

Draft for Discussion

UNIVERSITY OF CALIFORNIA ACCOUNTABILITY FRAMEWORK

PART II. Universitywide Indicators with Campus Comparisons

Section 2. Undergraduate Affordability

Goals

In accordance with UC's responsibility under the Master Plan for educating the top California high school graduates and as articulated by the financial aid policy adopted by the UC Board of Regents in 1994, the University is committed to ensuring that financial concerns are not a barrier to eligible students choosing to attend the University. To achieve this goal, UC has implemented a financial aid program. Operating on a systemwide basis, the program establishes expectations for how families can finance a UC education, assesses the needed level of program, determines how undergraduate financial aid is allocated across campuses and guides campus awards to individual students.

Measures

UC monitors the impact of its pricing decisions and its financial aid program with a variety of "affordability indicators." For example, it routinely assesses the cost of attending UC for families at different income levels. UC also evaluates its success in meeting its financial accessibility goals by monitoring the enrollment of low- and middle-income students and students' work and borrowing levels.

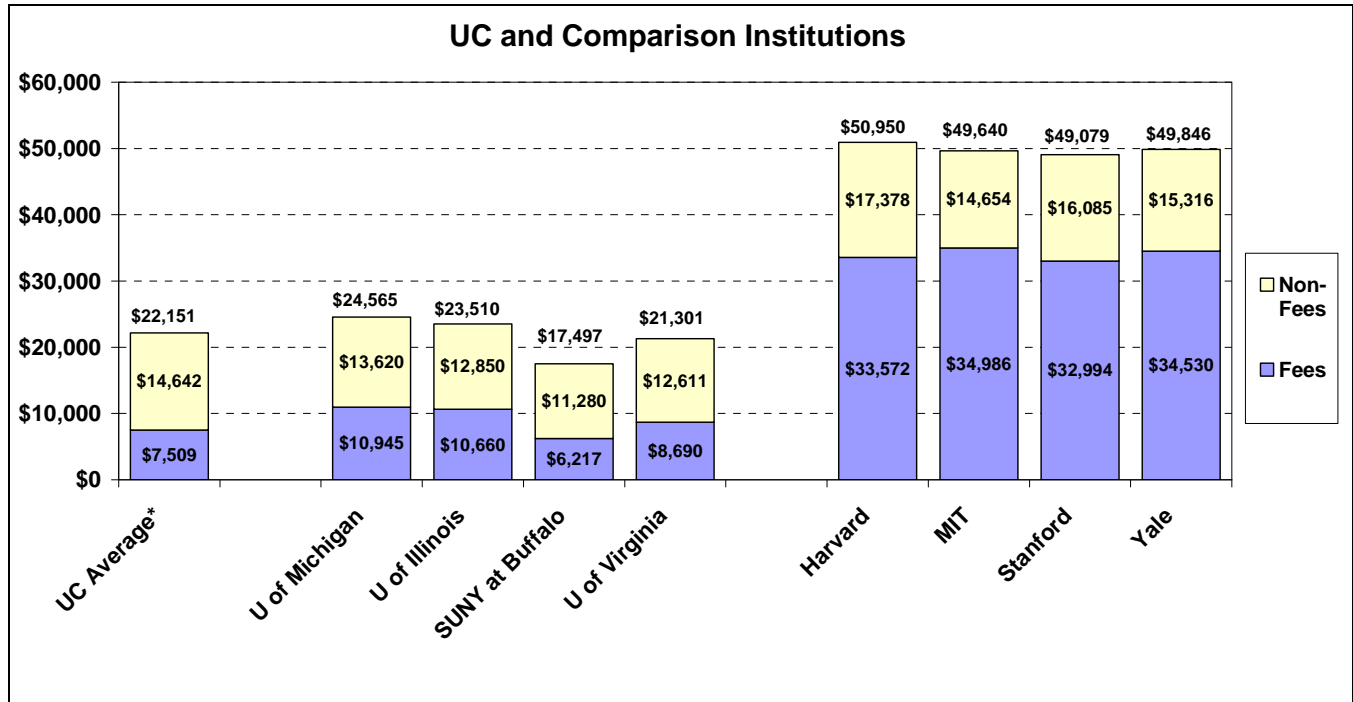
In addition to these measures, this section also provides information on the affordability of a UC undergraduate education compared to UC's peer institutions. In most instances, the University's standard public and private comparison institutions were used for comparison affordability indicators. In cases where data were not available for these institutions (e.g., student work hours by income level), comparison was derived from data provided by the 2004 edition of the National Postsecondary Student Aid Study (NPSAS) for highly selective public and private research universities nationwide. More recent information from the 2008 edition of NPSAS will become available later this year.

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Indicator 2.1

Estimated Total Cost of Attendance, 2007-08



* Per campus data are in Indicator 2.2.

- The cost of attending college is more than just tuition and fees; it includes living expenses, books and supplies, transportation, health insurance, and personal expenses.
- In 2007-08, the University's average total cost of attendance for California-resident undergraduates was \$22,151, with fees comprising 34 percent of this amount.
- The University's average total cost of attendance was generally comparable to that of its public comparison institutions. Compared to these institutions, UC's relatively low fees were offset by higher non-fee expenses, which partly reflect the high cost of living in the communities in which UC campuses are located.

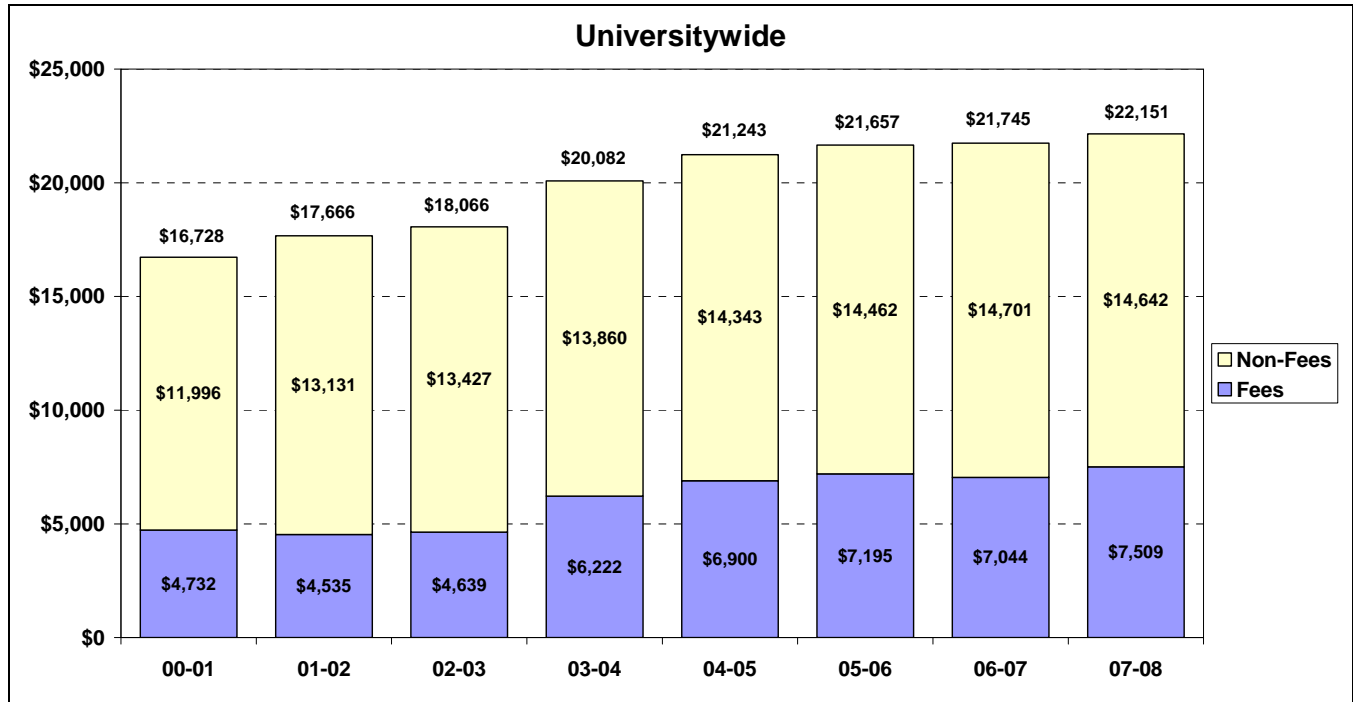
Note: Figures reflect a weighted average cost of attendance across all budget types (on-campus, off-campus, and commuters). Figures include the cost of student health insurance plans for institutions that require insurance as a condition of enrollment. Fees shown for public institutions are for in-state residents.

Source: UC figures are the annual student budgets published by the Office of the President. Budgets from comparison schools are self-reported on their websites.

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Indicator 2.2

UC Cost of Attendance, 2000-01 to 2007-08



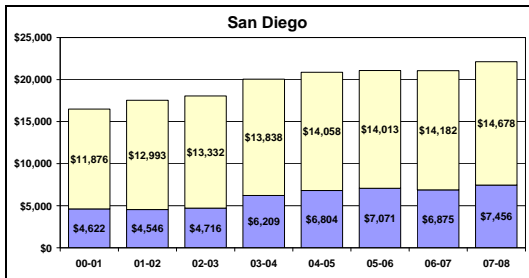
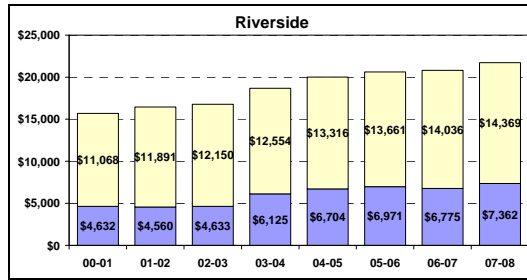
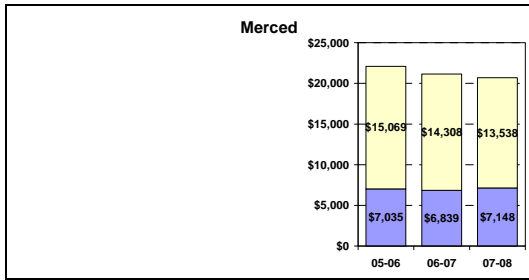
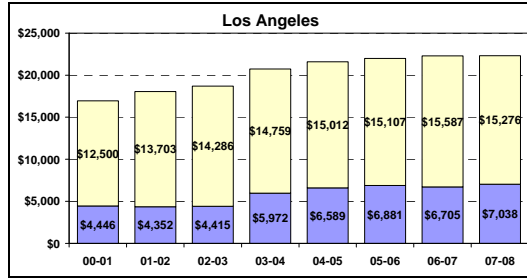
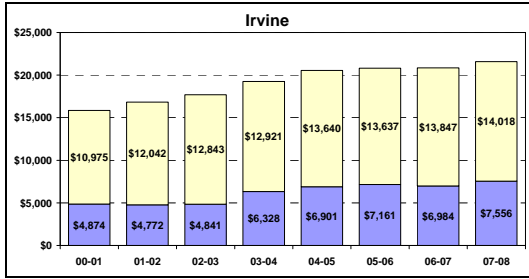
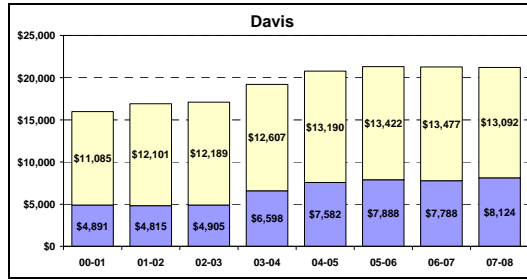
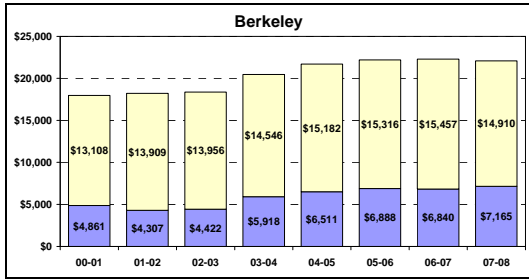
Figures are constant 2007-08 dollars, adjusted for inflation.

