

College Bound

ISSUES & TRENDS FOR THE COLLEGE ADMISSIONS ADVISOR

Vol. 27, No. 10

June 2013

Where Things Stand

Loans, Debts and 529s

U.S. PRIVATE COLLEGES, “worried they could be pricing themselves out of the market after years of relentless tuition increases,” offered record financial aid this spring, according to a recent front-page *Wall Street Journal* article. But the discount rate at public universities fell slightly.

In fact, private schools ended up “discounting” the sticker price of their tuition and costs for new freshmen by 45 percent, according to an analysis by the National Association of College and University Business Officers. Some 65 percent of private colleges and universities had already increased their discounting in fall 2012.

This comes at a time when enrollment actually fell at 46 percent of 383 schools polled by NACUBO, and, according to the *Journal*, some privates are still struggling to fill their fall classes. “We have hit a tipping point on price,” the managing director of Moody’s Investor Service told the paper.

Undermining Pell Grants? “Hundreds of public and private non-profit colleges expect the neediest students to pay an amount that is equal to or even more than their families’ yearly earnings,” charges a report from the New America Foundation which adds, “As a result, these students are left with little choice but to take on heavy debt loans or engage in activities that reduce their likelihood of earning their degrees....” The report, “Undermining Pell: How Colleges Compete for Wealthy Students and Leave the Low-Income Behind,” notes that only a few dozen exclusive colleges meet the full financial need of the low-income students they enroll.

“Nearly two-thirds of the private institutions analyzed charge students from the lowest-income families, those making \$30,000 or less

annually, a net price of over \$15,000 a year.” The report also claims the “high-tuition, high-aid approach has been a failure for low-income students.”

Loan Denials. The federal government stiffened requirements for the Parent Plus loan program in 2011, including denying any aid to students of parents who had unpaid debts that were referred to collection agencies. As a result, 400,000 Plus Loans applications have been denied since then. While 80 percent of the students still attend college, according to a recent *Washington Post* article, about 28,000 students have left the nation’s historically black colleges and universities because they can not fill financial aid gaps.

Students Face Up To Costs. The College Savings Foundation’s fourth annual survey, “How Youth Plan to Fund College” found that students are taking steps to avoid deep student debt. Three-quarters of current high school students surveyed said they are taking steps to save money for college. Some 53 percent have already found a job and started saving, compared to 46 percent last year, and 29 percent are using 529 plans. How will they cover costs once in college? A full 93 percent say they will work while in college, and 45 percent say this will be “a good experience.”

Yet Debt Continues to “Skyrocket.”

According to the New York Federal Reserve, student debt continues to climb. It grew by \$20 billion during the first quarter of 2013 to a total of \$986 billion. Student debt is the only category of household debt that continued to grow during the “great recession,” and now is the largest form of household debt next to

continued on page 2

Yield Action

IF STUDENTS THINK IT WAS HARDER THAN EXPECTED to get into some colleges this year, they were right. As *CB* noted last month, the percent of applications accepted in the spring at selective schools was down. And this month it looks as if the yields, or percent of admitted students who have committed to a particular school, are up. This is good news for colleges who have an ever increasingly hard time screening the large number of applications they receive.

But the story of the Fall Freshman Class of 2013 is not over yet. To come: wait list action, the summer melt and colleges still accepting students in summer. Here is a spot check of what some schools are reporting heading into summer.

Brown U., for example, posted a 60 percent yield this year. It accepted 2,649 applicants from a pool of 28,919. Of those admitted, 45 percent are valedictorians or salutatorians, 95 percent in the top 10 percent of their class. Nearly 18 percent are the first generation in their family to attend the college and 45 percent are students of color. Areas of interest: engineering, biology, computer science, international relations and economics.

A little over 48 percent of the 2,252 students who were admitted to **Dartmouth** in April have said they will enroll as part of its Class of 2017. (Dartmouth attracted 22,416 applications.) That was a slight decrease from last year’s 49.5 percent yield. In addition, the Ivy League college expects to admit between 40

continued on page 2

INSIDE

- **Holding Tuition at Bay**
- **Why Travel to Scotland for College?**
- **The Counselor’s Bookshelf**
- **And News You Can Use**

LOANS, DEBTS AND 529S

continued from page 1

mortgages. The New York Federal Reserve put the debt level at \$24,810 per borrower at the end of 2012.

However, Fidelity Investments found that 70 percent of the Class of 2013 graduated with college-related debt that averages \$35,200. This includes federal, state and private loans, as well as debt owed to family and accumulated through credit cards.

