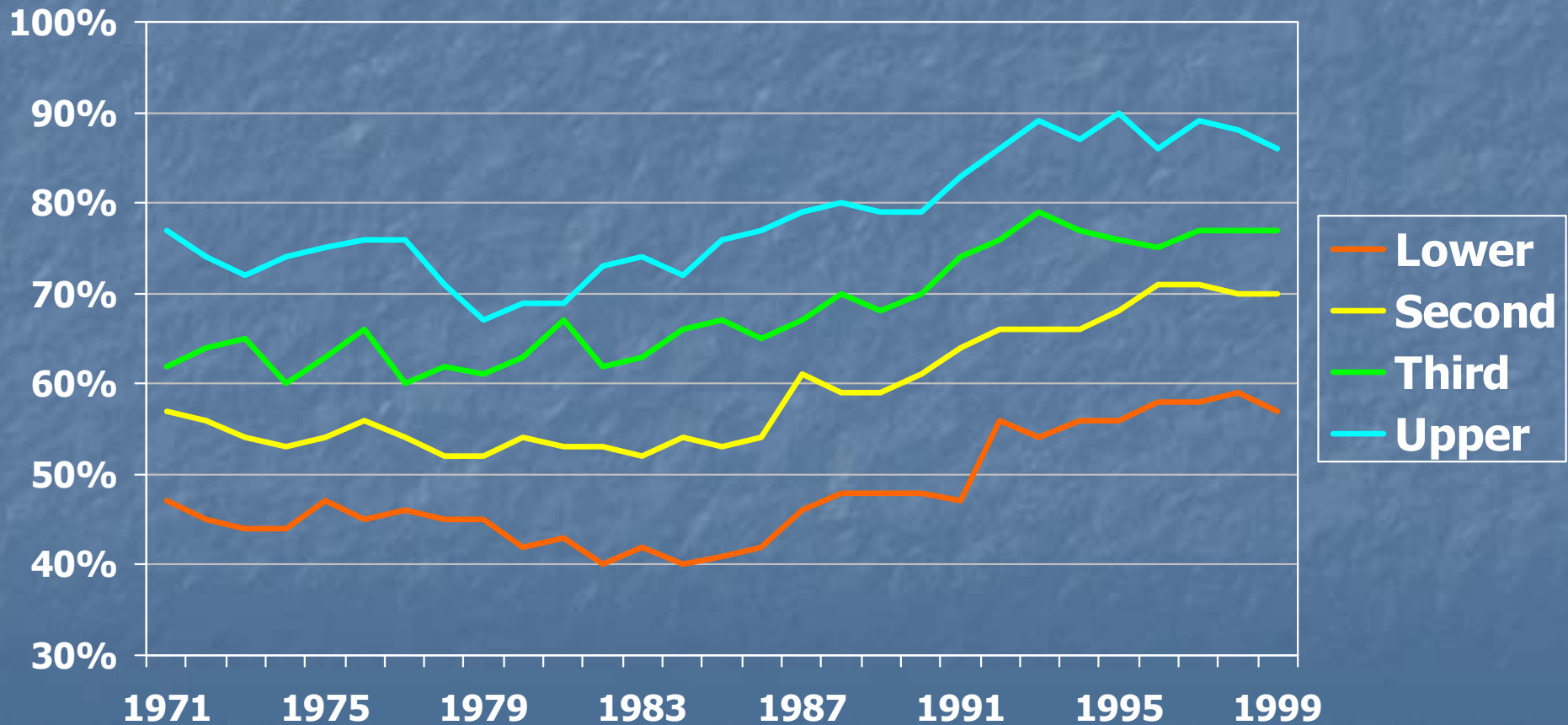
Access Denied Symposium

Donald E. Heller



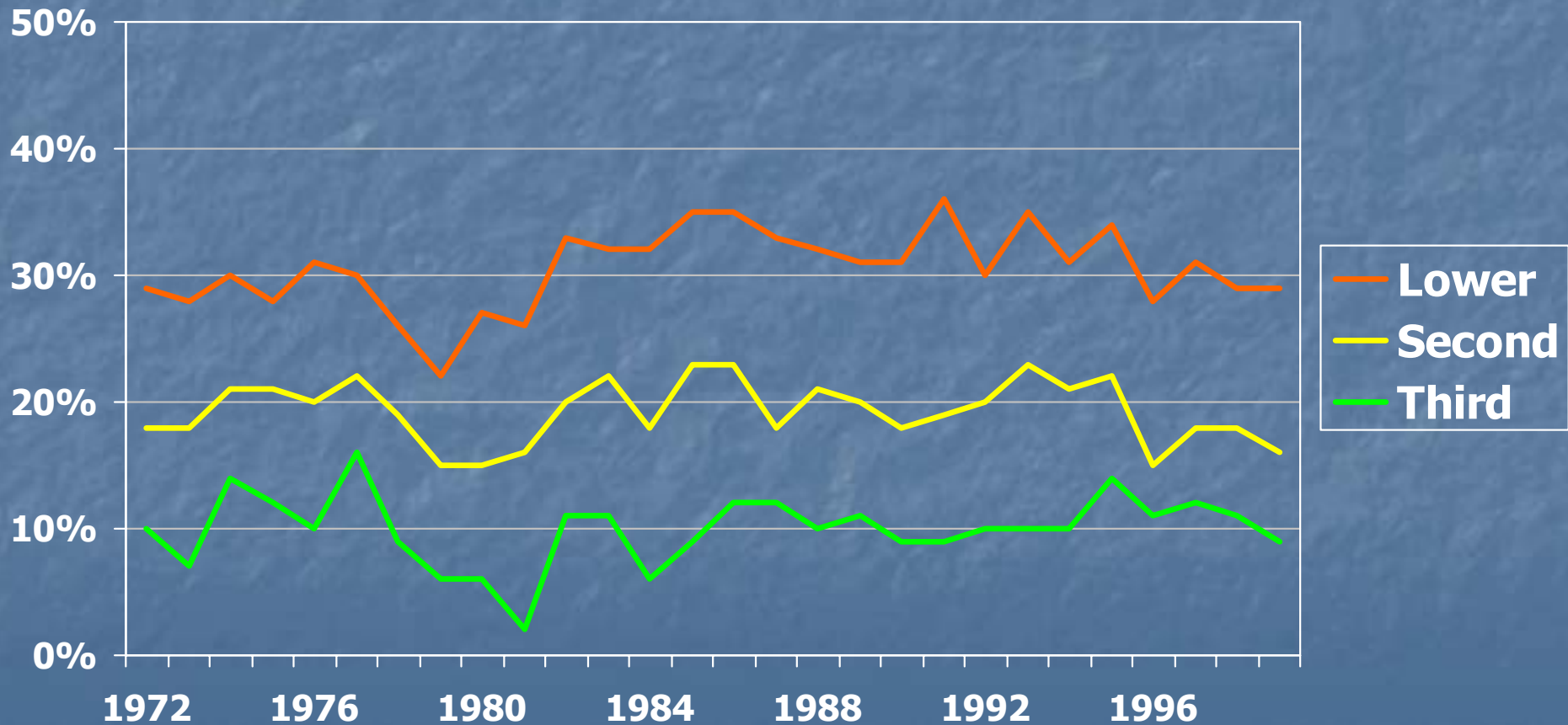
Why Worry About College Access?

