Cost of higher education: A student affairs perspective

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Introduction

• Roadmap
  • Cost

• Benefits

• Student debt

• Impact of debt on student development

• The value student affairs
Cost of college

• According to the Dept. of Education (2011) - The average cost for full-time students enrolled at

• public 2-year institutions $12,600
• public 4-year institutions $18,900
• for-profit institutions $28,600
• private non-profit 4-year institutions $35,500
Out-of-pocket cost

- After all financial aid is received (including grants, loans, and work-study) the average out-of-pocket net price was

  - $9,100 at public 2-year institutions
  - $10,300 at public 4-year institutions
  - $16,000 at for-profit institutions
  - $16,600 at private nonprofit 4-year institutions

Cost for low-income students by institution type

- Average net price after grants
  - The average net price after grants was $21,300 for low-income students at for-profit institutions
  - Ranged from $7,800 to $17,900 at other institutions

- Average out-of-pocket net price
  - $11,700 among low-income students at for-profit institutions
  - $6,000 to $9,800 at other institutions

Tax-payer benefits

- Government expenditures less for college graduates than for those without a college education

- Government expenditures on higher education
  - Estimated $74,500 per degree

- Direct extra tax revenues from college graduates
  - Estimated $471,000 per degree over a lifetime
  - More than six times the gross government cost per college degree

- The average real fiscal internal rate of return on government investment in college students is conservatively estimated to be 10.3%
Students’ perception of benefits

• State of Ohio

  • Students believe the cost of tuition was a good investment for my financial future

    • 2 year public - 87.7%
    • 4 year private – 73.1%
    • 4 year public – 78.3%
Student debt trends

• Nationally
  • Public non-profit average debt per borrower was $22,000 (2010) compared to $19,800 (in 2010 dollars) a decade earlier
  • Private non-profit average debt per borrower was $28,100, up from $22,600 (in 2010 dollars), a decade earlier

• State of Ohio
  • The average range is $20,000 to $30,000 across institution types
Student loan defaults

• According to Center for College Affordability and Productivity (2010) student loan default rates have increased across all sectors of higher education since 2005
  • In 2007, 11% of for-profit students defaulted student loans
  • 5.9% public institutions defaulted student loans
  • 3.7% private, non-profit institutions defaulted student loans

• The Cohort Default Rates (CDR)
  • 21.2% for-profit institutions
  • 7.1% public 4-year institutions
  • 6.3% private, non-profit 4-year institutions
Impact of debt

According to Dwyer, McCloud and Hodson (2012):

“Those students who are least socioeconomically advantaged seem to be experiencing the most negative effects from too much debt [Specifically] graduation rates, therefore having major implications for the idea of higher education as access.”
Impact of debt on student development

State of Ohio

- A higher percentage of students indicate that loan debt causes more stress than credit card debt
  - 2 year public – 32%
  - 4 year private – 54%
  - 4 year public – 70%
- The amount of debt has a strong correlation to stress
  - 2 year public $r = .621$
  - 4 year private $r = .736$
  - 4 year public $r = .693$
Impact of debt cont.

- **The amount of money I owe has caused me to reduce my class load**
  - 2 year public – 42.4%,
  - 4 year private – 25.5%,
  - 4 year public – 29.1%

- **The amount of money I owe has caused me to consider dropping out of college**
  - 2 year public – 40.4% 
  - 4 year private – 37.7%
  - 4 year public – 31.5%

- **The amount of money I owe has caused me to neglect my academics**
  - 2 year public – 33.1%
  - 4 year private – 28.4%
  - 4 year public – 37.0%
According to Dwyer, McCloud and Hodson (2012):

“...taking on debt beyond $10,000 significantly lowered the probability of students graduating.”
Value of student affairs

- Graduation and retention
- Engagement with the university
- Satisfaction with the college experience
- Participation in campus activities
- Faculty interactions
Student Success Data

