THE CHANGING LANDSCAPE OF COLLEGE AFFORDABILITY

WORKSHOP ON HOUSING & FOOD INSECURITY AMONG
WISCONSIN UNDERGRADUATES

MADISON COLLEGE, JUNE 23, 2014

SARA GOLDRICK-RAB

WISCONSIN HOPE LAB

America is going to college

- Nearly every child aspires to a college degree
- Some don't expect their dreams will come true
- But increasingly, high schools, parents, and communities push everyone to attend
- As a result, college *enrollment* has skyrocketed
- About 60% of kids from poor families will attend at least some kind of college, at some point
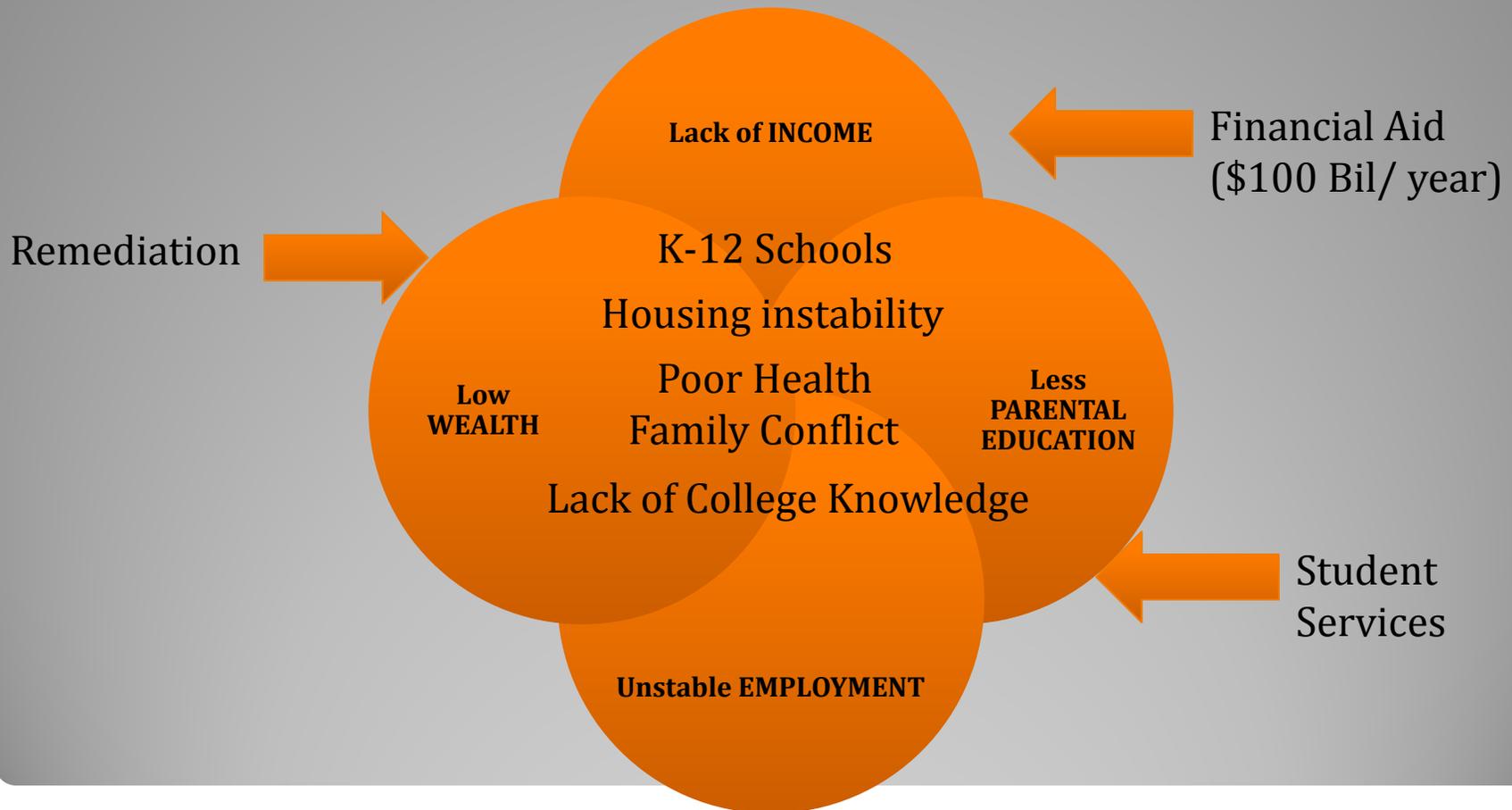
WISCONSIN HOPE LAB
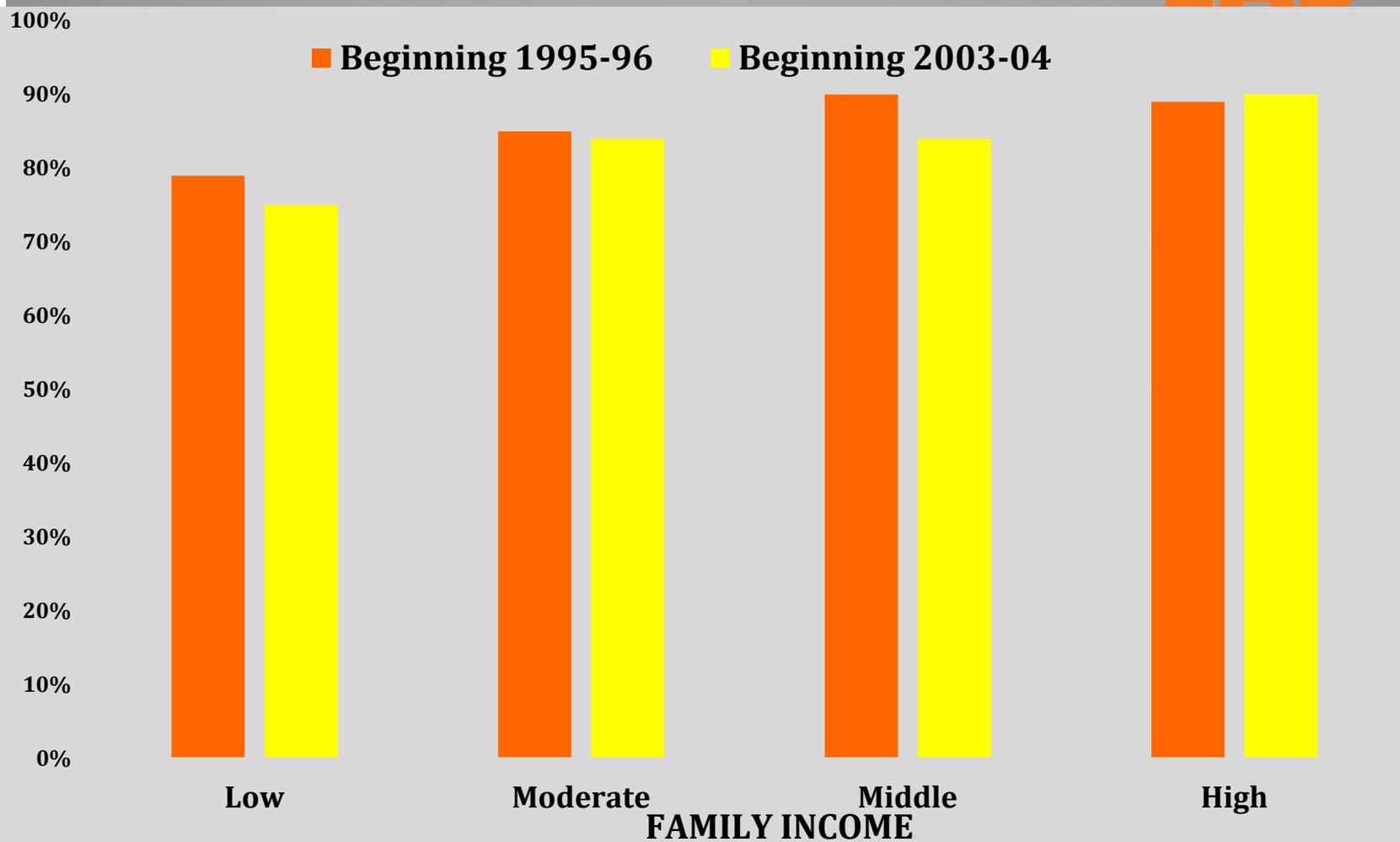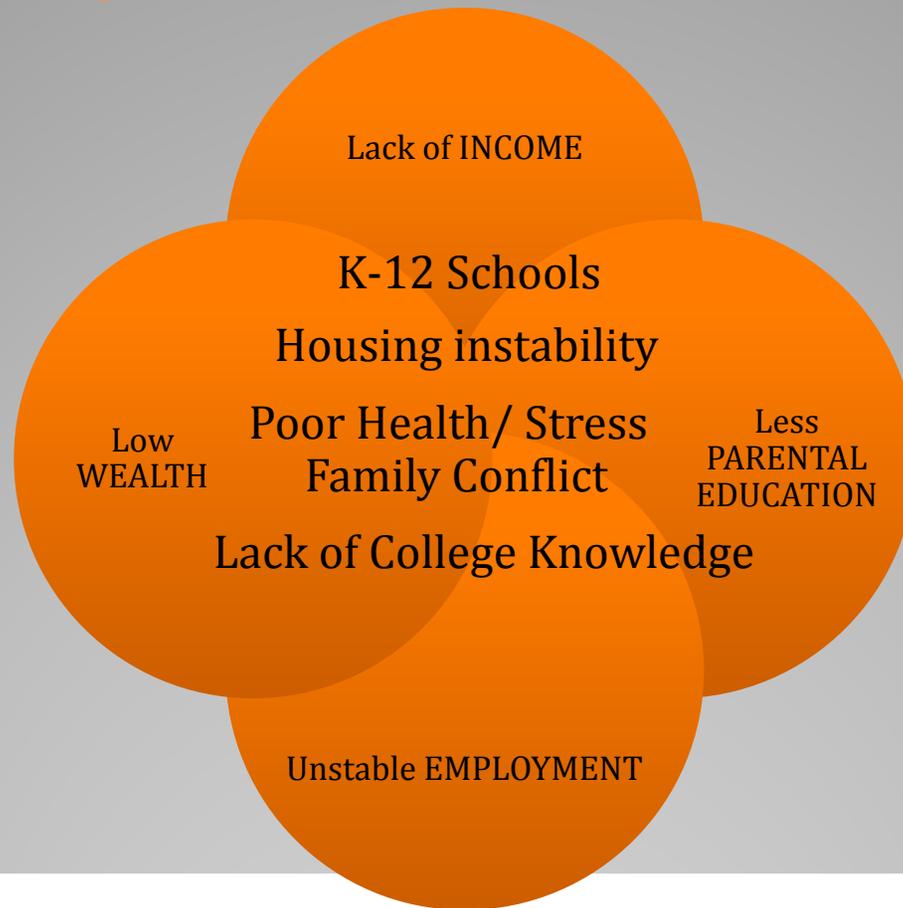
Current Conceptions of Affordability