College participation rates of 18-24 year olds by income quartile



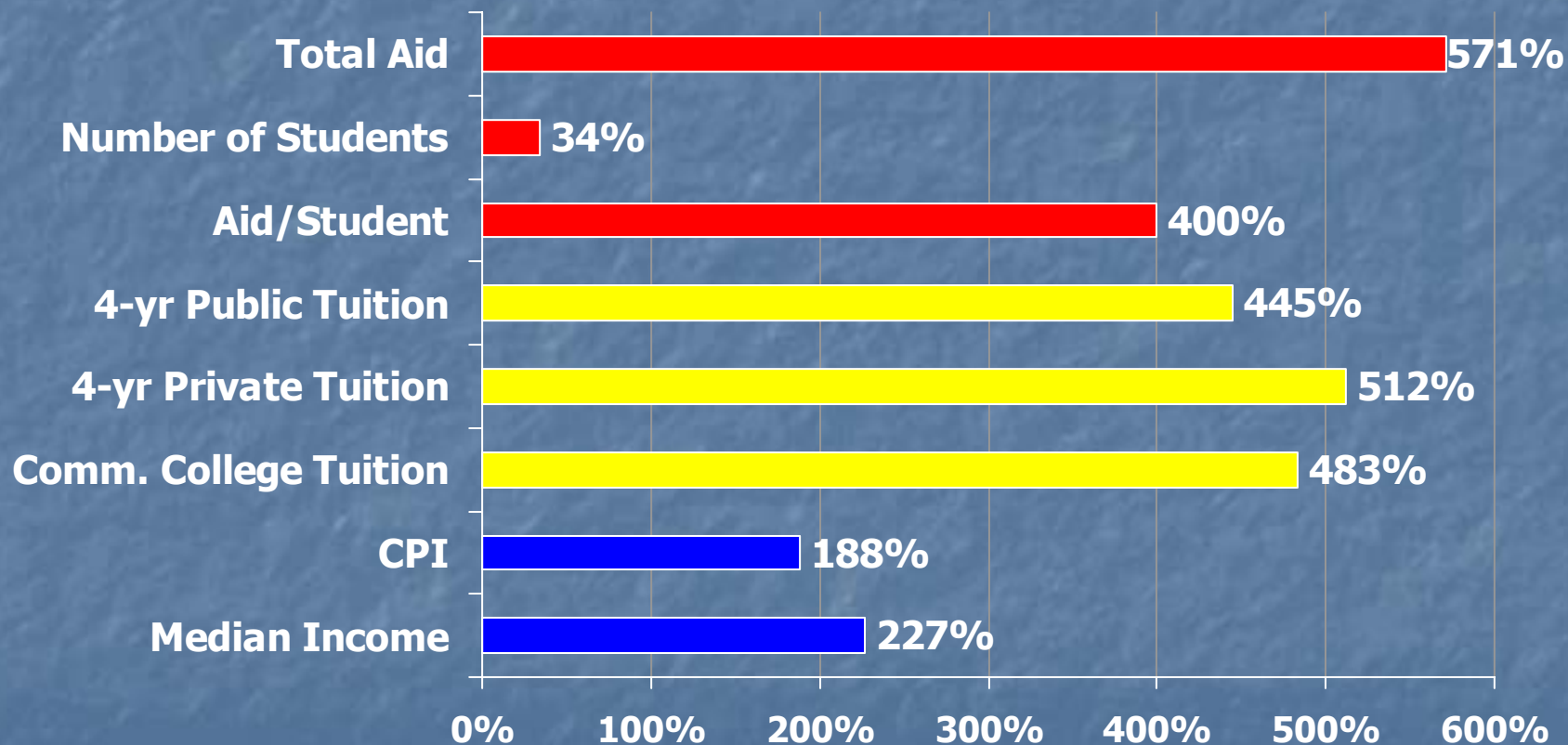
Why Worry About College Access?

Gap in participation rates from highest income quartile

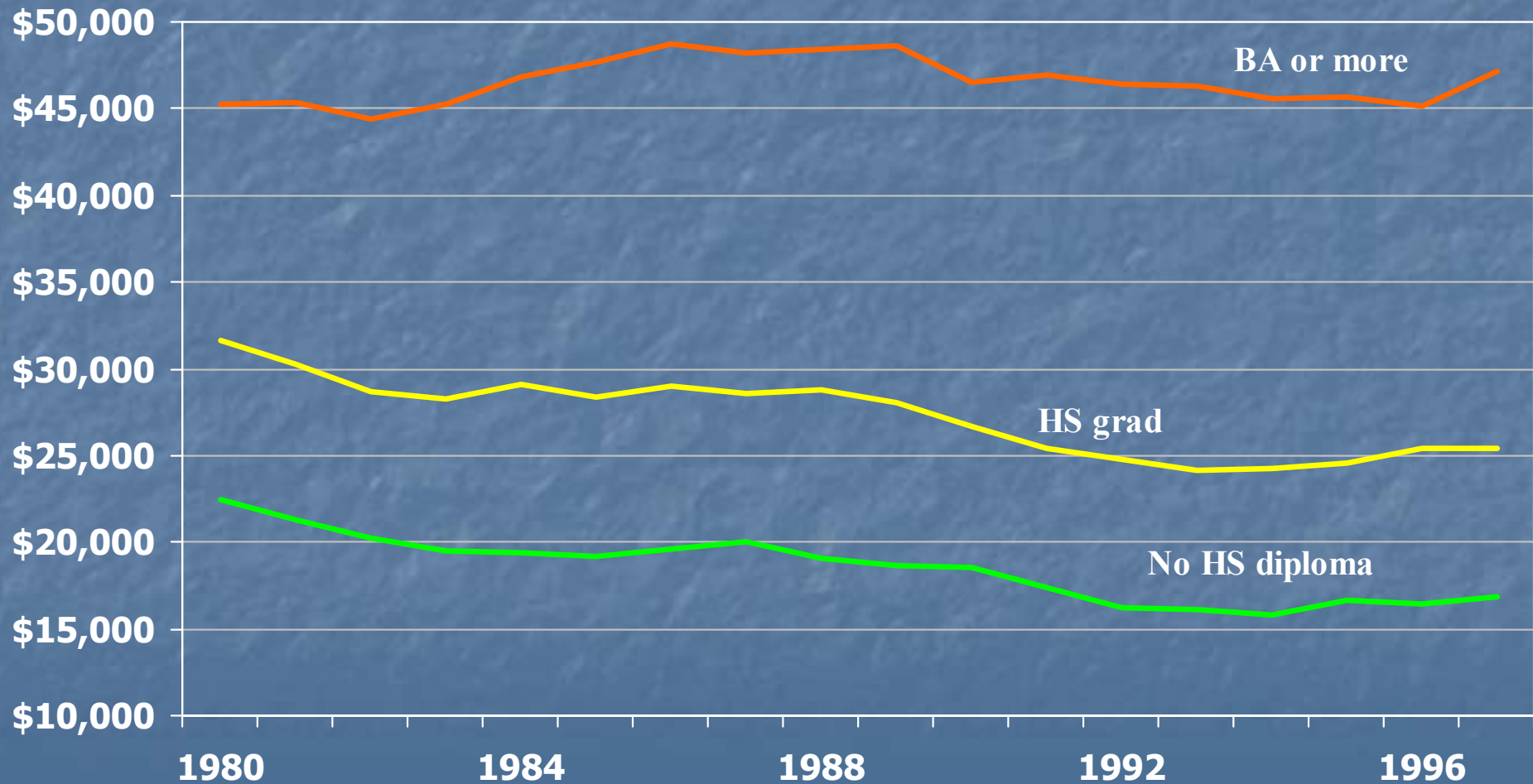


Increases from 1976 - 1999

Current Dollars



Median Income in 1997 Dollars (males)



