

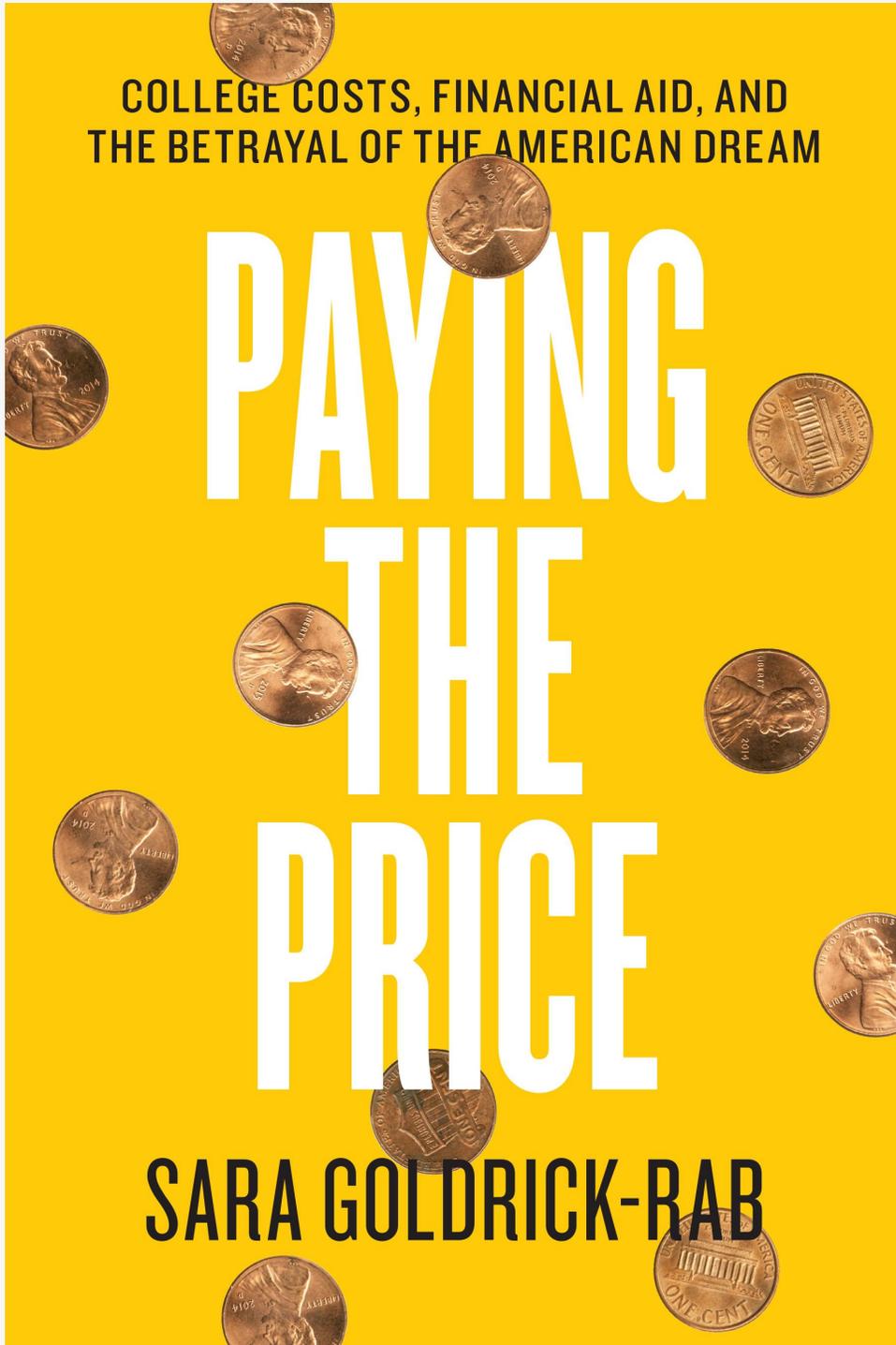


**WISCONSIN
HOPE LAB**

**COLLEGE COSTS, FINANCIAL AID, AND
THE BETRAYAL OF THE AMERICAN DREAM**

**PAYING
THE
PRICE**

SARA GOLDRICK-RAB



PAYING THE PRICE: **College Costs, Financial Aid, and the Betrayal of the American Dream**