- These figures represent the average total cost of attendance, or student budget, for a California-resident undergraduate.
- In 2007-08 the average total cost of attendance at UC campuses was \$22,151, before consideration of financial aid received by students.
- Since 2000, the total cost of attendance has increased by \$5,423 (32.4 percent) in inflation-adjusted dollars. Of this amount, \$2,777 came from fee increases and \$2,646 came from increases in non-fee costs.
- Since 2000, annual increases in average Universitywide and campus-based fees have been sporadic, ranging from less than \$40 in 2001 and 2006 to \$1,500 in 2003. Throughout this period, non-fee costs have increased steadily and account for two-thirds of the total cost of attendance.
- Although Universitywide fees are the same at all campuses, the average total cost of attendance varies across campuses due to differences in campus fees, non-fee expenses and the percentage of students in different living categories (on-campus, off-campus, and commuters).

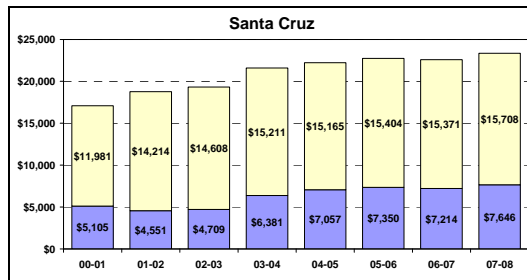
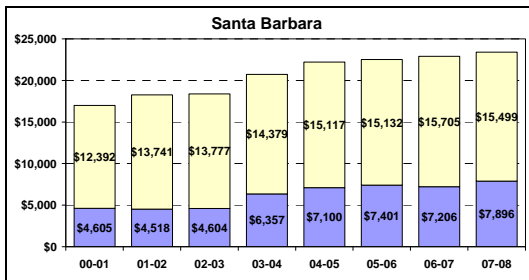
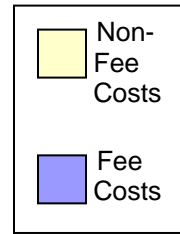
Source: Annual student budgets published by the Office of the President

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2.2 (continued) UC Cost of Attendance, 2000-01 to 2007-08



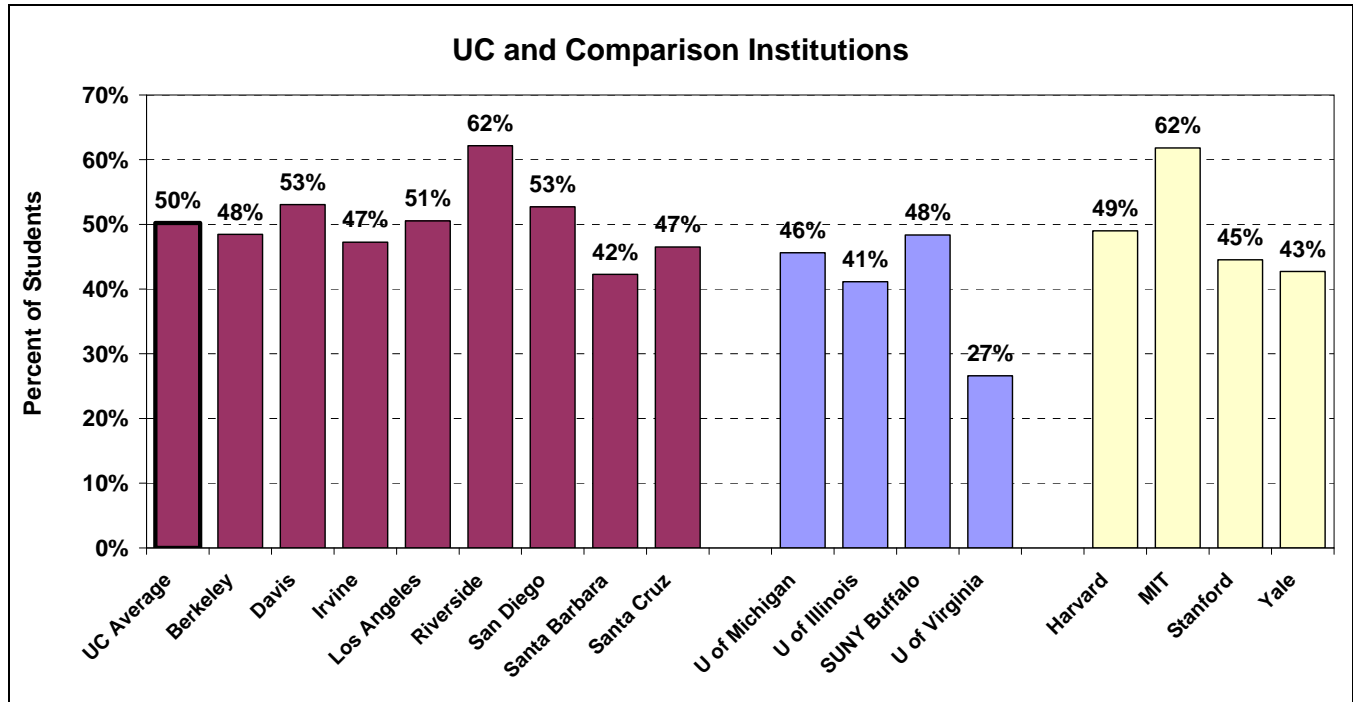
(San Francisco has no undergraduates.)



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Indicator 2.3

Percent Need-based Aid Recipients, 2007-08



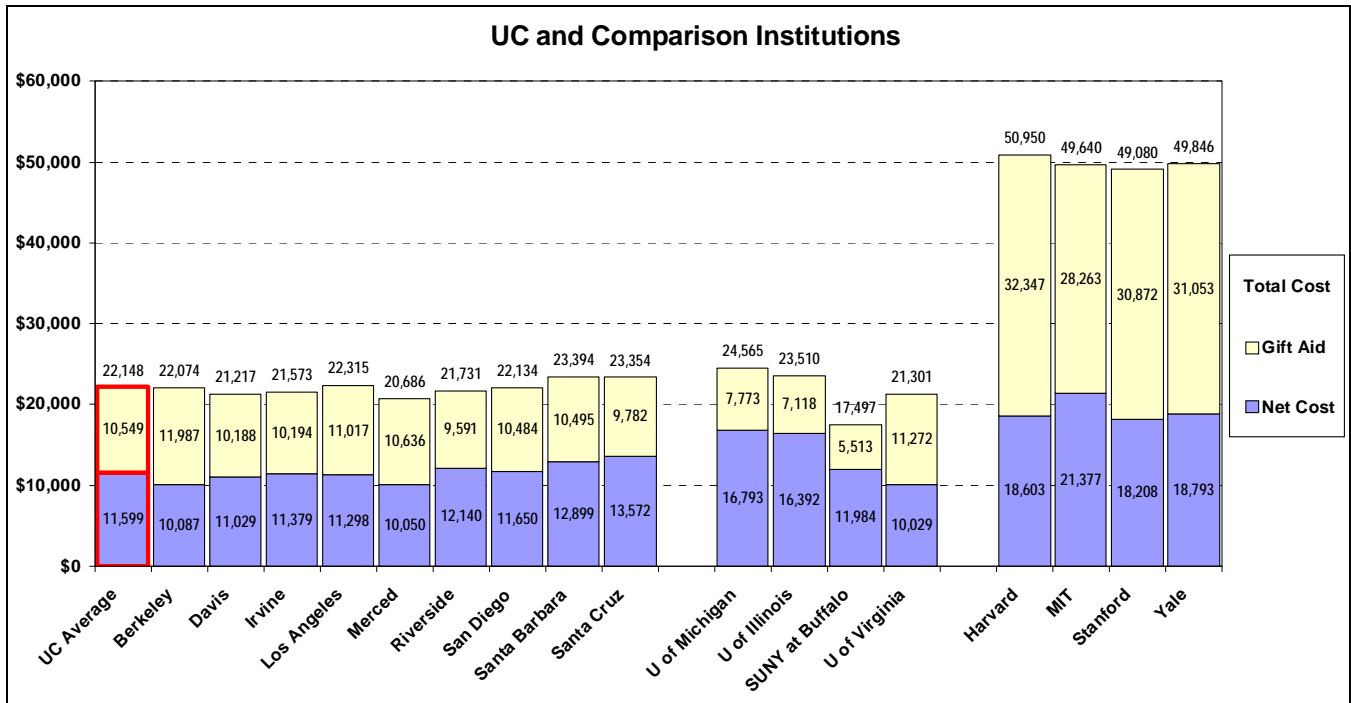
- In 2007-08, half of all UC undergraduates received need-based financial aid, which includes need-based gift aid (grants and need-based scholarships) and other need-based awards (e.g., subsidized Stafford loans or work-study). Nearly all (94 percent) of UC's need-based aid recipients received some form of gift aid.
- UC's relatively high population of low-income students (see Indicators 2.5 and 2.8) and its strong institutional and state aid programs contribute to the relatively high percentage of students receiving need-based aid compared to UC's public comparison institutions.
- The percentage of UC students receiving need-based aid is similar to that at UC's four private comparison institutions. While these institutions enroll a much smaller percentage of low-income students, more middle- and upper-income students qualify for need-based aid at these institutions due to their higher cost.