The Price of College Nationally, 2001-2002

Sector	Tuition	COA
Community College	\$1,738	\$10,367
4-year Public	\$3,754	\$12,771
4-year Private	\$17,123	\$26,070

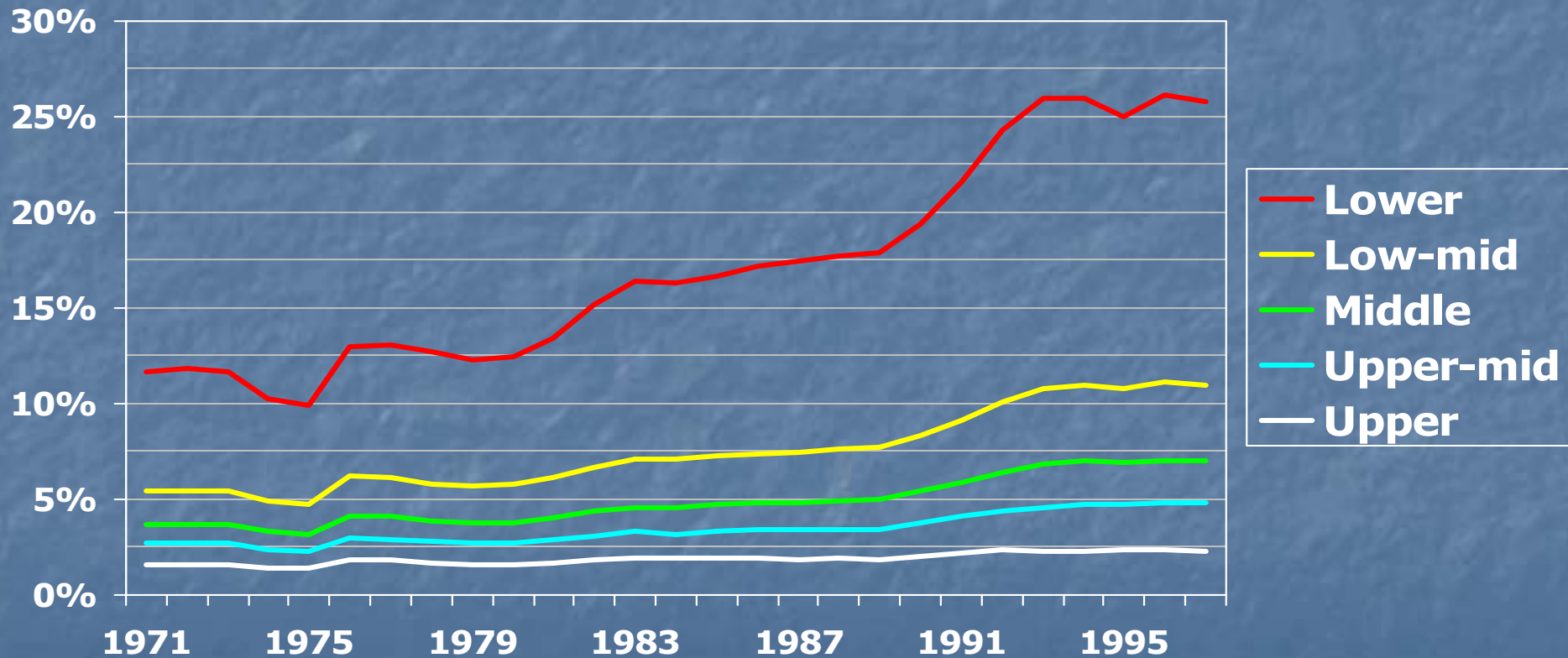
Both students and parents consistently **overestimate** the price of college and **underestimate** the availability of financial aid

More on College Prices

- 85% of students in **public** 4-year institutions paid less than \$5,000 in tuition
- Two-thirds of students in **private** 4-year institutions paid less than \$20,000 in tuition
- Over two-thirds of students in **all** 4-year institutions paid less than \$8,000 in tuition

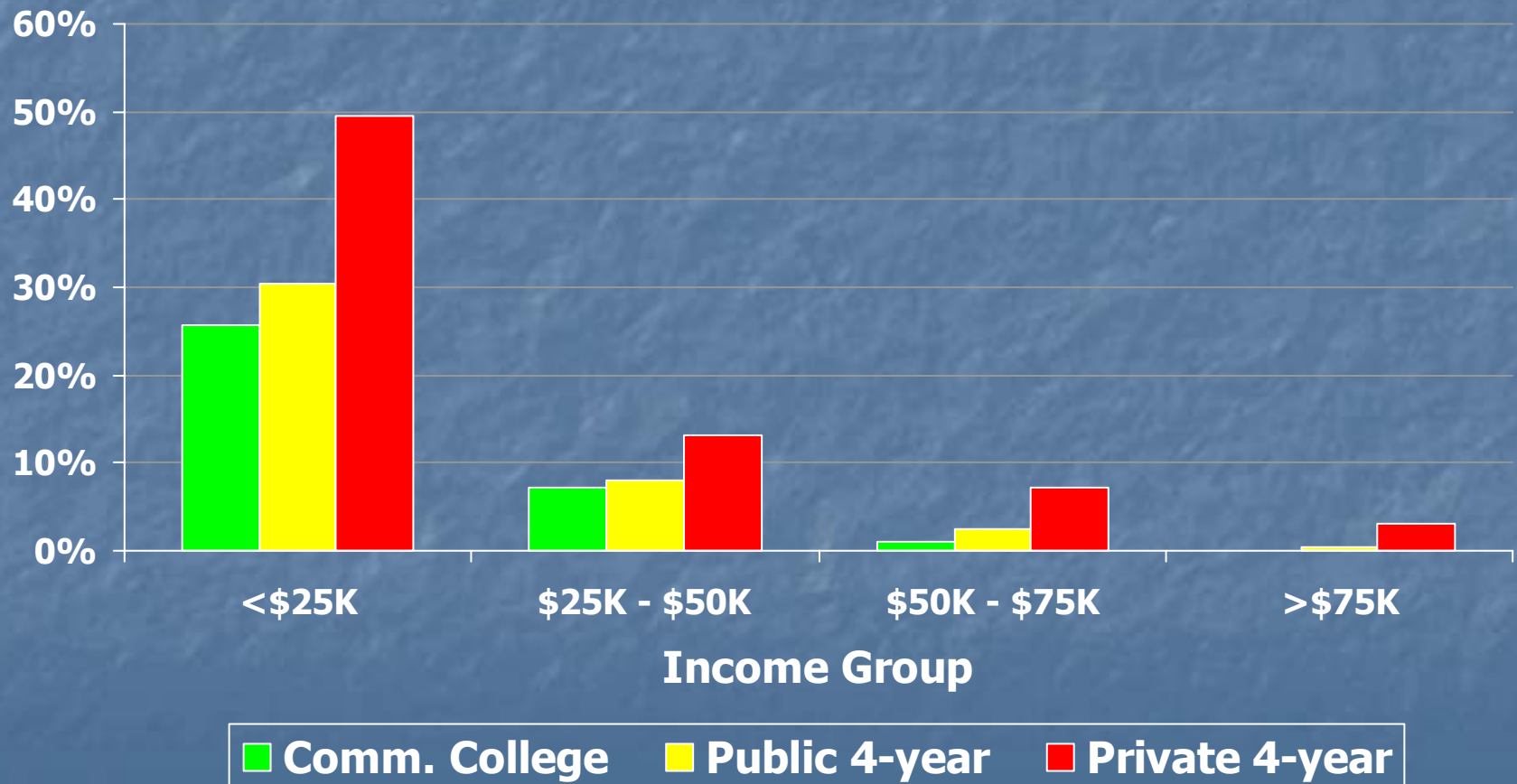
The Increasing Burden of Paying for College