Additionally, 39 percent of students surveyed said that they would have made different choices related to college planning if they had better understood the debt consequences they are now facing, an increase of 14 percent above 2011.

"The number of graduates reporting surprise by the level of student debt they have accumulated is a big concern and shows that there is a considerable need for families to better understand the total cost of college," said Keith Bernhardt, vice president of college planning at Fidelity Investments.

Fidelity offered a few tips to help future students: Start planning sooner; understand potential post-graduation tab; consider future job prospects; control your costs; save smart, including use of 529 college saving plans.

YIELD ACTION

continued from page 1

and 50 students from its 1,000-person wait list. Of those expected to matriculate, 37 percent are students of color and 9 percent are international students, while 46 percent will receive financial aid. About a third of the new class was admitted through Early Decision.

Over 47 percent of the students admitted to **Georgetown** have chosen to enroll. This includes students from 70 nations and all 50 states and at press time more than 1,000 high schools were represented. This is the first time that the enrolled class posted average SAT reading and math scores above 700. More than 50 students have been admitted from the wait list to date, with 100 more still waiting from the original list of 2,000.

As many as 25 more may be admitted, Charles Deacon, dean of undergraduate admissions, told *The Hoya*. "It's a domino effect," he said. "It starts at the top. If Harvard takes somebody, Yale loses somebody, then Yale takes from another school. Fortunately, we are high enough on the chain that we don't lose that many." Georgetown and other Ivy League schools stop wait list acceptances on June 30.

Harvard C. offered admission to 2,029 students, 5.8 percent of the 35,023 applicants, and 82 percent pledged to enroll. That's the highest yield since the class of 1973. The high numbers occurred despite the cancellation of "Visitas," the pre-freshman weekend, in the aftermath of the Boston marathon bombing.

About 28 percent of the new Harvard C.

Few Know About 529s. Less than a third of the public know about 529 college savings plans, according to a survey by Edward Jones financial services. Awareness decreases along with family income. The 529s are college savings plans that offer tax advantages to parents and hence allow them to save more. College costs can be intimidating, but according to Greg Dosmann, a college savings expert at Edward Jones, "families can chip away at the final costs over a period of 15 years or more" with a 529 plan.

Recession Proof? Is a college degree recession proof? No. But the latest statistics confirm that college grads have an unemployment rate of less than half that of those without degrees. In April, the unemployment rate for college grads was 3.9 percent, compared with 7.5 percent for the entire workforce, and 9 percent for workers with only high school credentials. And according to the *New York Times*, at the bottom of the business cycle in November 2010, the unemployment rate for college graduates was only 5.1 percent.

However, being employed does not mean being employed at the skill level for which a person was trained. And the median weekly income of college grads has fallen from \$1,163 in 2007 to \$1,141 in 2012. ■

students plan to study social sciences, 24 percent biological sciences, 18 percent will pursue the humanities, 13 percent engineering and computer science, 8 percent the physical sciences, and 7 percent mathematics. A little more than 9 percent of the Harvard Class of 2017 is African American, 10 percent Hispanic students. Asian Americans account for 20 percent, while international students make up 11 percent.

Northwestern U.'s yield reached 44.5 percent of 4,555 admitted students, from the 33,000 applications received for the Class of 2017, up by 1.7 percent over last year. "Because of our great music and theater programs, we have a creative student body that's really unparalleled compared to a lot of our peers," said Michael Mills, associate provost for university enrollment.

Students already enrolled at the **U. of Pennsylvania** added a personal touch to the admissions cycle this spring by writing postcards to approximately 1,200 accepted students encouraging them to attend Penn. Camille Green, Opportunity and Access Coordinator, told *The Daily Pennsylvanian*, that many of the admitted students are under-represented either in terms of race, ethnicity, geography or major such as Africana studies, East Asian languages and civilization and Hispanic studies. "These are going to be the students that will be hardest for us to yield because they're going to get in everywhere they apply," Green said.

Penn already has a yield of 64.3 percent, the

Holding Tuition At Bay

The **U. of Dayton** was the latest school to garner attention about its tuition this spring, but this time it was for pledging to stabilize tuition for students once they enroll as freshman. Dayton announced it will give new students and their families a four-year financial plan with full disclosure of all costs and a pledge that scholarship and grant dollars will grow to match tuition increases. This may be one reason why the Catholic U. became even more selective this year with a 52 percent admit rate, down from 55 percent last year, and 30 percent more selective over the past decade.