Source: 2007-08 Common Data Set (2006-07 Common Data Set for Harvard)

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Indicator 2.4

Estimated Per Capita Gift Aid and Net Cost of Attendance for Need-based Aid Recipients, 2007-08



- Need-based gift aid (grants and need-based scholarships) dramatically reduces the cost of attending UC for needy students.
- Among need-based aid recipients, UC's net cost was lower than all but one of the University's comparison institutions, the University of Virginia.
- While need-based aid recipients at UC's private comparison institutions generally received more gift aid than at UC, the larger awards did not fully compensate for the much higher cost of attendance at these institutions.

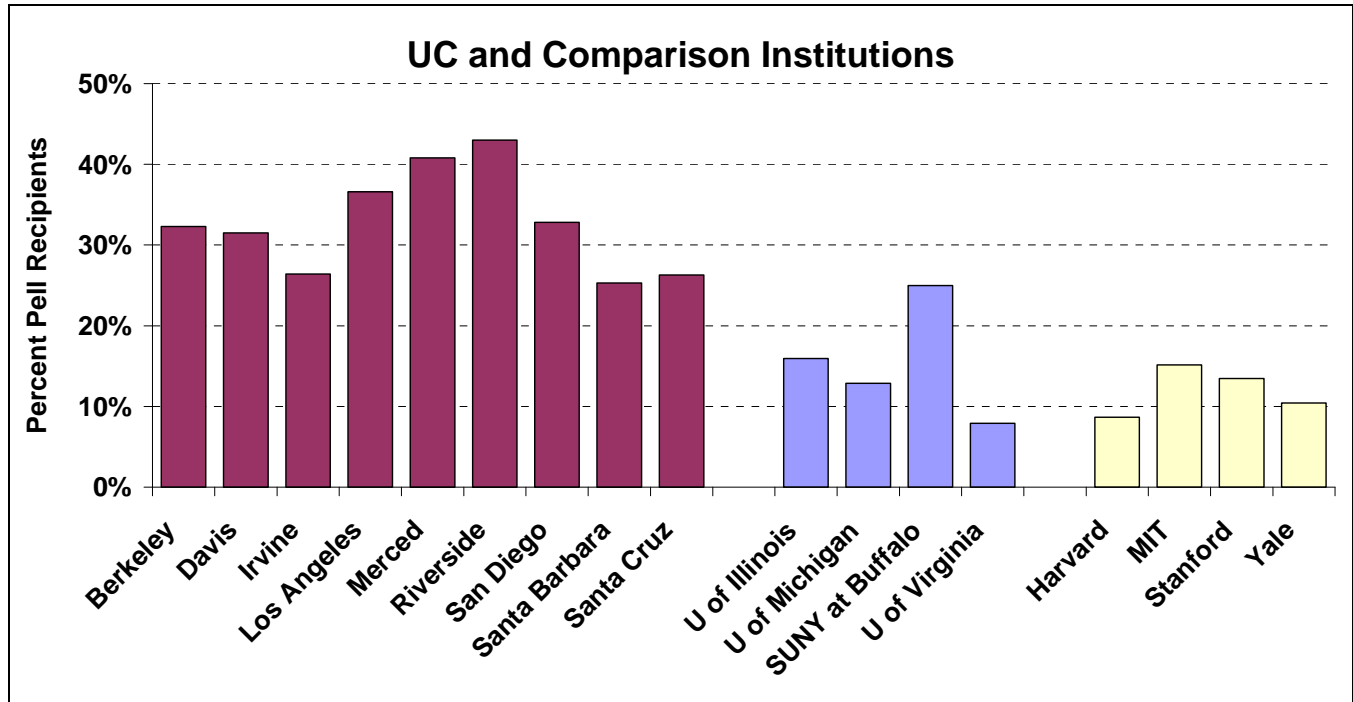
Source: 2007-08 Common Data Set (2006-07 Common Data Set for Harvard)

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Indicator 2.5

Undergraduate Pell Grant Receipt, 2006-07



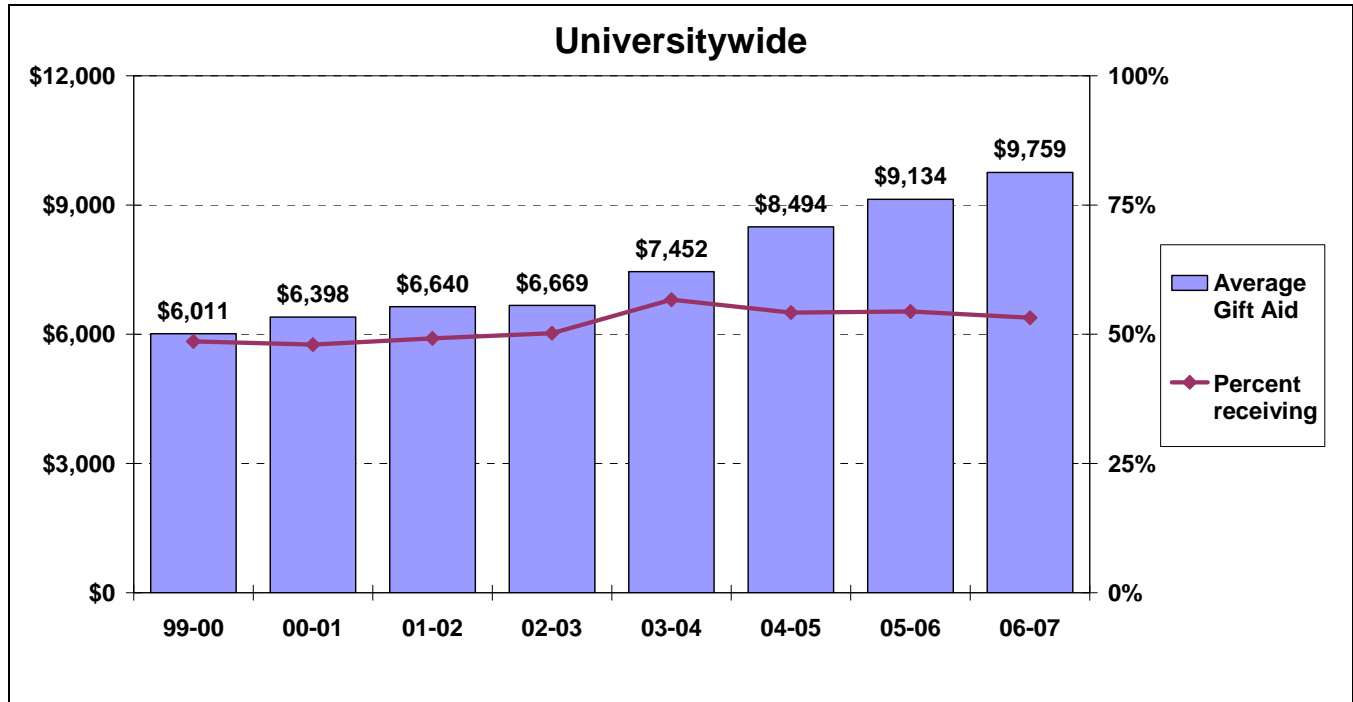
- Pell Grants are awarded by the federal government to low-income students, generally those whose parent incomes are below \$45,000 or who are independent. The percentage of undergraduate students with Pell Grants provides a useful means to compare different institutions in terms of their financial accessibility for low-income students. It is also useful in comparing institutions in terms of their undergraduates' socioeconomic backgrounds.
- As a system, the University enrolled a higher percentage of Pell Grant recipients in 2006-07 (32 percent) than any comparably selective institution, public or private.

Source: Enrollment figures are from IPEDS and exclude non-resident aliens, who are not eligible to receive Pell Grants. Pell Grant recipient counts were obtained from the U.S. Department of Education Common Origination and Disbursement website.

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Indicator 2.6

Gift Aid Receipt Among UC Undergraduates, 1999-00 to 2006-07

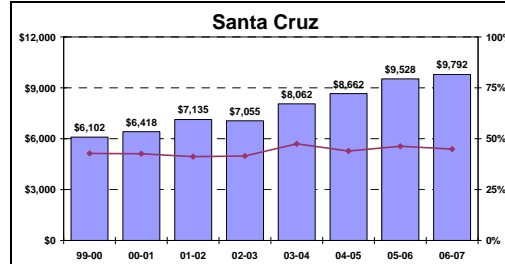
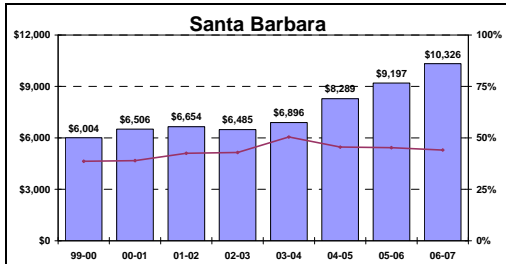
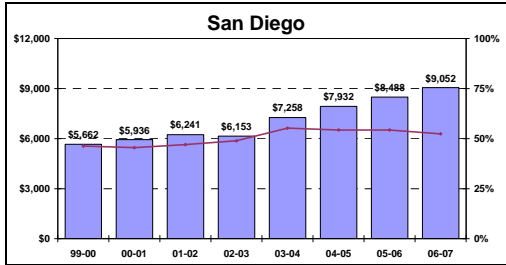
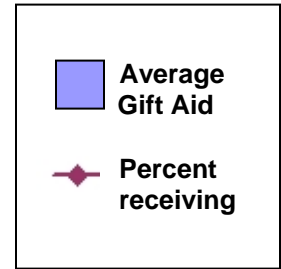
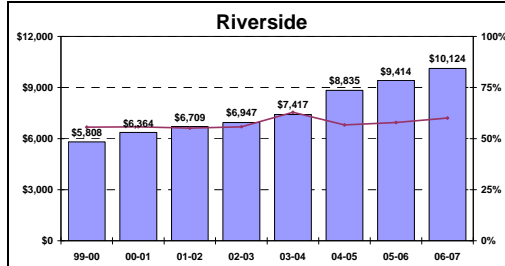
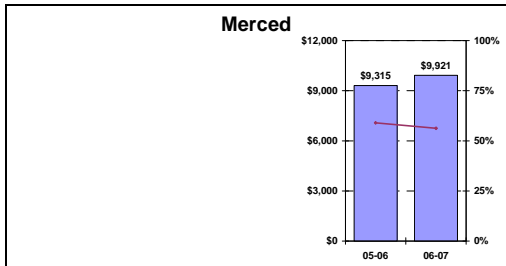
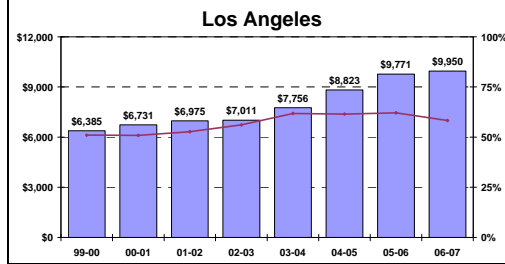
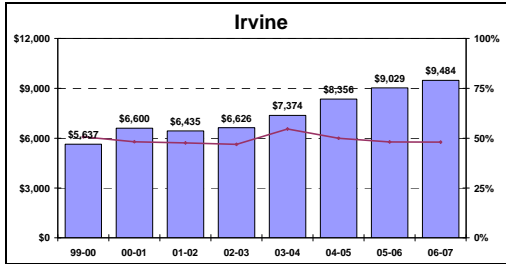
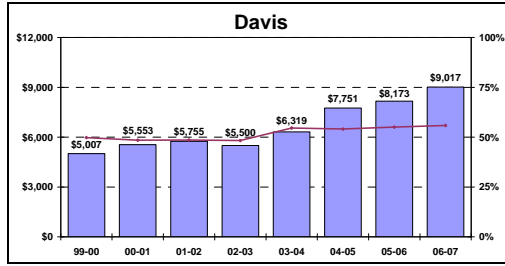
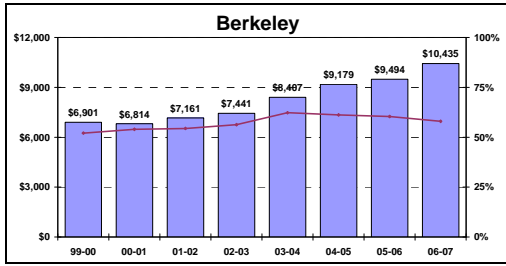