By Sara Goldrick-Rab

There's a new economics of college in America, and this new book from Wisconsin HOPE Lab Founder Sara Goldrick-Rab shows exactly what that means for today's students and their families. In a groundbreaking study, she and her team at the Lab tracked 3,000 young adults who entered public colleges and universities in Wisconsin in 2008, with the goal of understanding college affordability and its impact on graduation rates. Of the students they followed, half dropped out of school, and less than twenty percent finished a bachelor's degree in five years. Additional grant money helped alleviate some of the cost, but was rarely enough. The study revealed that students rarely finish college when their costs are not *fully* covered; and if they do, it takes them longer than it should, and they graduate with a substantial amount of debt.

"In the past, students and families who worked hard stood a real chance of attaining a college degree, a ticket to the good life. Today, the promise of a college degree no longer holds true," Goldrick-Rab writes. "Millions enroll in higher education with plans to work, borrow, and save, only to find that their funds still fall short. Even living on ramen, doubling up with roommates, and working a part-time job isn't enough to make ends meet." Quite simply, college is far too expensive for many people today.

This is a crushing blow to the outdated assumption that college—especially public college—is affordable for those who really want to be there, or those who work a job while attending, or those who receive financial aid.

PAYING THE PRICE is more than just about numbers and statistics. It's about real students, real dreams, and real heartache. Goldrick-Rab focuses on six students whose stories make plain the human costs of our convoluted financial aid policies. One example is Chloe Johnson, an aspiring veterinarian who sold her beloved horse, took out loans, shared an off-campus apartment with a friend, and worked two jobs, but still could not meet the financial demands and dropped out. She had to work so many hours to pay for her "Expected Family Contribution" that she could not stay awake in class, and did not have enough money for food or gas. When she finally dropped a class to help her performance in other classes, Johnson

found out at the end of the semester that her reduced course load made her ineligible for financial aid. After leaving school, she had nothing to show for her college years but debt. Johnson's story is the rule, not the exception, and illustrates how broken the social contract is between society's expectation that young people attend college, and the reality that awaits them there.

We can fix this problem, and Goldrick-Rab offers a number of possible solutions, from changing the content and timing of FAFSA forms, to allowing more flexibility in how students can use their awarded aid money, to funding a public sector-focused "first degree free" program. She also addresses how housing and food insecurity adds to the problem of college affordability. What's not an option, this powerful book shows, is doing nothing.

Praise for *PAYING THE PRICE*

"Bracing and well-argued, this study not only puts faces on the students who struggle to earn college degrees; it also serves as a warning that university study is rapidly becoming a privilege reserved for only the wealthy. Necessary reading for anyone concerned about the fate of American higher education."

—*Kirkus Reviews*

"This cogent and persuasive argument for a more humane and efficient program to make higher education accessible to all capable students draws upon thorough research and an array of personal portraits. Highly recommended for parents and taxpayers."

—*Library Journal, starred review*

"Goldrick-Rab's important book should be read by policymakers, students, and parents. She explains clearly how access to college has been narrowed by rising costs, how elected officials have dodged their responsibility to maintain access, and what we must do to save the American Dream—the promise that all have equal opportunity to succeed."

—*Diane Ravitch*

"Sara Goldrick-Rab offers the first truly comprehensive accounting of the toll extracted from a generation of middle and working class Americans who cannot possibly keep pace with the expense of attending college. Goldrick-Rab maps the landscape of America's college affordability crisis

and gives that crisis a human face, shows us how the system crushes dreams, and offers practical solutions for fixing the mess we have made. Anyone who is serious about addressing this crisis must read this book.”

—Melissa Harris-Perry

[Order *PAYING THE PRICE* now](#) and use Code UCPEU to receive a 20% discount. Sara Goldrick-Rab is embarking on a national book tour to host critical conversations with people around the nation. A full list of upcoming [events is here](#). Please join us!

Impact and Influence

We continue to bring the latest research on college affordability to audiences across the country, expanding the conversation and initiating new dialogues.