According to Sundar Kumarasamy, vice president for enrollment management, the school drew 16,024 applications for fall 2013. Some 57 percent of the admitted class came from outside of Ohio, with a strong international presence (10 percent) of students from China, UAE, Venezuela, Egypt, Indonesia, Kuwait and Saudi Arabia.

Minnesota Dream Act. The state legislature has approved the "Minnesota DREAM Act" granting in-state tuition to local student immigrants brought to the U.S. as children. As of May, 23 states have introduced legislation to improve the access to higher education for undocumented students, according to the National Immigration Law Center. However, eight states have pending legislation to tighten restrictions on these students. Texas, for example, would make them pay out-of-state tuition, and North Carolina would ban them from state institutions. The issue impacts about 223,000 undocumented students.

Also, the Minnesota legislature has passed a bill that will freeze tuition at state colleges and universities for the next two years. It also boosted state aid to students.

Montana Freeze. The state board of regents froze tuition at Montana colleges for in-state students at current levels for the next two years. Non-resident tuition, however, will increase by 3 percent each year. But, fees will increase by as much as 3 percent at universities and 9 percent at the state's two-year colleges. The regents also requested that the state legislature tie future funding to performance measures. More states want to boost accountability. ■

highest since 2007. Of the 3,785 applicants admitted, 2,432 students have announced their intention to enroll. Sixty percent of the 2,800 students on the wait list declared they would remain on the list. But, Eric Furda, dean of admissions, told *The Daily Pennsylvanian*, a lower number than in the past may move off the wait list. (In the last five years, 55 to 175 students were admitted from a wait list.) The

continued on page 4

Why Travel to Scotland for College?

Editor's Note: When CB advisor Mary Ann Willis learned one her students wanted to go to the University of St. Andrews in Scotland as a freshman, she was curious. Would this be a good decision? So last year, Willis visited St. Andrews to get her perspective on the Scottish option and what makes it a good choice for some.



Mary Ann Willis

ATTENDING THE UNIVERSITY OF ST. ANDREWS UNIVERSITY IN SCOTLAND might be easier than you think. First, getting from the states to Scotland can take about the same flight time as it would to get from some hamlet in the U.S. to that little institution of higher learning in Palo Alto. Then getting from the airport to the campus requires but a peaceful jaunt through the countryside. While there is a train station not too far from town, the best transportation from the airport to the campus is a student-developed now privately-owned company that does quite a business shuttling students.

Once there, St. Andrews itself is a safe, supportive environment. It is the third oldest university in the English-speaking world (only Oxford and Cambridge are older). Rich in tradition and history, it offers exceptional educational opportunities and the security of a quaint Scottish town. With the proximity of a world-class international city (Edinburgh) and even with the current exchange rates, St. Andrews is a bargain in terms of price.

The city of St. Andrews is the quintessential college town with students making up nearly half of the population. Every student at this 600-year-old school is smart and a work ethic drives learning. Knowing what you want to study, having a spirit of adventure, agreeing to be responsible for your own path, being self-reliant and having a passion for learning are essential to undertaking study here. Applicants seeking educational and intellectual spoon-feeding need not apply. It isn't for the undisciplined. Prospective students would likely be competitive at highly-selective U.S. universities. The same international milieu evident at highly-selective U.S. schools is evident at St. Andrews.

At the same time, there are places in town where you'll feel you just stepped into Harry Potter's Diagon Alley; others will make you feel you are in a sleepy little community nooked into the Scottish countryside. The science side of campus is sleek and modern, providing a contrast to the historical parts of campus. Approximately 6,071 undergraduate students attend St. Andrews. While it is true that Prince William and Kate Middleton went to school here, being open to diversity is essential to maximizing the educational and social experiences in this melting pot. Housing options range from Holiday Inn style to Hogwartsish, and

international students are guaranteed housing if they meet the application requirements and deadlines. The majority of students have a meal plan. "Self-catering" is available, meaning students prepare meals for themselves.

St. Andrews has historically been a place to study the liberal arts and sciences. There is a lot of reading, writing and preparation for classes. Students must prioritize, organize and plan. But relationships with professors are legendary. A family atmosphere is found amongst the students. Older students "adopt" freshmen and become their unofficial advisers/families. Literally the freshmen call these older students their "moms and dads."

Other parts of the university provide a personal touch. Students and academicians with specific interests and

needs get to work with books from an amazing collection in a facility staffed by dedicated, knowledgeable professionals who are passionate about sharing their treasures.