- More than half of all UC undergraduates received some form of gift aid (grants or scholarships) in 2006-07. These awards were worth, on average, \$9,759.
- Systemwide, the percentage of UC students receiving gift aid has changed little in recent years. The modest decline since 2003-04 reflects the phase-out of the Governor's Scholarship Programs, a state program that awarded scholarships to high-achieving high school students for use once they enrolled in college. State funding for new awards was eliminated in 2003.
- Increases in the average value of students' gift aid since 2002-03 can be attributed primarily to additional support from the state's Cal Grant program and from UC's own institutional aid program. Cal Grant awards generally cover recipients' systemwide fees and, hence, increased in tandem with UC fees since 2002-03. The University also augments its own institutional aid program by setting aside a portion (currently 33 percent) of new fee revenue for need-based grants.

Source: UCOP Corporate Student System

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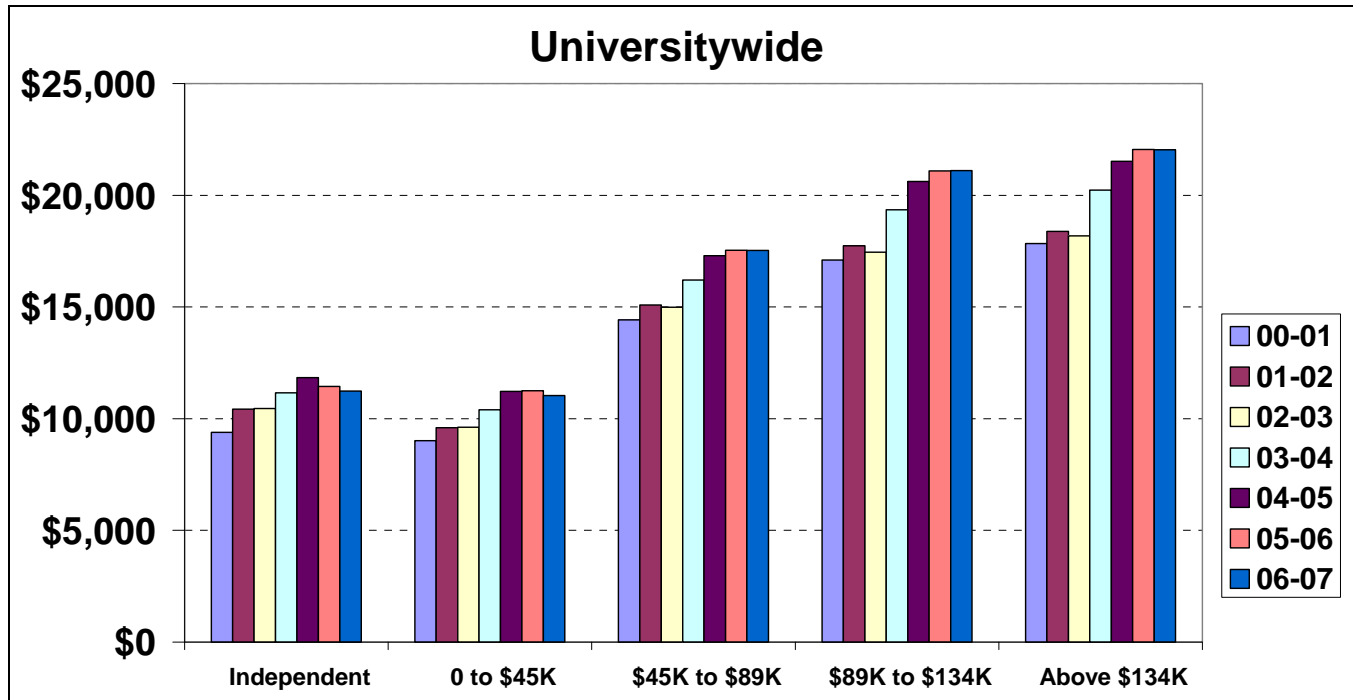
2.6 (continued) Gift Aid Receipt Among UC Undergraduates, Universitywide and by Campus, 1999-00 to 2006-07



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Indicator 2.7

Net Cost of UC Attendance by Family Income, 2000-01 to 2006-07



Figures are in constant 2006 dollars, adjusted for inflation.

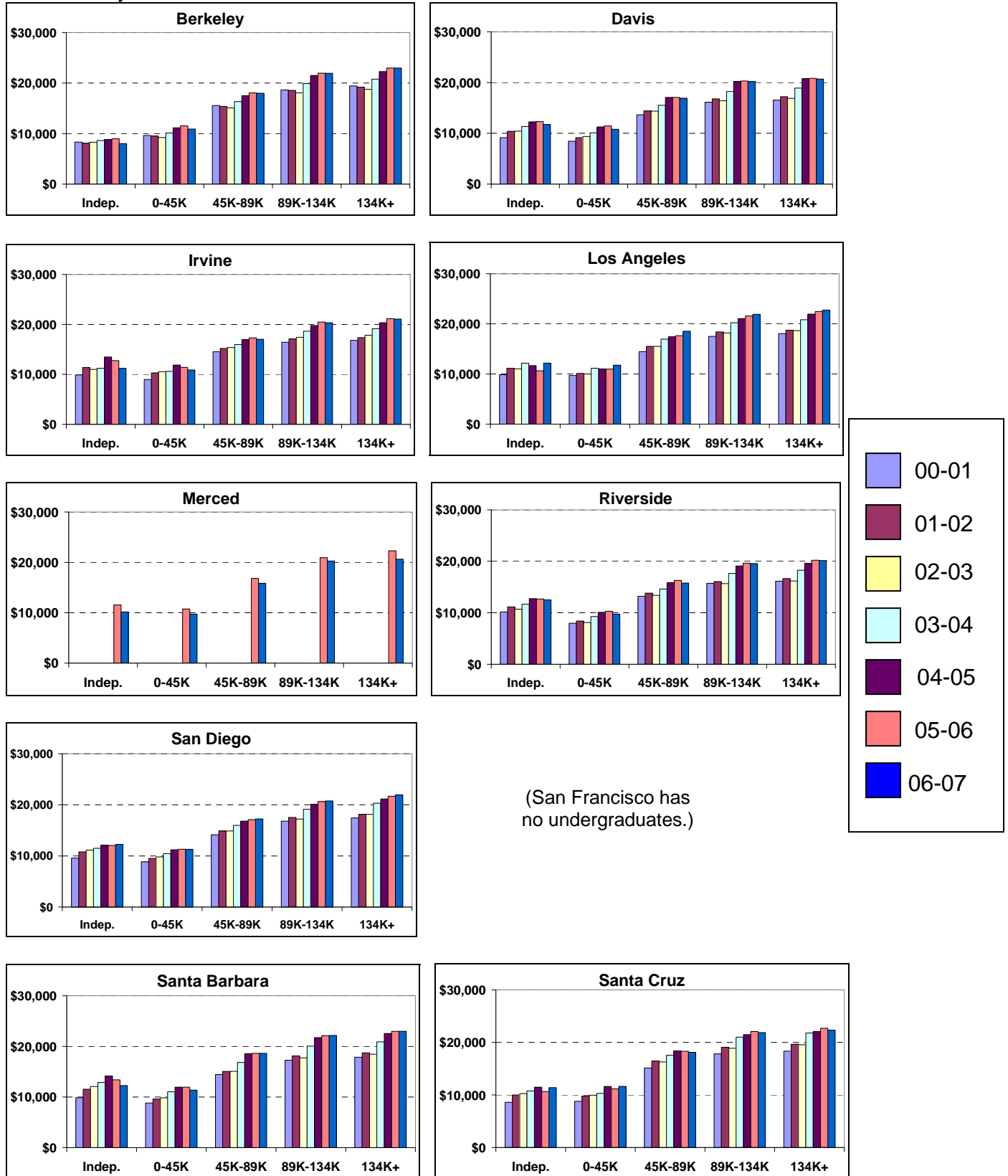
- Net cost of attendance represents the average cost of attending UC for undergraduates after taking into account scholarship and grant assistance (i.e., total student expense budget less scholarship and grant aid). It represents what students must contribute whether from parent contributions or their own resources (e.g., student savings, work, borrowing).
- Scholarships and grants reduce the “sticker” price of attending UC at all income levels but especially for students with few parental resources (i.e., low-income dependent and independent students).
- Between 2000-01 and 2006-07 (the latest year for which final data are available), augmentations to grant aid kept the average increase in net cost for low-income students to about \$2,000, compared to \$4,200 for higher-income students.
- Additional grant aid did not fully cover cost increases for low-income students in part because non-fee costs have increased without augmentations in grants to offset them.