File Once FAFSA Act

Following on recommendations made by the Wisconsin HOPE Lab, U.S. Congressman Bobby Scott (VA-03) introduced the File Once FAFSA Act of 2016 to simplify the FAFSA by requiring dependent Pell Grant recipients to file just once before going to

Hungry to Learn

Kudos to Georgia Highlands College, which recently created a food pantry in response to Wisconsin HOPE Lab's *Hungry to Learn* report. Lab graduate student Katharine Broton recently appeared in an American Radio Works [podcast](#) focusing on food

Clinton Campaign

The Clinton campaign has included addressing student living costs as part of its discussions on how to improve college affordability. These plans, which are described in a recent [Huffington Post article](#) featuring Founder Sara Goldrick-Rab, mark a big step forward in

college. If enacted, this bill would make it easier for nearly 3.5 million low-income students to obtain critical Pell Grant aid. Sara Goldrick-Rab explains why this is an essential effort in [this op-ed from The Hill](#).

insecurity among college students, and articles in the [New York Times](#), [The Mercury News](#) and [Education Dive](#) featured Wisconsin HOPE Lab research in discussions of student hunger and homelessness.

national conversations that have typically focused on tuition and fees.

Up and Running

It's busy times as always in the Lab. Here are some updates on our latest research endeavors.



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FAFSA Underfiling

In a recent [working paper](#), we revealed that about half of all Pell recipients are under-filing the FAFSA, leaving valuable resources on the table (see coverage in [Inside Higher Ed](#)). Now, with support from a \$2.18 million grant from the U.S. Department of Education, [we will](#)

Food & Housing Insecurity

This fall 75 community colleges from around the country will participate in the largest ever [study of undergraduate food and housing insecurity](#). The Wisconsin HOPE Lab is leading this effort along with the

Achievement Gap

The Madison Metropolitan School District and the Boys and Girls Club of Dane County are working to close achievement gaps in college attendance with a comprehensive effort marrying the academic AVID program with extra support. We recently

[conduct a national experiment to improve the retention of federal financial aid using nudging.](#)

Association of Community College Trustees and with financial support provided by the Kresge Foundation.

released an extensive [evaluation](#) of that program.

Recommended Reading

Here's a chance to read what we write – and what others write about us. After all, part of our mission is to conduct and share research and information on all aspects of college access and affordability.

Need-Based Aid

Two new journal articles feature Wisconsin HOPE Lab studies on the impacts of need-based aid. The top-ranked [American Journal of Sociology](#) reveals that providing students with more grant aid boosts rates of on-time bachelor's degree completion, and [Educational Evaluation and Policy Analysis](#) covers evidence that it also reduces rates of student employment while improving the quality of their work hours.

#RealCollege

Following on the success of the April #RealCollege event on undergraduate food and housing insecurity we have produced a [website](#) and a [report](#) full of information and resources for those seeking to support students. In addition, we partnered with the U.S. Department of Housing and Urban Development on a [guidebook](#) to assist institutions of higher education as they consider programs to support students' learning, persistence, and completion.

Off-Campus Costs

A recent [New York Times article](#) looks at Wisconsin HOPE Lab [research](#) focusing on off-campus living costs and how colleges' estimates of those costs impact students' ability to pay by limiting the amount of financial aid they can receive. In our research, we urge the U.S. Department of Education to develop a consistent method to calculate living costs.

STAFF UPDATES

Our team members are working hard and winning praise—we are proud of them all.



Alison Bowman

In June, Associate Director **Alison Bowman** welcomed her second child, Seneca Odayin Stone. When not working to make her family's future bright, Alison handles all project management activities and external relations for the Wisconsin HOPE Lab.

Jamie Hawkins

Project assistant **Jamie Hawkins** also expanded the Wisconsin HOPE Lab family by welcoming her first child, Eleanor Pearl, this July. Jamie will be joining the Wisconsin HOPE Lab team for a second year on the annual AVID/TOPS program evaluation.

Katharine Broton

Graduate research assistant **Katharine Broton** received "The Robert Dentler Honorable Mention for Outstanding Student Achievement" for her work on college students' experiences of poverty and material hardship and engagement in the practice of public sociology at this year's American Sociological Association annual meeting.

Join over [1,300 people on Twitter](#), and [1,000 on Facebook](#), who follow the Wisconsin HOPE Lab on social media.



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