Public 4-year tuition as a % of family income – by quintiles



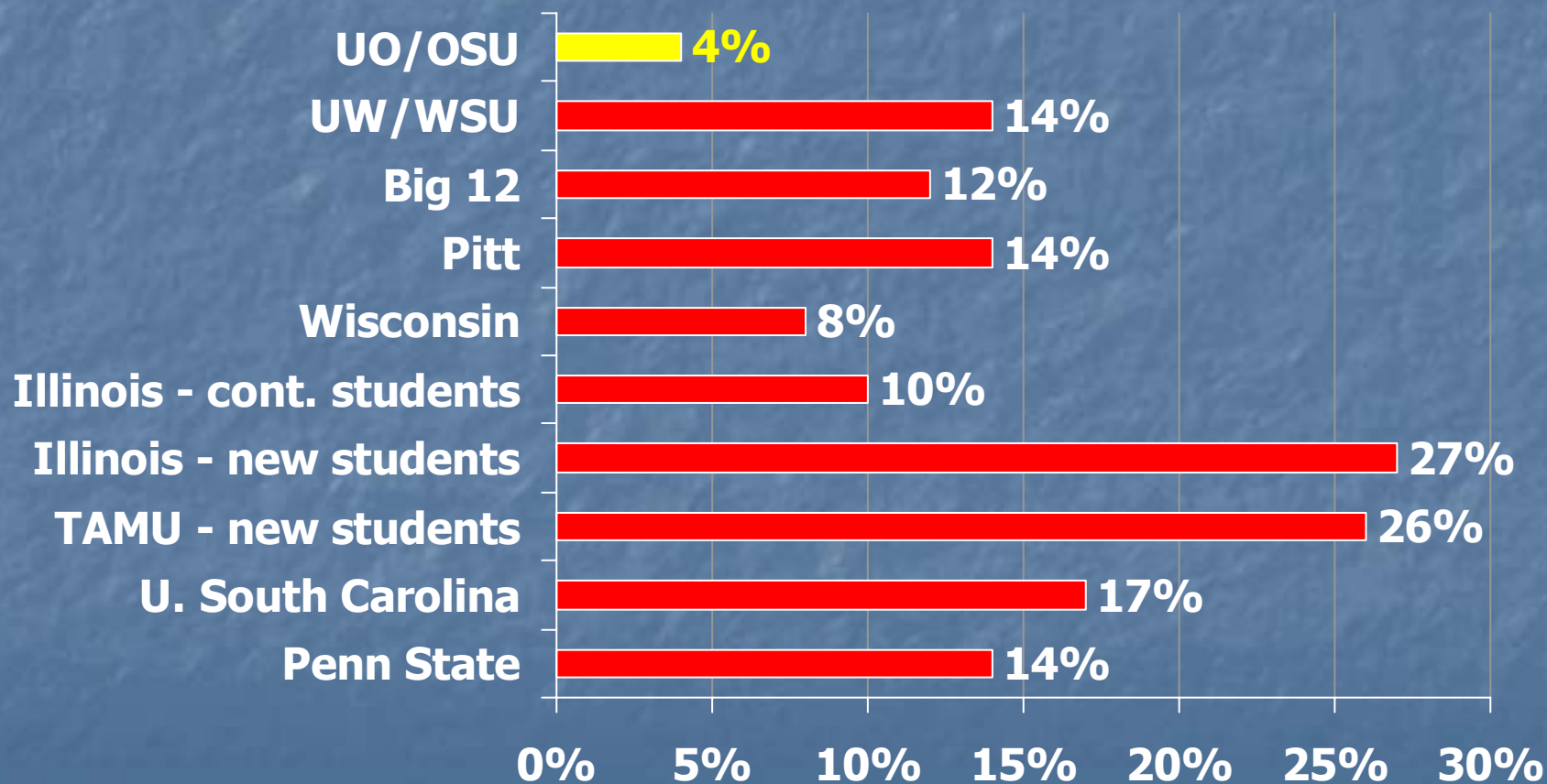
Another View of Unmet Need

Unmet need as a proportion of income



Tuition Increases for Resident Students

2002 – 2003 Academic Year

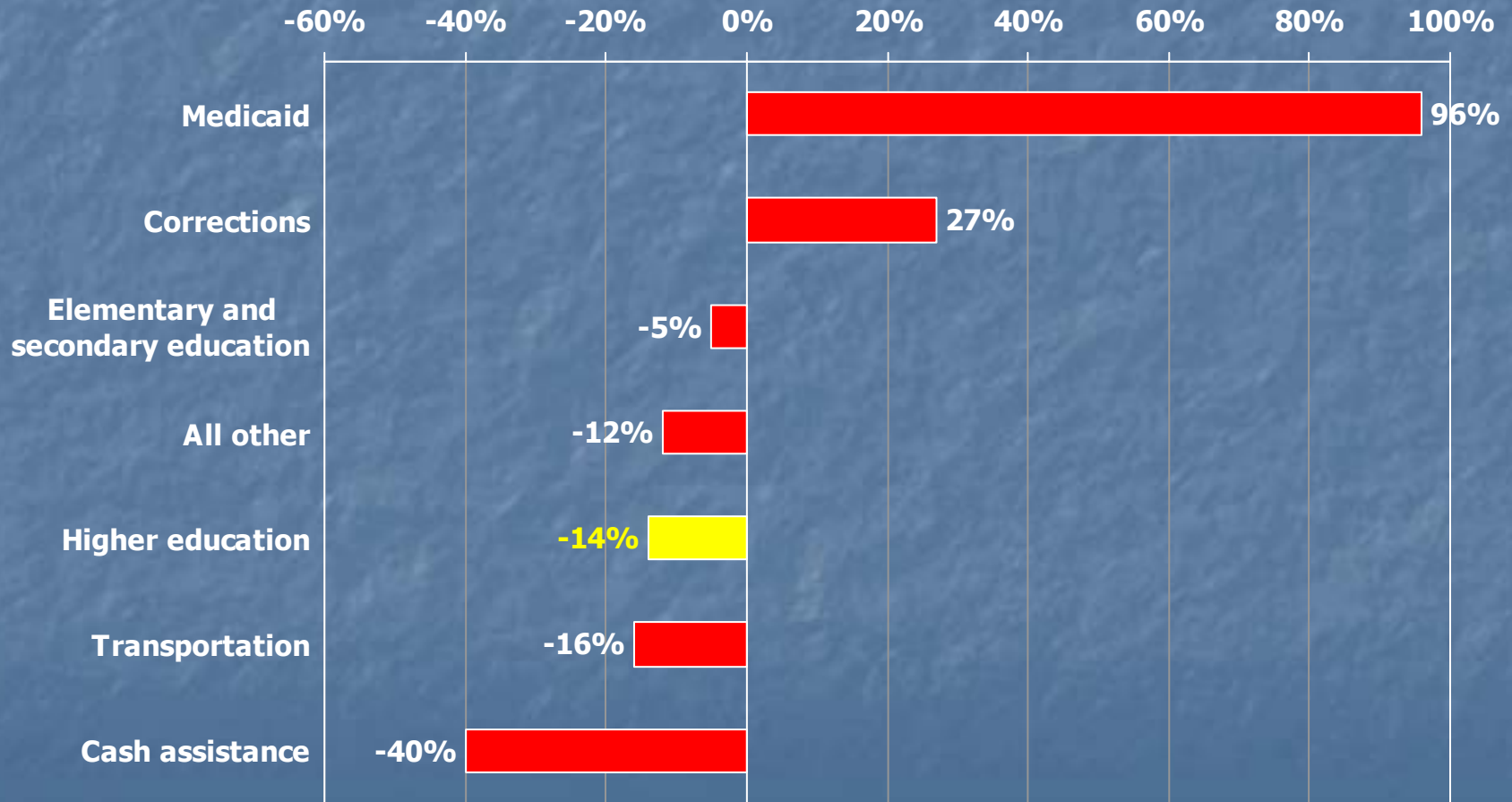


Financial Aid Across the Nation

- **Pell Grants:** likely increase of no more than \$100 (to \$4,100)
- **PA:** award 4,000 more grants this year, but keep the maximum at \$3,300
- **IL:** 12,000 fewer awards, and decreases in the amount of awards
- **IN:** projected cut of up to \$3,000 in state grants next year because of 15% average tuition increase across the state
- **OR:** 76% of eligible students receive grants 2 years ago; projected 67% next year
- **WV:** need-based program cut \$1.8 million; merit program increased \$7 million
- **Institutional aid:** ????