Last year, St. Andrews received applications from 144 countries and the student body hails from 122 different countries. While St. Andrews wants engaged and engaging students, little emphasis is placed on an applicant's extracurricular record. Program rigor matters, as does the perceived difficulty of the high school. Students begin their studies with three subjects (except for medicine) and move to a focus as they discover their area of interest. Students graduate in four years at the rate of 98 percent.

Tuition for overseas undergraduate students is 15,460 pounds for the full 2013-14 academic year. There are some scholarships for North American students, but they are few in number and intensely competitive.

For those not quite ready to take the plunge to four years abroad, St. Andrews has a program with the College of William and Mary where a small number of select students can spend two years at each place. This program has a specific, separate application. There is also the Junior Year Abroad option through many colleges.

Scotland can also be a jumping-off place for affordable international travel. But what looks like a sleepy little hamlet on the surface, is also the epicenter of the world of golf. In 2012, St. Andrews welcomed about 1.3 million visitors. My hotel, which backed up to the old course, had four clocks in the lobby showing the time at St. Andrews, the Royal Melbourne, Augusta and Pebble Beach. I'm not even a golf fan, but I think this place offers amazing opportunities. For more info, see, <http://www.st-andrews.ac.uk/>.

Mary Ann Willis is the Director of College Counseling at the Bayside Academy in Daphne, Alabama. She reported on her visit to Irish universities in the September issue of COLLEGE BOUND.

THE COUNSELOR'S BOOKSHELF

Looking for books for your college-bound seniors? Below are a few new ones (with links for more info on CB's web site.)

What the Best College Students Do, by Ken Bain; chapters on managing yourself, making hard choices, messy problems; ISBN: 978-0-674-0664-9; published August, 2012, by The Belknap Press of Harvard U. Press; \$24.95; www.hup.harvard.edu.

Getting the Best Out of College, revised and updated, by Peter Feaver, Sue Wasiolek and Anne Crossman; chapters on managing life in the dorm, engaging in extra-curriculars, maneuvering the social scene, studying smarter; ISBN: 978-1-60774-144-2; Ten Speed Press; \$14.99; www.tenspeed.com.

10 Things Employers Want You to Learn in College: The Skills You Need to Succeed,

revised, Bill Coplin; chapters on taking responsibility, developing physical skills, communicating verbally, gathering information, solving problems and 38 related skills; also from Ten Speed Press; ISBN: 978-1-60774-145-9; \$14.99; see www.tenspeed.com.

Survival Secrets of College Students? 2nd Edition; Julia Johnston and Mary Kay Shanley; includes chapters on roommates, stress, staying healthy and getting homesick; ISBN: 978-1-4380-0101-2; \$12; Barron's; see, www.barronseduc.com.

YIELD ACTION

continued from page 2

original pool of students was 31,280.

Princeton U. (profiled last month) reported a 68.7 yield for 2013, higher than last year's 66.7 percent.

This year's yield for the **U. of Chicago** rose to 55 percent, up from last year's 46 percent. Chicago received 30,396 applications this year and admitted 8.8 percent of them, down from last year's 13.2 percent. According to the *Chicago Maroon*, admissions decisions have been complicated by the UChicago Promise's guarantee that students from the city of Chicago have their applications fee waived and will graduate debt free, in an effort to bring greater socioeconomic diversity to the student body. The yield for admitted Chicago students rose to 63 percent, up from last year's 46 percent.

STATE NEWS

East Carolina. East Carolina U. recruited its largest freshman class. This spring, it admitted 4,300 students, more than last year's 3,900. The university will also add 1,400 transfer students. However, overall enrollment may dip as a result of financial aid needs, a tuition increase and more expensive housing. To compensate for those losses, ECU has enlarged the first-year class. "Enrollment is more of an art than a science," associate provost of enrollment services John Fletcher told *The East Carolinian*.

U. of Illinois. A record 33,213 students applied to the U. of Illinois Urbana-Champaign, and 20,883 were admitted. The U. of I. expects a yield of about 33.5 percent for an "ideal" class of 7,000 freshmen, Stacey Kostell, director of

undergraduate admissions, told the *Daily Illini*. Applications from out-of-state increased by 18 percent, while international applications grew by 8 percent.

Upstate NY. The State U. of New York Canton attracted fewer applications this year, 4,256, down from 5,000, but more than in 2011. Michael J. Perry, director of admissions, said Canton plans to enroll between 950 and 1,000 first-year and transfer students. Perry said, "We have become a more selective college. We've been targeting applicants with higher GPAs to focus on more academically prepared students...."