- 2-YEAR RETENTION RATE

92% 2-year residents

80% 1-year residents

*2008 cohort – Center for the Study of Student Life
Student Success Data

- GRADUATION RATE

87% 2-year residents

78% overall university average

*2004 cohort – Ohio State Office of Enrollment Services
Student Engagement Data

- PARTICIPATION IN CAMPUS ACTIVITIES

  82% on-campus residents

  64% off-campus residents

*2010 National Survey for Student Engagement
Student Satisfaction Data

- OVERALL SATISFACTION WITH OSU EXPERIENCE

86% on-campus residents
77% off-campus residents

*2011 Student Life Survey
Campus Climate Data

- UNDERSTANDING OF OTHER RACIAL BACKGROUNDS

64% on-campus residents
59% off-campus residents

*2010 National Survey for Student Engagement
Faculty Engagement Data

- FACULTY INTERACTION OUTSIDE OF COURSEWORK

50% never

30% sometimes

*2010 National Survey for Student Engagement
Predictors of Student Success

- Interaction with faculty
- Living on campus
- Peer interaction
- Participation in campus events
- Interaction with student peers
<table>
<thead>
<tr>
<th>First Year in Residence</th>
<th>Second Year in Residence</th>
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<tbody>
<tr>
<td><strong>Discovering the University</strong></td>
<td><strong>Discovering your future</strong></td>
</tr>
<tr>
<td><strong>ACCESS</strong></td>
<td></td>
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<tr>
<td>Peer mentors for general education requirements</td>
<td>Faculty mentors for major, interest, research*, etc.</td>
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<tr>
<td>Academic advising for general courses</td>
<td>Academic advising for major</td>
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<tr>
<td>Focus on study skills and learning strategies</td>
<td>Integration of learning strategies into major field of study</td>
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<td>Explore role as global citizen</td>
<td>Study abroad* and world-view discussions with faculty</td>
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<tr>
<td><strong>COMMUNITY</strong></td>
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<tr>
<td>Emphasis on opportunities for involvement (governance, planning, participation in programs, and living in a communal environment)</td>
<td>Emphasis on developing leadership skills (identify personal strengths, areas for improvement, values, and interests)</td>
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<td>Participate in residence hall events</td>
<td>Participate across campus and beyond (volunteering and service learning*)</td>
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<tr>
<td>Attend large programs to encourage engagement and awareness of university resources</td>
<td>Attend smaller, interest-based programs* (faculty workshops and seminars)</td>
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<td>Community service planned for groups of students (large service projects)</td>
<td>Ongoing community service* planned by the individual student</td>
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<tr>
<td><strong>SELF-AWARENESS</strong></td>
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<td>On-campus jobs and career exploration</td>
<td>Career development through preparation and participation in internships*</td>
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<td>Community conversations exploring university life</td>
<td>Intergroup dialogue training for appreciation of differences</td>
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<td>Student Life staff programming to support social, emotional, physical development, culture and arts</td>
<td>Student Life staff programming to support intellectual development, sustainability and financial health</td>
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* Experiential stipends will enhance students’ second-year across a variety of experiences including internships, teaching and research assistantships, service learning, study abroad, and leadership.
A TRANSFORMATIONAL SECOND YEAR EXPERIENCE AT THE OHIO STATE UNIVERSITY

Access • Community • Self-Awareness

SELF-AWARENESS
Discovery & Development (Co-curricular)
- Leadership and service
- Sustained healthy behaviors
- InterGroup Dialogue
- Career

TRANSFORMATIONAL TWO-YEAR EXPERIENCE

ACCESS
Academic Engagement (Curricular)
- Faculty mentors
- Workshops
- Informal meeting time

COMMUNITY
Learning Environments
- On campus housing
- Greek housing
**University Vision:** be the world’s preeminent public comprehensive university, solving problems of world-wide significance

**University Mission:** advance the well-being of the people of Ohio and the global community through the creation and dissemination of knowledge

**University Goals:** Teaching and Learning, Research and innovation, Outreach and Engagement, Resources Stewardship

**University Discovery Themes:** Health and Wellness, Energy and Environment, Food Production and Security

**University Metrics:** Graduation and retention rates
Needs

• More data on impact of debt on student development

• Additional institutional support in key Student Affairs areas
  • Debt Counseling
  • Financial Education
  • Health and support services (Counseling, Wellness, Advocacy, Health services, disability services)