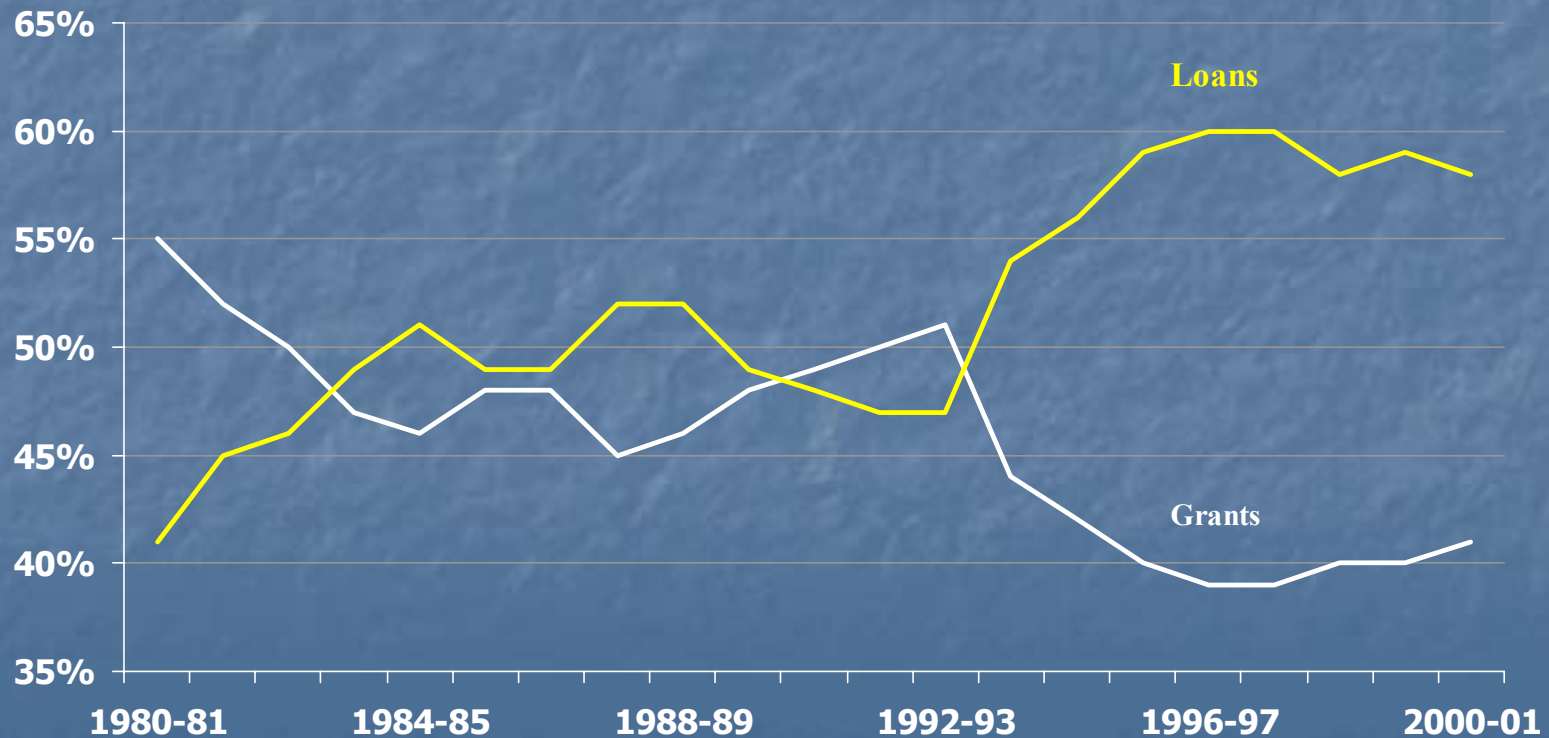
Higher Education as a State Priority

Change in share of state budgets, 1987 to 1997



Future Trends

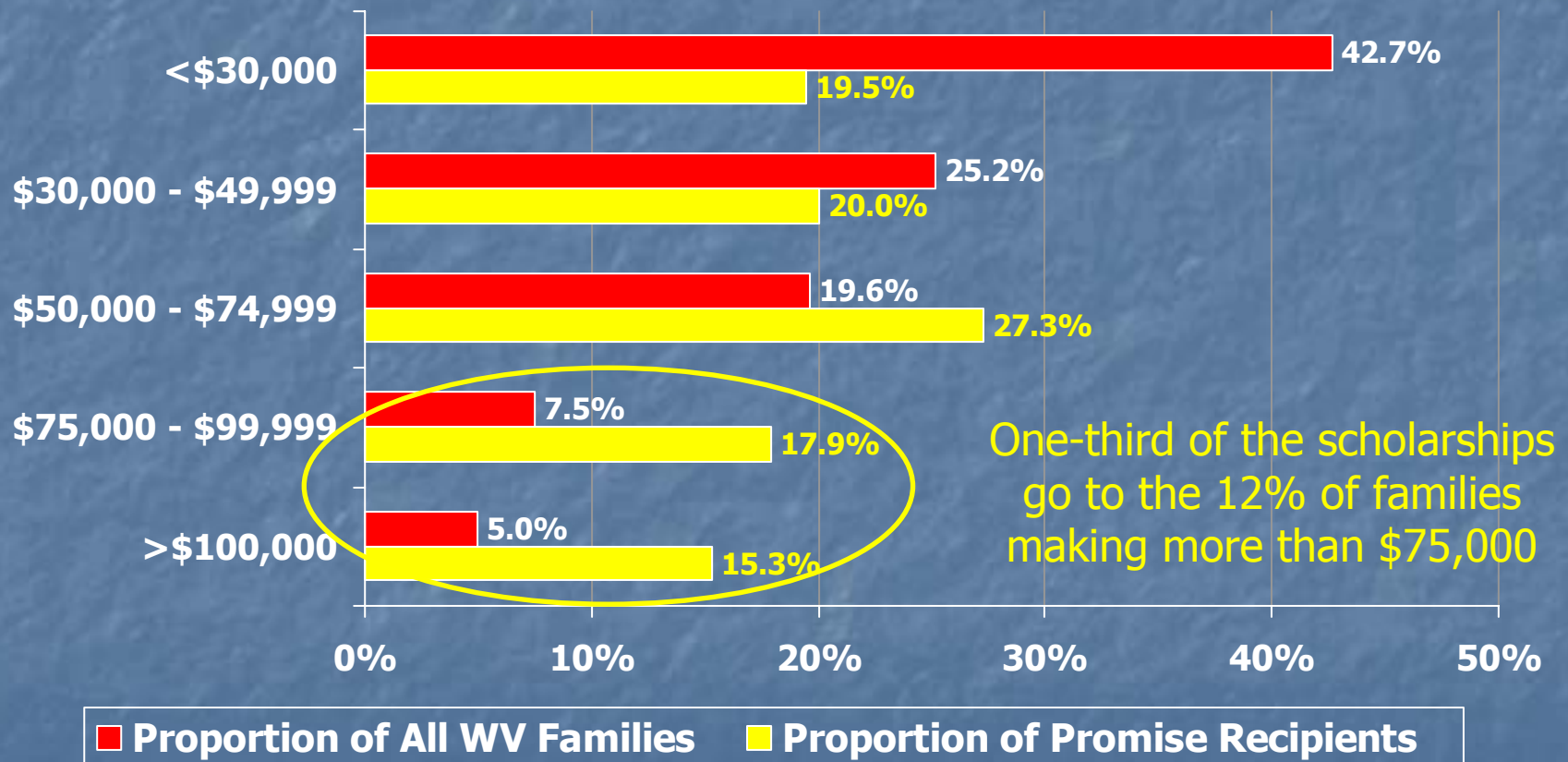
1. Declining share of public resources for higher education
2. Shift from grants to loans (emphasis on private returns)



Future Trends