Source: UCOP Corporate Student System

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2.7 (continued) Net Cost of UC Attendance by Family Income, Universitywide and by Campus, 2000-01 to 2006-07

Inflation-adjusted dollars

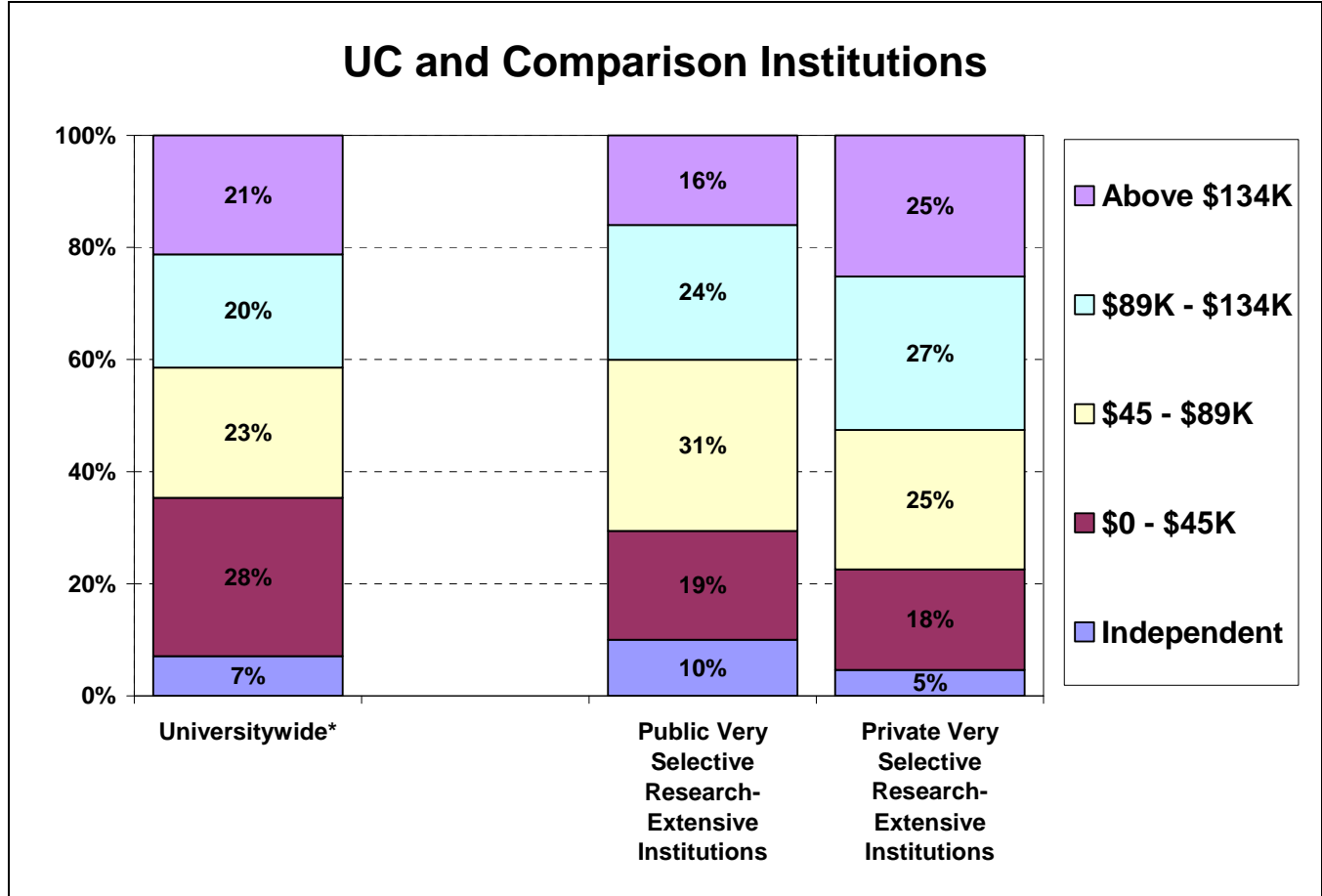


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Indicator 2.8

Undergraduate Income Distribution, 2004



* Per campus data are in Indicator 2.9.

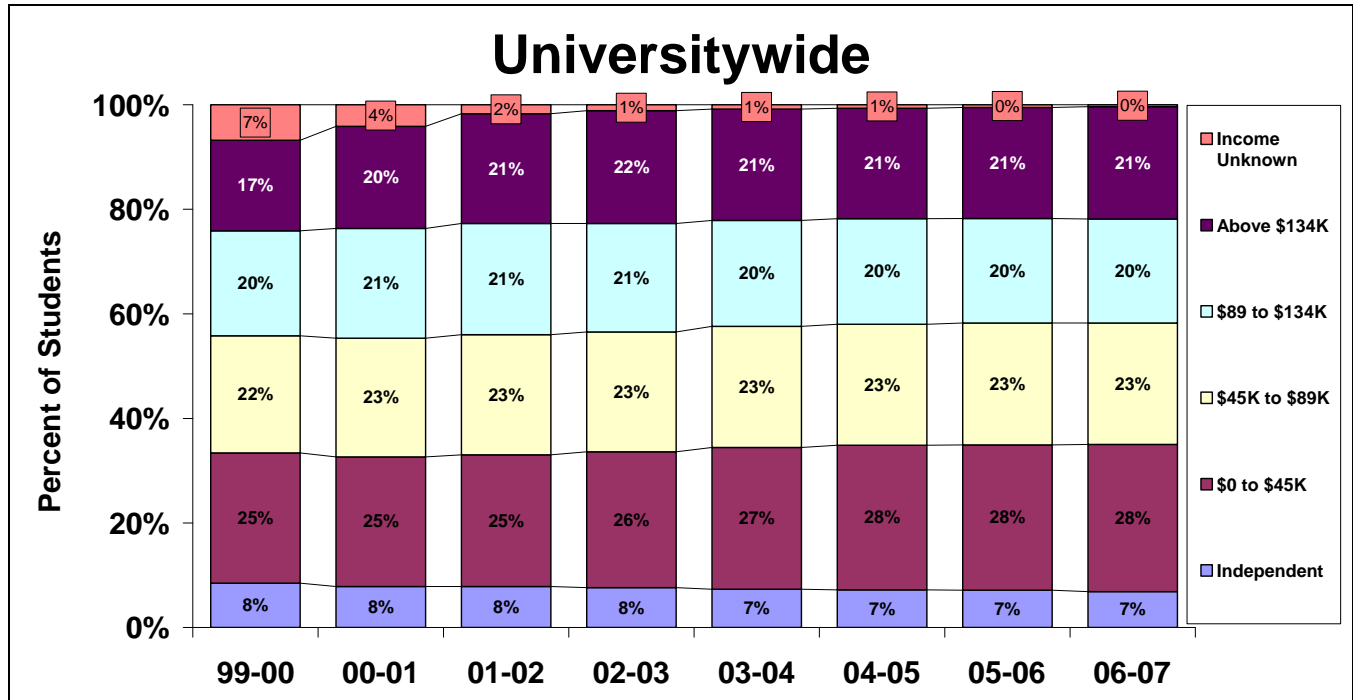
- As a system, UC enrolls a higher percentage of low-income independent and dependent students than comparably selective institutions.
- It is not clear what accounts for the larger enrollment of high-income students at UC than at comparable public institutions. It may reflect differences in the income distribution of academically eligible students within each state.
- Students at comparable private institutions are more likely than UC students to be from upper- and upper-middle-income brackets, consistent with those institutions' higher costs.

Source: UC figures are from the Corporate Student System. Other figures are from the 2004 NCES National Postsecondary Student Aid Survey (NPSAS). The NPSAS survey is conducted every four years; 2008 NPSAS results will be available in December 2008.

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Indicator 2.9

UC Undergraduate Income Distribution, 1999-00 to 2006-07



Figures are in constant 2006 dollars, adjusted for inflation.

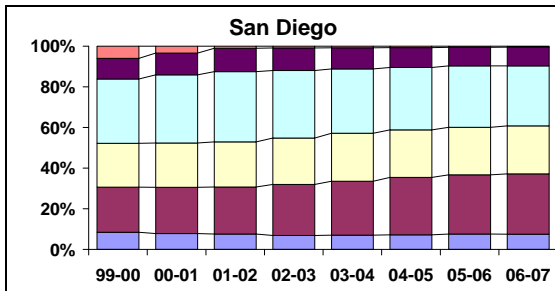
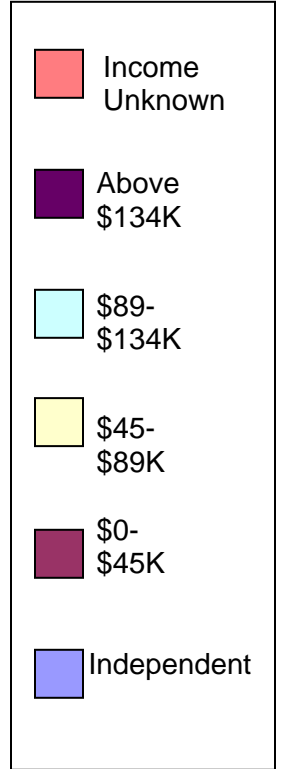
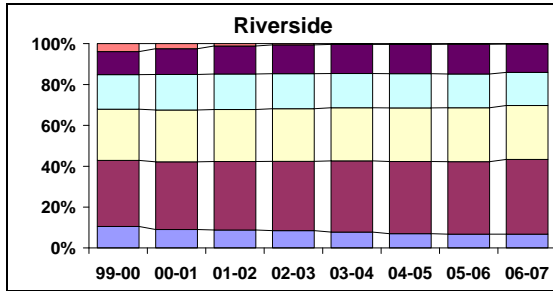
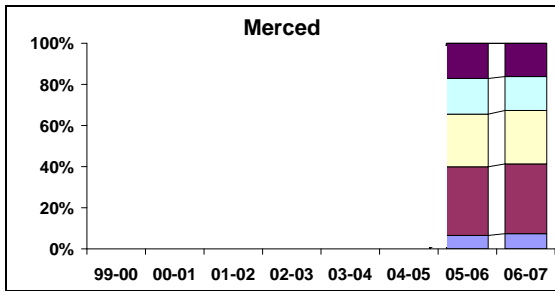
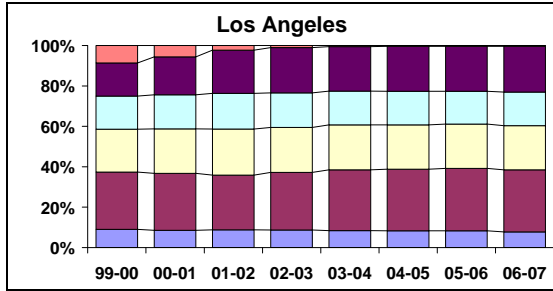
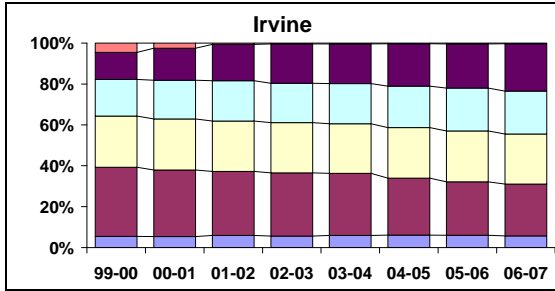
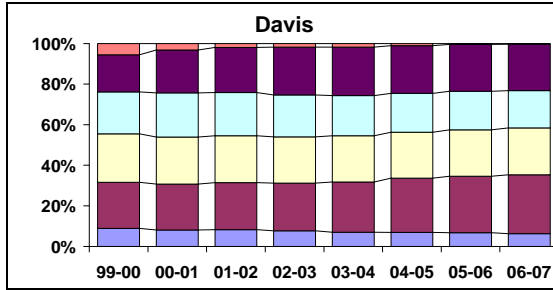
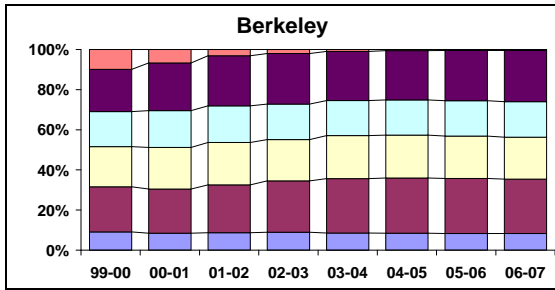
- This indicator tracks how well the University’s financial aid programs have enabled UC to remain financially accessible to students at every income level.
- Despite significant increases in the University’s net cost of attendance (see Indicator 2.2), the income distribution of all UC undergraduates has changed little since 2000.
- More than one-quarter of undergraduates have parents with annual income below \$45,000.

