STUDENT SUCCESS TASK FORCE

ACCESS AND AFFORDABILITY COMMITTEE

REPORT AND RECOMMENDATIONS

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College affordability directly impacts student access, persistence and success. The team will examine institutional, state and national financial aid practices and trends and their consequences on degree completion at SCSU.

Summary

Access and affordability play an intrinsic role in the pursuit of a college degree. In today’s climate of rising tuition costs and escalating student debt, perception of college affordability can be an initial barrier to enrollment and persistence. According to the Lumina foundation, “students consistently identify price as a major hurdle to enrolling in and completing college.” While most families know the value of an education, the cost of a college education seems unaffordable relative to family income. Affordability consists of the expected cost of attending the institution compared to the financial resources of the family. These resources include the amount that a family can contribute (EFC: estimated family contribution) and the financial aid available. Although financial aid plays an important role in college affordability, it still remains an overwhelming, indecipherable process for many families. The federal government has reacted to student and parent claims that they lack information about college costs, funding opportunities, and debt management strategies. As required by federal law, Southern has created a Net Price Calculator and Shopping Sheet to provide more transparency and enhance customer service efforts.

The reality in higher education today is to “do more with less” while increasing retention and graduation rates. Tuition and fee costs have outpaced the maximum federal Pell grant which today covers 63% or ($5,645) of in-state tuition and fees currently $8,981 for the 2013-14 award year at Southern, while federal Pell grant lifetime eligibility has been reduced from 9 years to 6 years. In addition, Satisfactory Academic Progress (SAP) standards have been increased by federal statute and students not meeting SAP are not eligible for federal financial aid assistance. Colleges are being held accountable for graduation rates and will not be sufficiently funded for students who do not graduate timely. In Connecticut, the Governor’s Scholarship was created to provide equity based funding to help cover the cost of tuition and fees. The scholarship program allows for consistent treatment of award amounts yearly and promotes persistence and completion by providing increased funding for exceptional academic performance. SCSU benefits by receiving an allocation based on our individual student demographics.

Our groups focus was to explore the costs associated with college degree completion at Southern relative to financial aid awarding philosophy for equity and financial need as well as federal and state financial aid policy. A goal is to use our funding in a way to maximize enrollment, retention and graduation.
A review of institutional data for the 4yr public institutions in ConnSCU revealed the following for 2011-2012:

<table>
<thead>
<tr>
<th>Where?</th>
<th>Estimated cost</th>
<th>% of students receiving any Financial Aid</th>
<th>% of Pell grant recipients</th>
<th>Average Net price after federal, state &amp; local gov’t Aid</th>
<th>4 yr grad rate</th>
<th>6 yr grad-rate</th>
<th>Average debt of graduates 2011</th>
<th>% of graduates with debt 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern</td>
<td>$20,313</td>
<td>81%</td>
<td>38%</td>
<td>$11,372</td>
<td>17%</td>
<td>44%</td>
<td>$23,753</td>
<td>84%</td>
</tr>
<tr>
<td>Eastern</td>
<td>$22,493</td>
<td>83%</td>
<td>26%</td>
<td>$15,476</td>
<td>35%</td>
<td>53%</td>
<td>$26,192</td>
<td>75%</td>
</tr>
<tr>
<td>Western</td>
<td>$21,952</td>
<td>81%</td>
<td>33%</td>
<td>$14,235</td>
<td>20%</td>
<td>43%</td>
<td>$26,348</td>
<td>66%</td>
</tr>
<tr>
<td>Central</td>
<td>$21,851</td>
<td>86%</td>
<td>34%</td>
<td>$14,685</td>
<td>21%</td>
<td>52%</td>
<td>$22,171</td>
<td>Not Available</td>
</tr>
</tbody>
</table>

The data was collected from The National Center for Education Statistics [www.nces.ed.gov](http://www.nces.ed.gov) and [www.College-Insight.org](http://www.College-Insight.org)

The data concludes that in 2011-2012 Southern had the lowest sticker and net price; however we had the highest percentage of students graduating with debt (84%) at an average of $23,753 (National average debt 2011 = $26,600). Southern student’s monthly bill during repayment is about $239 with a 4.2% default rate, significantly lower than the national average of 10% on Stafford loans.

Southern reports the lowest 4 year graduation rate and second lowest 6 year graduation rate.

**Short Term Recommendations**

1. Make student debt management a priority by hiring a Financial Planner. A Financial Planner can: help students create a 4 year (or less for transfers) financial plan, present at open houses and orientations for prospective students on financial literacy, provide options for payment, saving for college, and scholarship applications, teach realities of credit card and student loan debt, and teach budgeting skills, loan repayment, loan forgiveness, and federal tax credit basics. This person could also develop materials for INQ and tech fluency classes. A creation of a Financial Planning elective could be part of a life skills course for graduation requirements. Encourage and support incentives for on-time completion such as the financial discount realized when carrying a full or maximum course load (Ex. Price is the same for 12-18 credits), consider discounts and/or scholarship options for on time graduation. This person can also explain the financial implications associated with taking an extra semester or more to graduate and can assist to reduce the number of students dropped for non-payment.
2. Utilize financial aid leveraging using admissions data to recommend awarding university grant funding to students most likely to graduate timely. Align awarding policies with enrollment goals, pinpoint student’s ability and willingness to pay, and maximize net tuition revenue.

3. Make a financial investment within Academic and Career Advising to expand on-campus employment and paid internships for students. This allows students to become more engaged in the community as well as providing much needed financial resources. Encourage opportunities for study abroad, employment preparation, networking and timely academic and experiential learning. Create additional graduate student assistantships, faculty mentoring for internships and supervisor training for student apprentice workers.

4. Investigate reduced textbook costs. Research less expensive textbook options such as used books, book rental programs, e-books and free digital open source textbooks.

5. Investigate meal plan options. Analyze the required mandatory plans and determine if they are causing a financial burden on students possibly leading to housing withdrawal from the university. Offer meal plans which are far more customizable than the standard “unlimited dining” options such as “block” or “point” system meal plans for some of our students (perhaps these options can exist for students after their freshman year for students remaining in non-kitchen rooms.) Meal plans can be very useful in our efforts to engage students with peers and other members of the university community, and should not be a barrier to accessing affordable housing. According to independent research by SCSU Interim Housing Director, Rob DeMezzo, SCSU has the 4th most expensive meal plan out of 16 schools surveyed in the Northeast.

**Long Term Recommendations:**

1. Increase number of merit scholars with increased enrollment. Merit awardees persist and graduate at higher percentages than the general population, thus we can increase the number of honors and trustee scholarship award recipients by increasing enrollment. Through Board of Trustee resolutions, cumulative funding for trustee scholarships shall not exceed 1% of tuition revenue based on full-time undergraduate enrollment and for honors scholarships it is .4% of full-time undergraduate enrollment (http://www.ct.edu/regents/archives).

2. Alumni awards for legacies. Establish scholarship funding for students of alumni and/or multiple sibling enrollment. Support families who have multi-generational students at Southern. These funding opportunities may increase alumni giving.