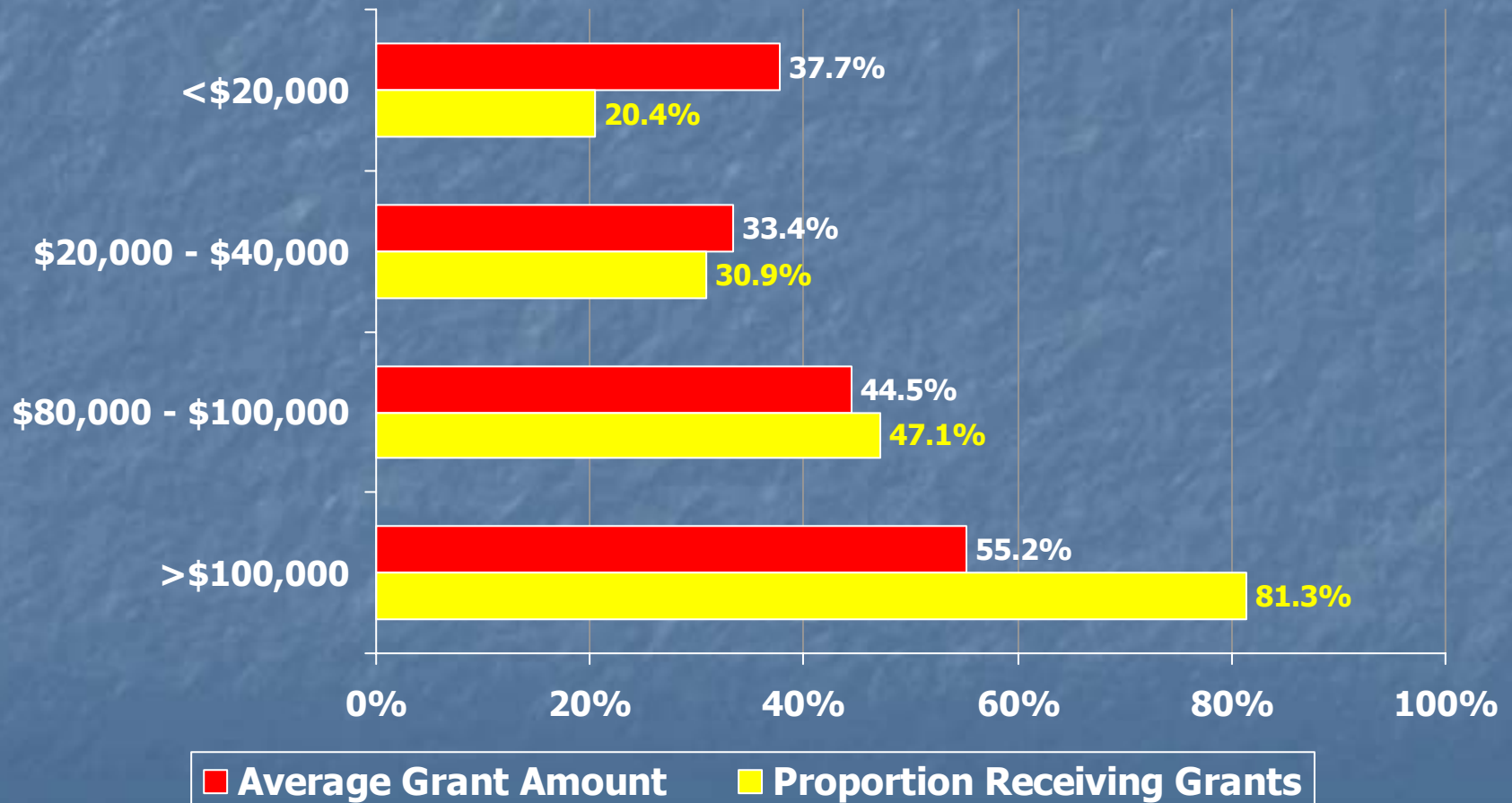
1. Declining share of public resources for higher education
2. Shift from grants to loans (emphasis on private returns)
3. Alternative college financing mechanisms
 1. Tax credits
 2. Prepaid tuition programs
 3. Tax-favored savings programs
4. Use of merit rather than need, in the awarding of financial aid