Note: Campus figures for UC San Diego overstate the number of students in the \$89K–\$134K bracket and understate the number of students in the Above \$134K+ bracket due to limitations in the data provided to the Corporate Student System. These limitations have been fixed for 2007–08 and subsequent years.

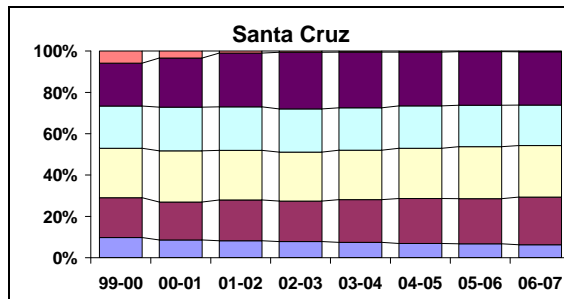
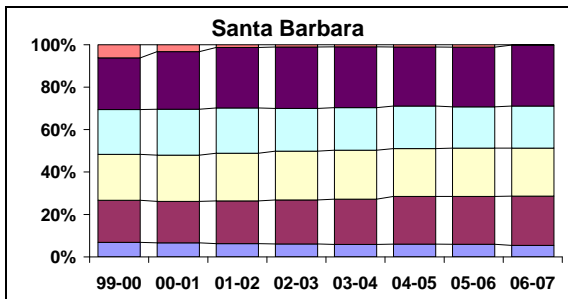
Source: UCOP Corporate Student System

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2.9 (continued) UC Undergraduate Income Distribution, 1999-00 to 2006-07



(San Francisco has no undergraduates.)

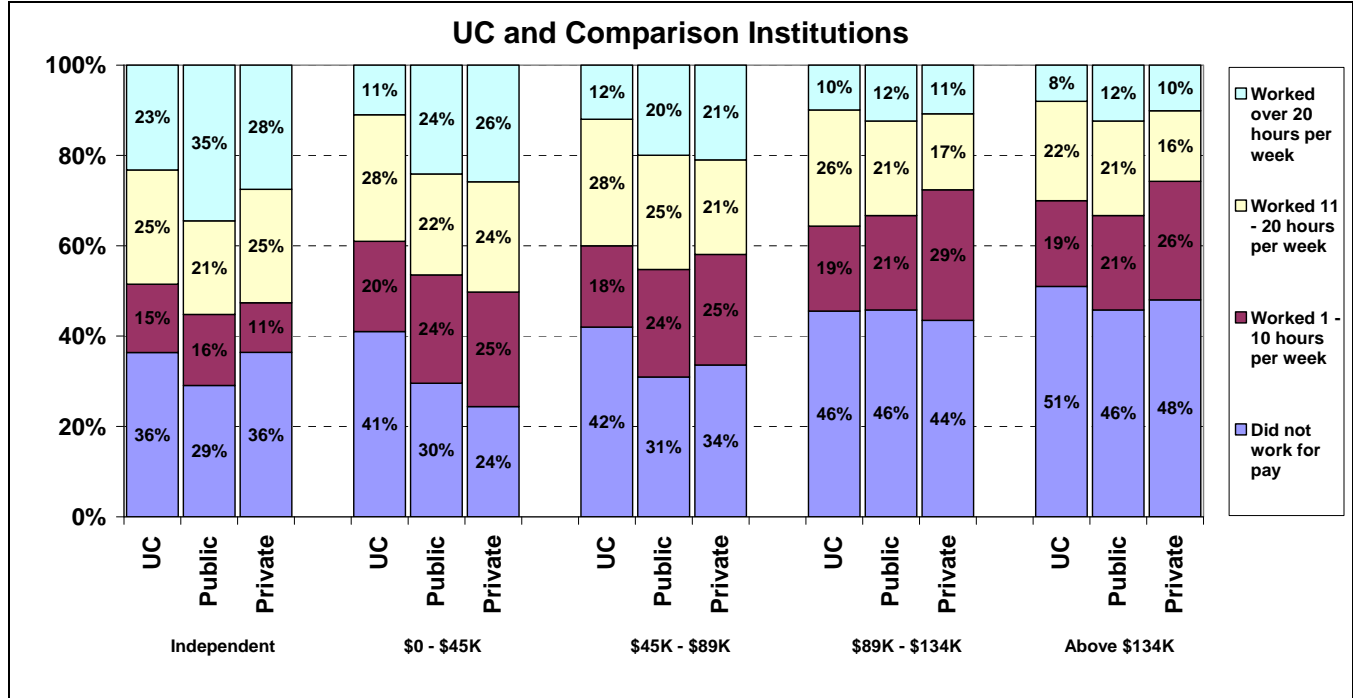


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Indicator 2.10

Undergraduate Hours Worked Per Week by Family Income, 2004



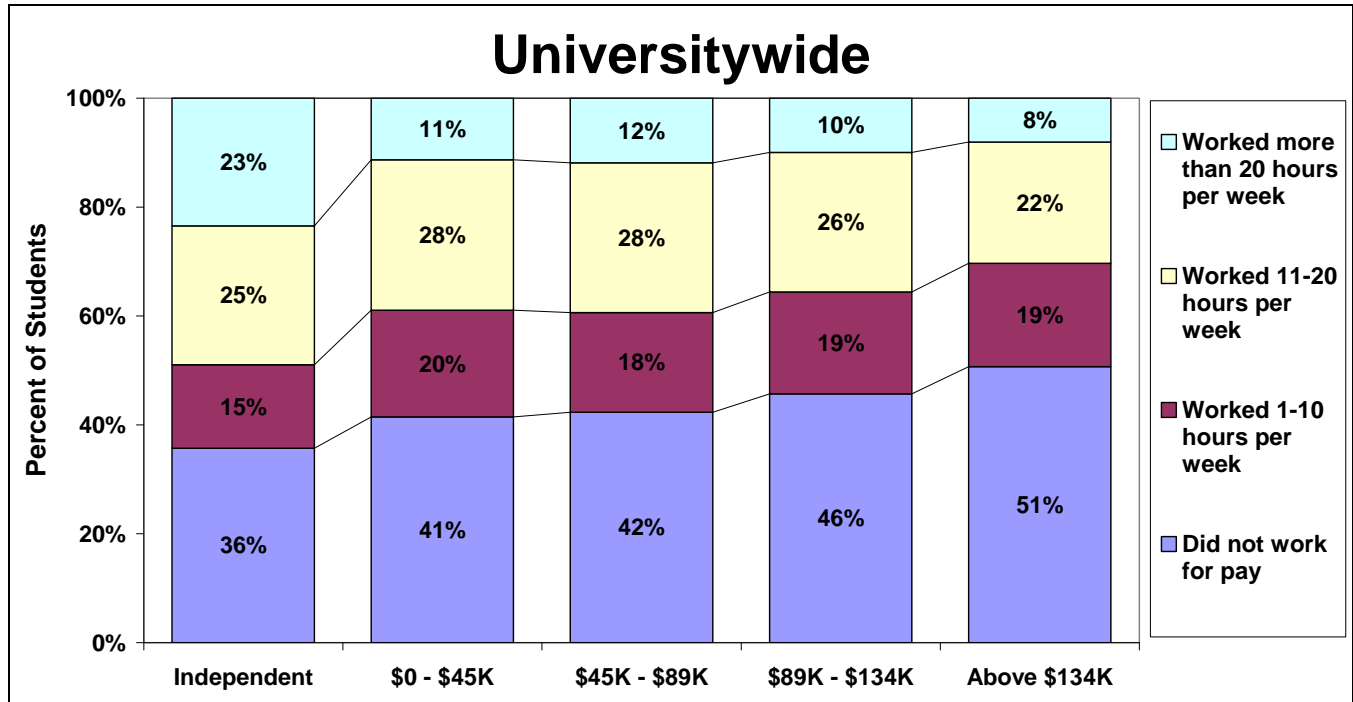
- The University monitors students' self-reported work hours as one indicator of the University's affordability.
- At each income level, the percentage of UC students who work and the number of hours that they work compare favorably with the work patterns reported by students at other research-intensive institutions, both public and private.
- Overall, 44 percent of UC students reported that they did not work for pay during the 2005-06 academic year.

Source: University of California Undergraduate Experience Survey (UCUES) 2006 for UC students; National Postsecondary Student Aid Survey (NPSAS) 2004 for comparison groups. All incomes adjusted to 2006-07 dollars for comparability.