- Does a student have enough income to pay for the cost of attending college (COA)?
  - This figure is compared to the student's expected family contribution (EFC)
  - If COA > EFC the student has "financial need"
  - Any need not covered by grant aid is considered "unmet need"
    - Usually loans are given to compensate, but work is almost always often required

Purchasing Power of the Pell Grant Declined As Need Grew & Student Body Diversified

% of Undergrads Receiving Pell

Max Pell as % of Total COA in Public Sector

% of Undergrads Who Are Black

% of Undergrads Who Are Hispanic
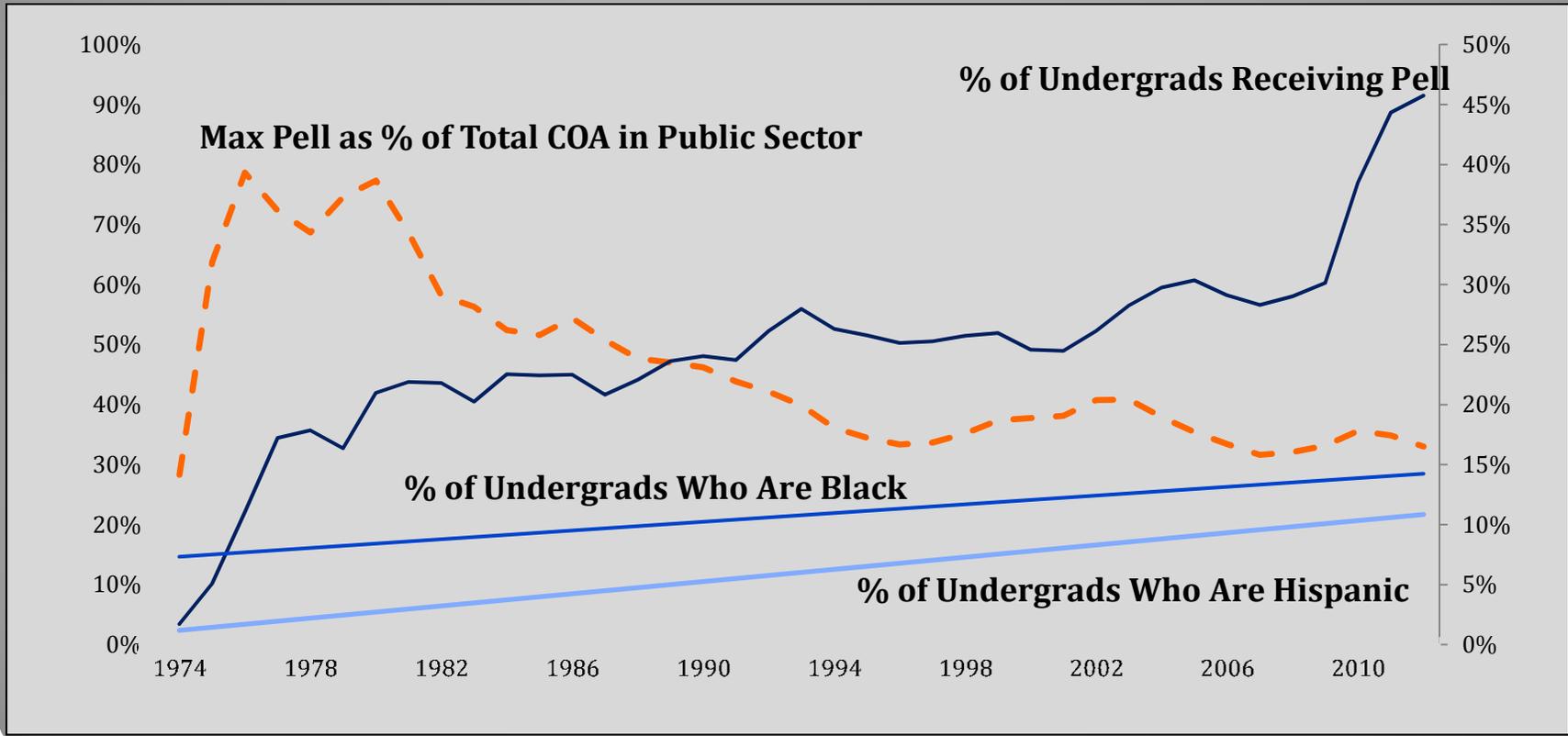
Affordability of annual college enrollment by family income and institution type: dependents

WISCONSIN HOPE LAB

Family Income	Public 2-Year		Public 4-Year	
	Net Price/Year	% of Income	Net Price/Year	% of Income
Low ($21,000)	$8,300	40%	$12,300	59%
Moderate ($52,000)	$11,300	22%	$16,200	31%
Middle ($81,000)	$13,300	16%	$20,400	25%
High ($142,000)	$14,000	10%	$22,800	16%