West Virginia Promise Scholarships



Institutional Grant Awards

Change from 1992-1993 to 1999-2000, by Income Group



Dependent students

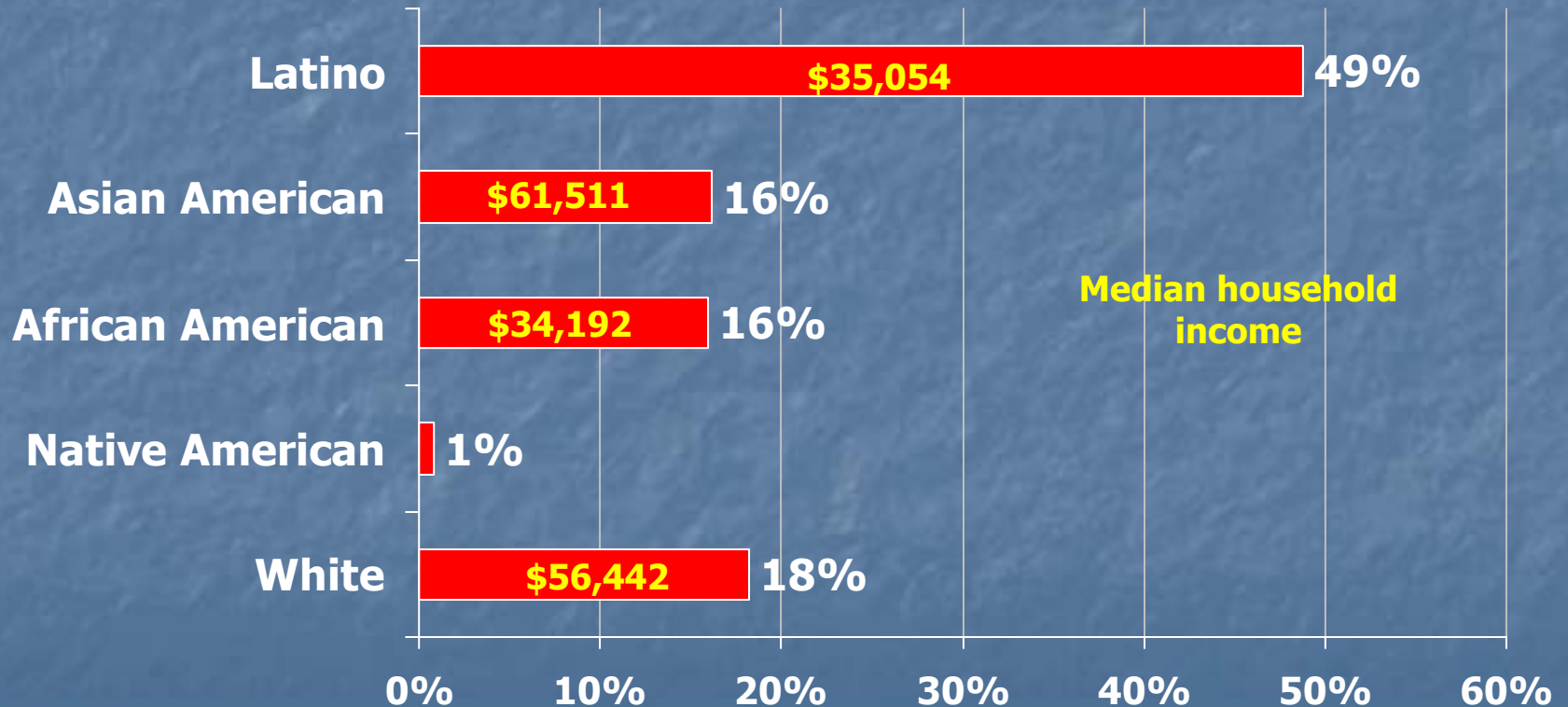
Future Trends

1. Declining share of public resources for higher education
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4. Use of merit rather than need, in the awarding of financial aid
5. Growing and changing demographics

The Future?