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Indicator 2.11

UC Undergraduate Hours Worked Per Week by Family Income, 2005-2006

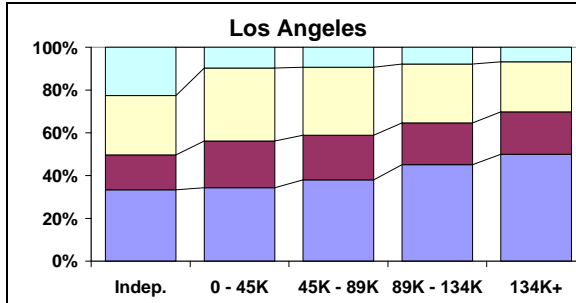
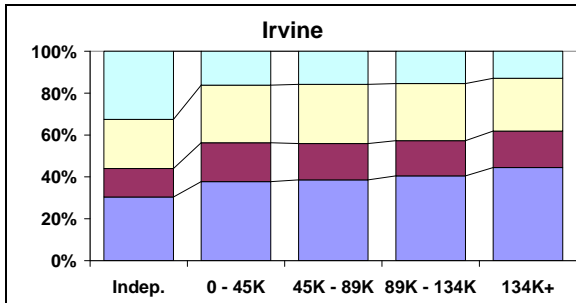
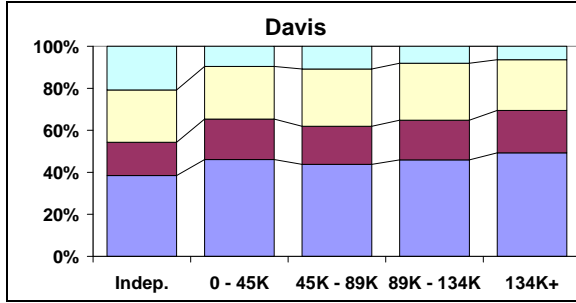
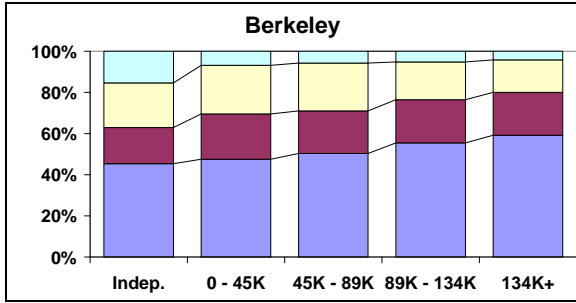


- In 2005-06, a large percentage of students at every income level did not work for pay during the academic year. This is consistent with parent survey findings that parents at all income levels feel responsible for covering their student expenses so their students will not have to work.
- Some students at every income level report working more than 20 hours per week, which is beyond what the University considers manageable. Excessive work hours during an academic term are often associated with reduced course loads and lower GPAs.
- Excessive work is often associated with higher than average reported student expenditures, especially in discretionary areas.

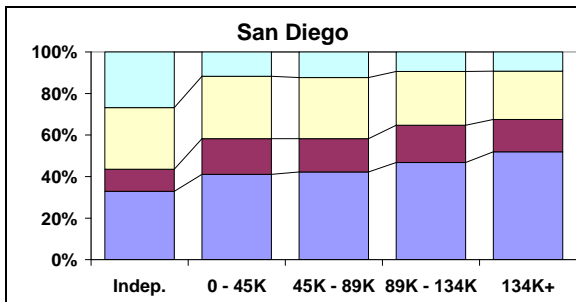
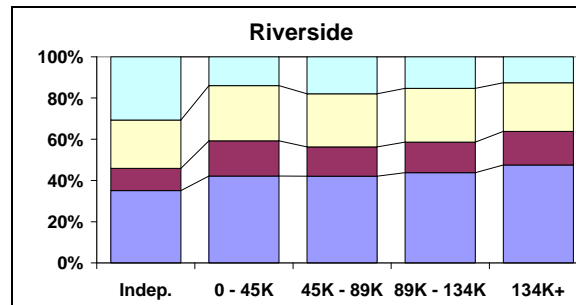
Source: Data come from the spring 2006 administration of UCUES.

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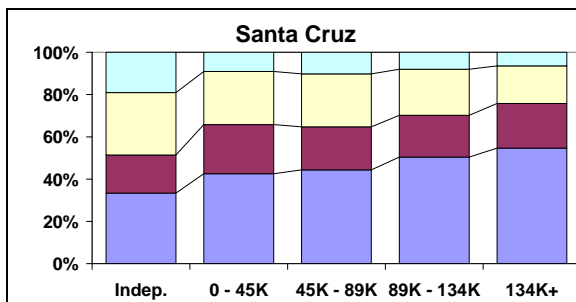
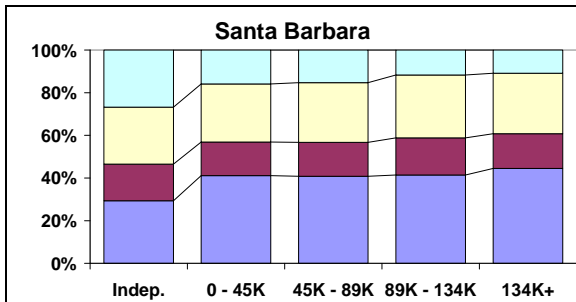
Indicator 2.11 (continued) UC Undergraduate Hours Worked Per Week by Family Income, 2005-06



(Merced had too few respondents for reliable estimates.)



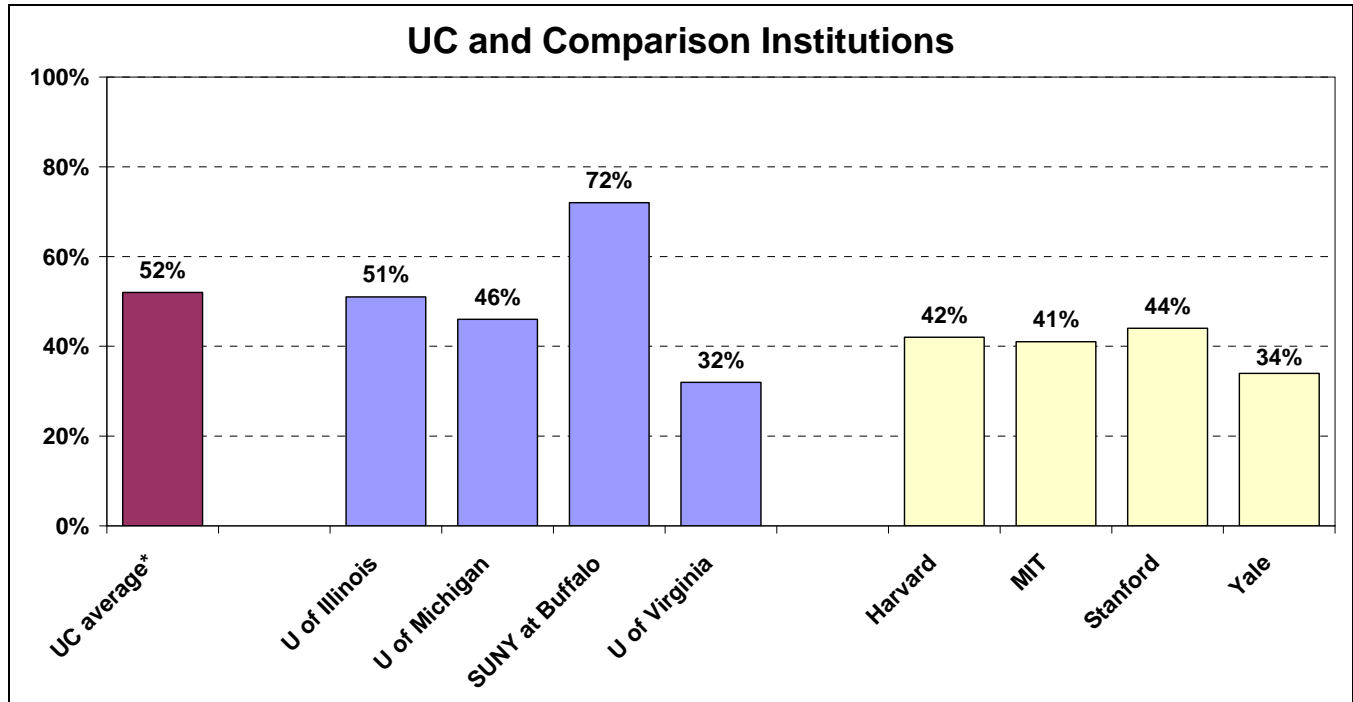
(San Francisco has no undergraduates.)



Draft for Discussion

Indicator 2.12

Percent of Graduating Seniors With Student Loan Debt, 2006-07



* Per campus data are in Indicator 2.14.

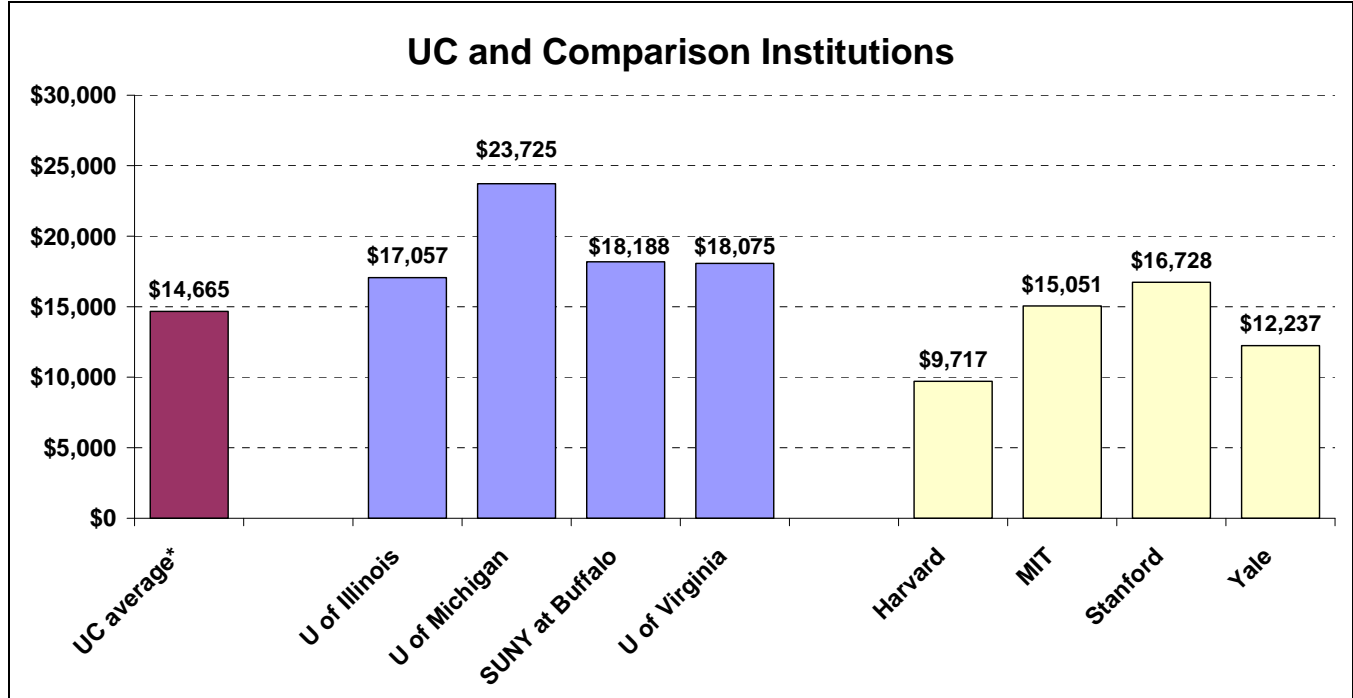
- Just over half (52 percent) of all UC undergraduates who graduated in 2006-07 had borrowed at least one student loan while enrolled at UC.
- Consistent with more borrowing among lower income students and UC's enrollment of a high percentage of low-income students (see Indicators 2.5 and 2.8), UC undergraduates were more likely to graduate with student debt than students at seven of the eight UC comparison institutions (all but SUNY-Buffalo), which enroll a much smaller percentage of low-income students.