Affordability of annual college enrollment by family income and institution type: independents

WISCONSIN HOPE LAB

Family Income	Public 2-Year		Public 4-Year	
	Net Price/Year	% of Income	Net Price/Year	% of Income
Low ($2,039)	$11,400	559%	$15,300	750%
Moderate ($13,586)	$12,100	89%	$16,100	119%
Middle ($29,311)	$12,400	42%	$18,300	62%
High ($73,120)	$14,100	19%	$20,100	27%

Unmet need understates the extent of the problem

- Costs of attendance based on tuition & fees plus a budget for books, supplies, and anticipated living expenses
  - For many students without family support, those living expenses are much *higher* than anticipated
- Expected family contribution has a floor of $0. Yet if not capped, for some students it would run negative– they need to receive a refund beyond COA in order to attend college

Hidden Living Expenses

- Public housing contains specific rules about college enrollment, designed to prevent athletes from taking advantage
- *Any non-loan federal or private college financial assistance in excess of the cost of tuition must be included as income in determining Section 8 eligibility for students applying for assistance separate from their parents and who are under the age of 24, unmarried, without dependent children, and are not veterans*
  - This effectively reduces eligibility for this assistance without first ensuring COA is covered
- At UW-Milwaukee, 11% of students in the Life Impact program for disadvantaged students with children receive a housing voucher

WISCONSIN HOPE LAB

Summary: The Perfect Storm

- Costs of attendance have never been higher
- Real family income & wealth has rarely been lower
- Financial aid is woefully insufficient
- Students in college are facing extraordinary choices
- There is growing evidence that they are giving up basic needs to make ends meet.

A Simpler Assessment of Affordability

- Maslow's Theory of Hierarchical Needs

- Until basic needs are met, learning cannot occur

- This includes shelter, food, and safety

National data

- At the City University of New York, an estimated 40% of students suffer from food insecurity, and 42% are housing insecure
- At Minneapolis Community and Technical College, at least 10% of students are homeless
  - Among homeless young adults ages 18–21, 39% reported problems getting to school because of housing or transportation issues and 39% had problems with failing grades

Wisconsin Data

- Since 2008, the Wisconsin Scholars Longitudinal Study has been tracking 3,000 Pell Grant recipients who entered college at a public college or university (2-year or 4-year) across the state
- These are young students– likely underestimates
- We collected some information on food & housing insecurity
- This analysis is by Minh Mai

Asking about food insecurity

- *Getting enough food can be difficult for some people. Which of these statements best describes the food eaten by you during the past 30 days ?*
- 1 = Enough of the kinds of food I want,
- 2 = Enough but not always the kinds of food I want to eat
- 3 = Sometimes not enough to eat
- 4 = Often not enough to eat

In the past 30 days did you ever...?

- Not eat for a whole day because there wasn't enough money for food?
- Cut the size of your meals or skip meals because there wasn't enough money for food?

Frequency of food insecurity

- In Fall 2009, one year after starting college:
- 12% of students said they sometimes or often did not have enough food to eat
- Similarly, 10% of students said they did not eat for a day or more because of a lack of money
- *But 27%* of students said they cut the size of their meals or skipped meals because of a lack of money

Food insecurity crosses types of colleges & regions

- Students were struggling with food insecurity at both 2-year and 4-year colleges
- While food insecurity was more prevalent in Milwaukee and Madison, it was observed elsewhere in the state as well

Housing insecurity

- *How safe do you feel where you currently live?*
- In Fall 2009, 12% of 4-year students and 6% of 2-year students said they did <u>not</u> feel very or extremely safe

- *In the past year, were you ever unable to pay your rent or mortgage on time?*
- 8.5% of all students said yes

Too many unknowns...

- What is the true extent of this problem among Wisconsin undergraduates?
- How are students being affected in terms of their academic opportunities?
- What assistance is already available to help?
- What additional steps could be taken to intervene?
- How will we know when we've made an impact?