4 Million New 18-24 Year Olds by 2015

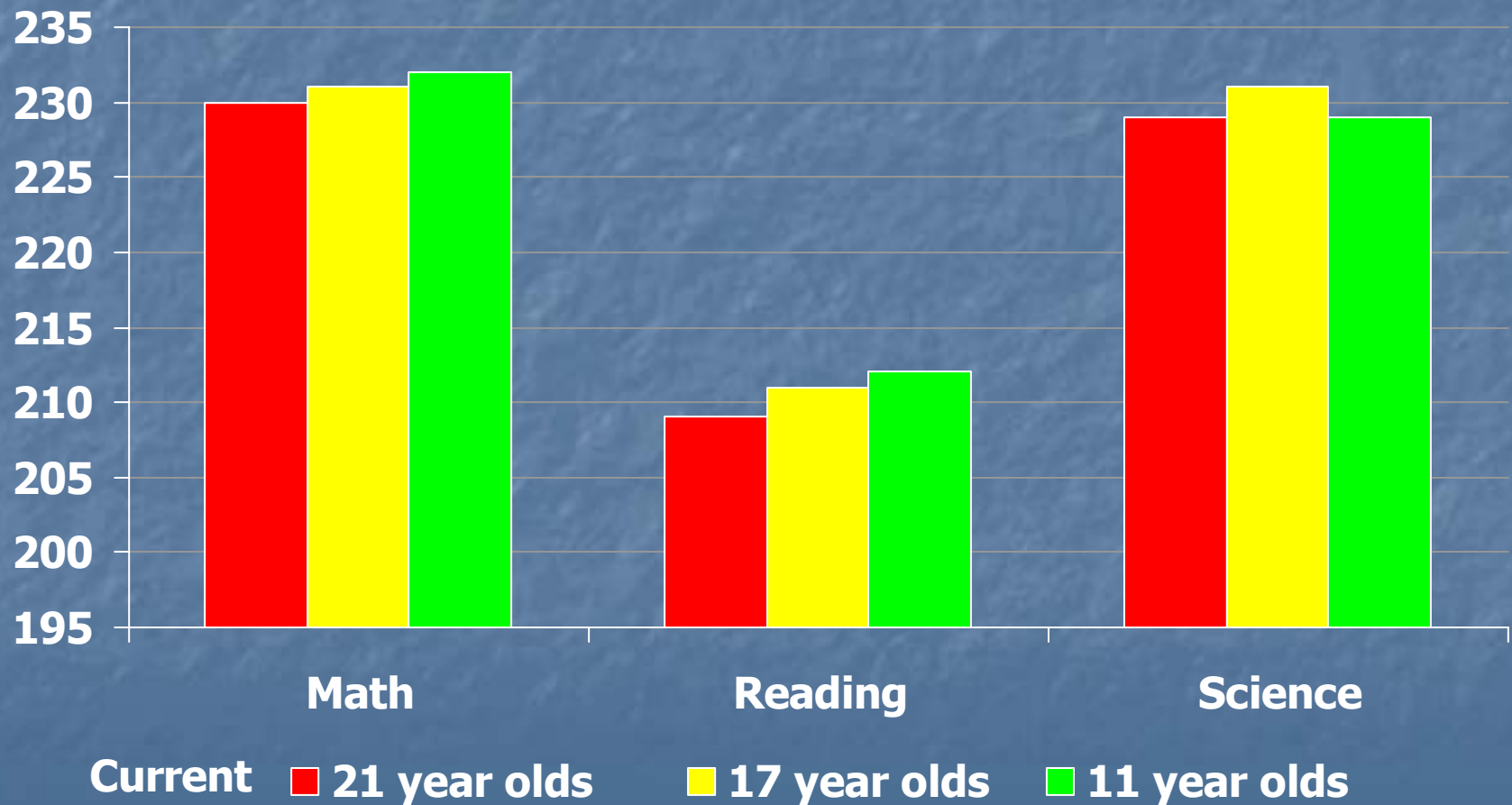
Share of the Growth, by Race



Median household
income

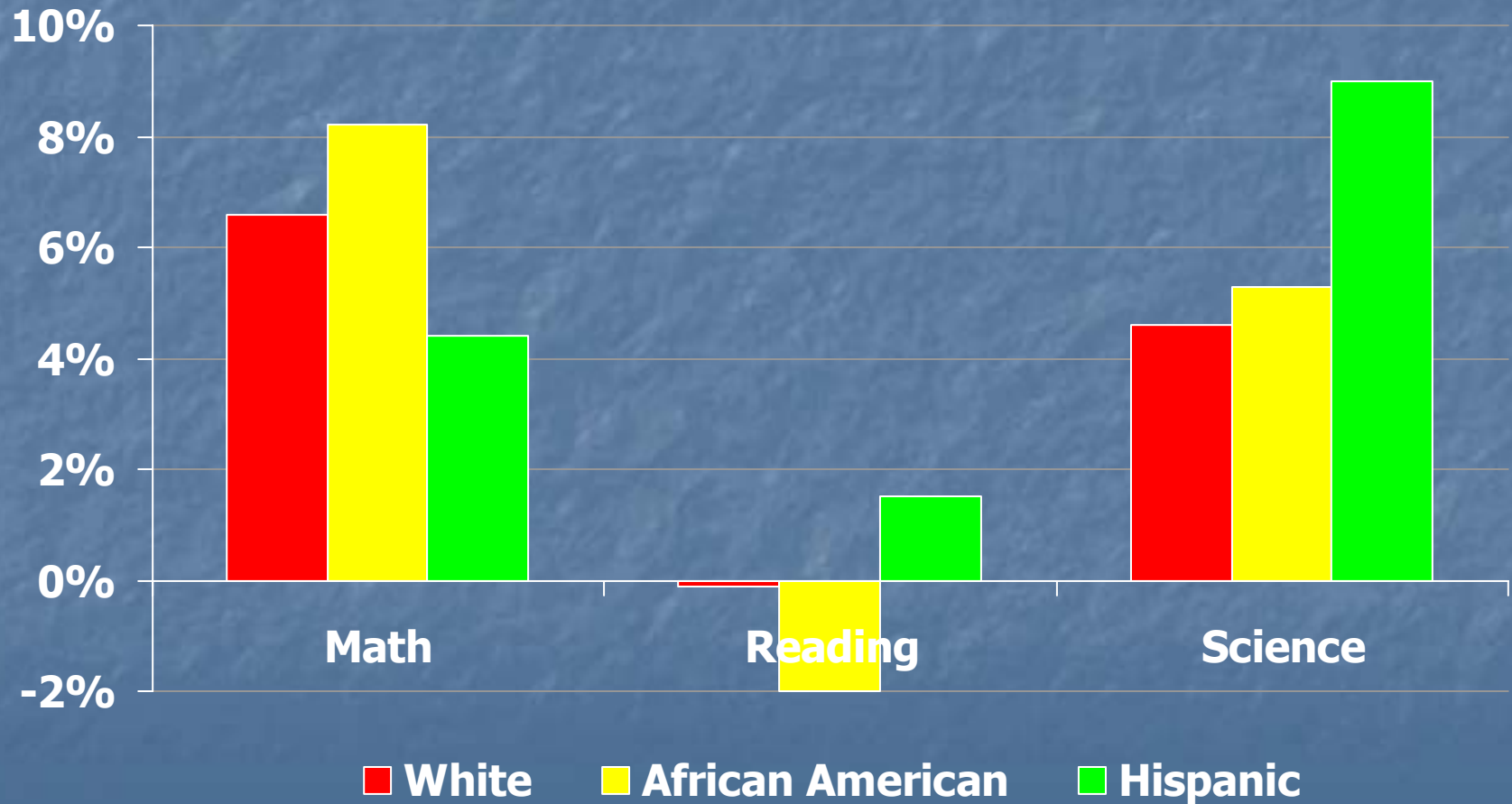
The Future?

4th Grade NAEP Scores

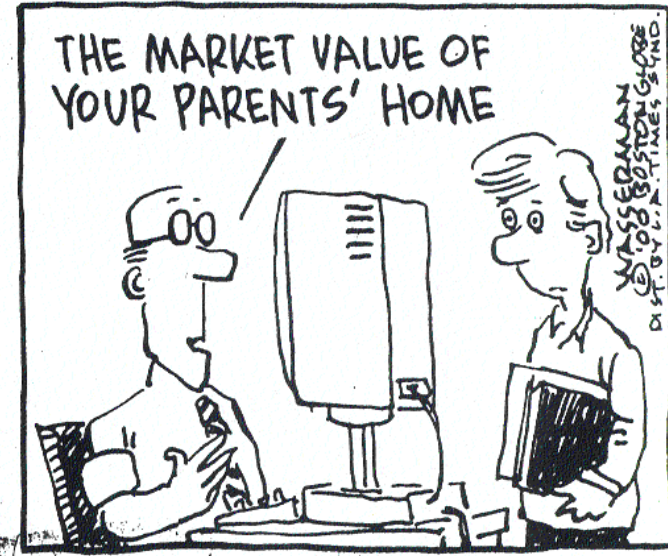
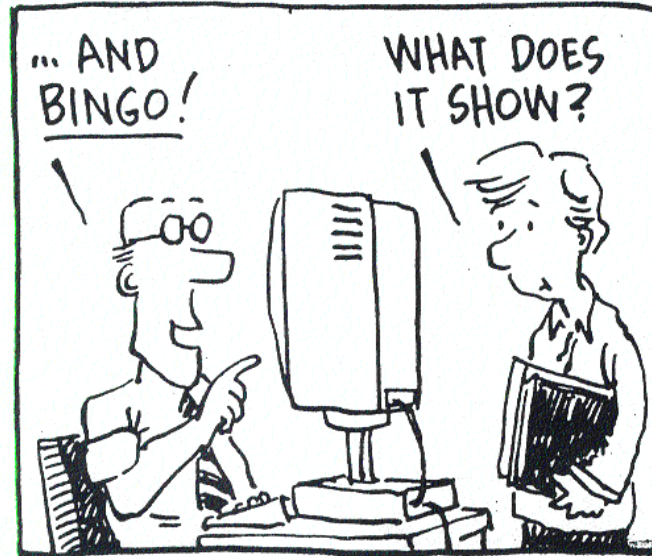
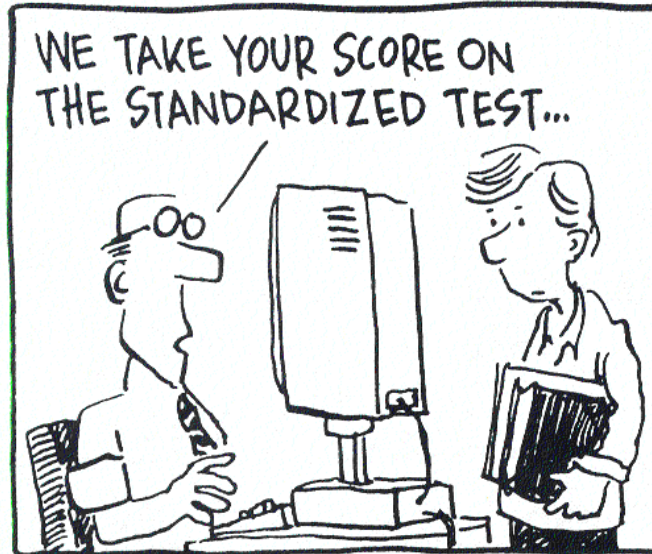


The Future?

Gain in average NAEP scores, 1980/82 to 1999



Assessing Merit?



For more information, visit my website:

<http://www.personal.psu.edu/deh29>