Source: UCOP Corporate Student System and 2007-08 Common Data Set (2006-07 Common Data Set for Harvard and SUNY at Buffalo)

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Indicator 2.13

Cumulative Indebtedness of Graduating Seniors, 2006-07



* Per campus data are in Indicator 2.14.

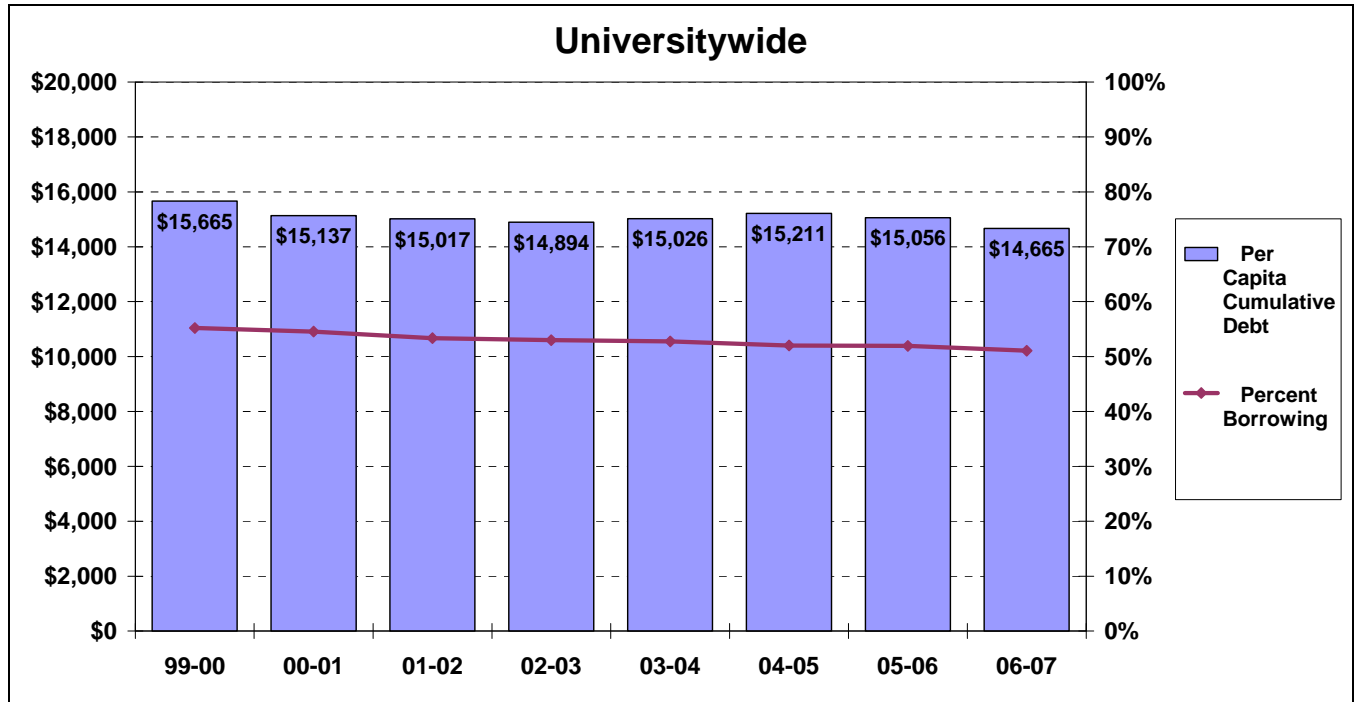
- UC students who graduated in 2006-07 with student loan debt had less cumulative borrowing, on average, than graduates from UC's public comparison schools or graduates from two of UC's four private comparison schools.
- The average debt among UC borrowers (\$14,665) is equivalent to a monthly repayment schedule of about \$170 per month for 10 years; longer repayment periods with lower payments are available.

Source: UCOP Corporate Student System and 2007-08 Common Data Set (2006-07 Common Data Set for Harvard and SUNY at Buffalo)

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Indicator 2.14

Average Cumulative Indebtedness of Graduating UC Seniors, 1999-00 to 2006-07



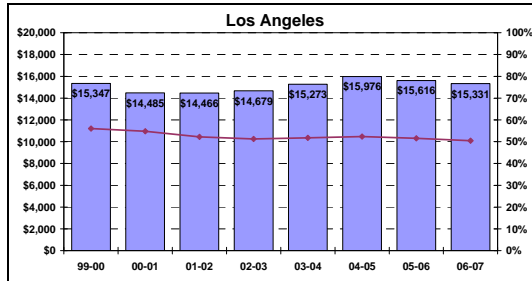
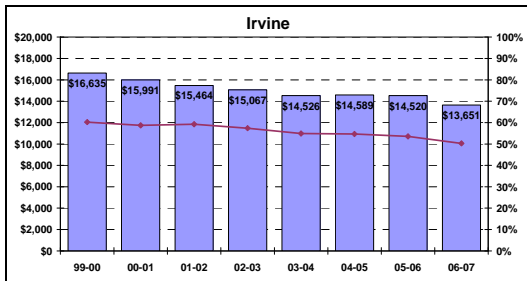
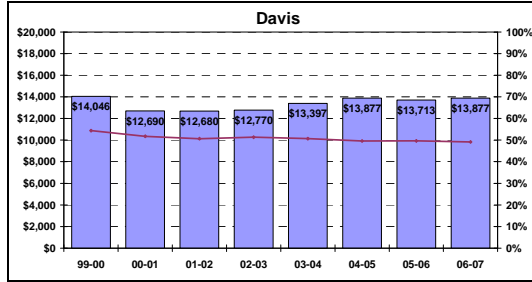
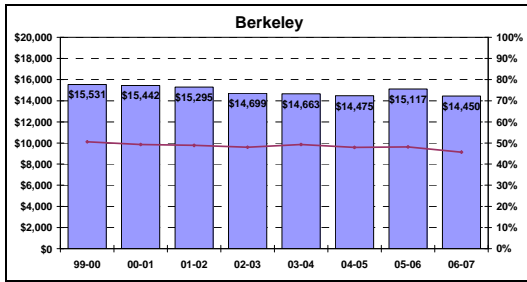
Figures are in constant 2006 dollars, adjusted for inflation.

- Despite national reports of increasing student debt burden, the percentage of UC undergraduates who graduate with student loan debt has been declining slightly since 1999 despite no real change in the income distribution of UC undergraduates (see Indicator 2.9).
- Average cumulative debt among graduating seniors has declined in constant dollars since 1999. With stagnant annual borrowing limits for federal student loan programs, parents may have increasingly turned to home equity loans to capitalize on the rapid growth in California property values during this period along with increased use of federal parent education loans.

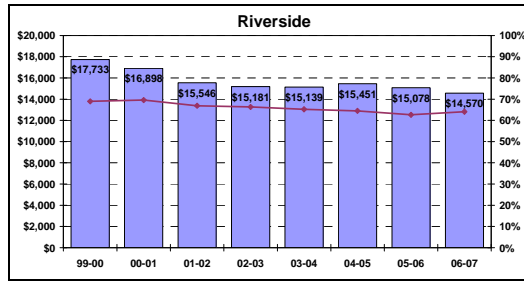
Source: UCOP Corporate Student System

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2.14 (continued) Average Cumulative Indebtedness of Graduating UC Seniors, 1999-00 to 2006-07

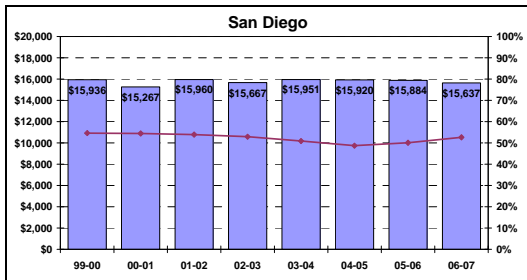


(Merced had no graduates during the period covered.)

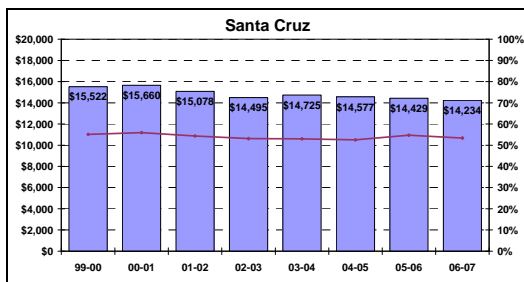
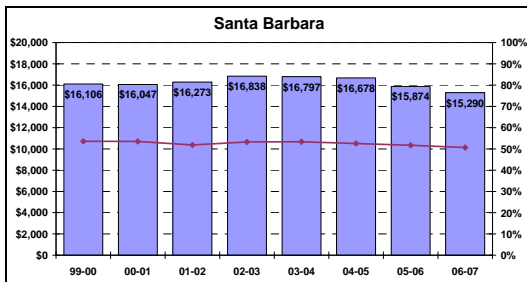


Per Capita Cumulative Debt

Percent Borrowing



(San Francisco has no undergraduates.)



Draft for Discussion