SUNY Potsdam, which is still accepting applications, expects total numbers similar to last year, despite a tough job market for education majors, who make 85 percent of the student body. Potsdam fielded 4,163 applications so far, including transfers. "The college's master's program in education did take a hit in the past couple of years, following the recession and budget cuts at school districts across the state," said a spokeswoman. "However, we are starting to see the tide turn again."

Meanwhile, nearby **Clarkson U.** received a record number of apps, 10 percent more than last year. "This year was a boom," dean of admissions Brian Grant told *North Country Now*. The school benefited from an ABC News feature that listed it among "12 Colleges Whose Payoff in Pay Beats Harvard." The median starting pay for Clarkson grads was listed as \$57,900 compared to Harvard's \$54,100.

And **St. Lawrence U.** also saw a 10 percent increase in first-year applications to 4,423 for 640 slots. "With the demographics of the Northeast, the number of students is declin-

ing," said Jeff Rickey, SLU's dean of admissions.

U. of Washington. The U. of Washington Seattle received the most applications in its history, more than 30,000. The largest increase came from out-of-state students, which grew by 23 percent, many of them from California, where state officials said they were cutting in-state admits by more than 2 percent. The average GPA of admitted students remained at 3.77, while the combined reading and math SAT rose 10 points to 1238. About 15 percent of the new class is made up of international students. UW plans to enroll about 950 international students this fall.

Meanwhile, the **U. of Washington Vancouver** also recorded big gains. "We are seeing a double-digit increase in our applications, admissions and confirmations...." said Nancy Youlden, vice chancellor for student affairs.

Washington State U. at Pullman attracted slightly more applications than last year, 13,779. But **Eastern Washington U.**, **Western Washington U.** and **Central Washington U.** saw slight dips in applicants, as did **The Evergreen State C.**

Wyoming Automatic Transfers. The U. of Wyoming has worked out a new policy to allow students at Wyoming community colleges to automatically gain admissions to the state U. Qualified students will only need to fill out an application and provide necessary documents. But they will pay no fees. "Automatic admission to UW, combined with the Hathaway Scholarship program, other scholarships and low tuition, provide Wyoming high school graduates with some of the nation's best access to quality higher education." ■

NEWS YOU CAN USE

New Colleges. Wheeling Jesuit U. in W. Virginia established a new C. of Arts and Sciences and a School of Health Sciences which will include nuclear medicine.

Hispanic College Rate Surpasses Whites. For the first time, a greater percentage of Hispanic high school graduates are enrolling in college than their white counterparts, according to a new report from the Pew Research Hispanic Center. In 2012, 69 percent of Hispanic high school grads enrolled in college versus 67 percent of white students. Additionally, the Hispanic high school dropout rate fell from 28 percent in 2000 to 14 percent in 2011.

However, Hispanic students are less likely than whites to enroll in a four-year institution, by 56 percent to 72 percent, and less likely to enroll full-time. According to a 2009

Pew report, 88 percent of Latinos age 16 and older said a college degree was necessary to get ahead in life, versus 74 percent of all Americans.

Spring 2013 Enrollment. Enrollment during spring 2013 decreased by 2.3 percent overall in every sector compared to last year, according to the latest stats from the National Student Clearinghouse's Research Center. Enrollment decreased by 1.1 percent at four-year publics, by 0.5 percent at four-year private nonprofits, by 3.6 percent at two-year publics and by 8.7 percent at four-year for profit colleges.

Career Focused Dual Enrollment. A three-year study of 3,000 California students found that career-focused dual enrollment programs provide important benefits for underachieving

and underrepresented students. The study found that students in these programs (60 percent of whom were students of color, 40 percent of whom came from non-English speaking students) are:

- More likely to graduate from high school;
- More likely to transition to a four-year college than a two-year college;
- Less likely to take basic skills courses in college;
- More likely to persist in postsecondary education;
- And, accumulate more college credits. ■

HAVE A GREAT SUMMER!

Don't forget to consult CB's "Admissions Story of the Day" all summer at www.collegeboundnews.com, and updates at www.onlineUnews.com.

For subscription information see www.collegeboundnews.com or call 773-262-5810.

Production: Design|Americom; Salsedo Press, Inc. COLLEGE BOUND is published monthly, ten times a year. Inquiries should be directed to P.O. Box 6536, Evanston, IL 60204; 773-262-5810. Annual subscription: \$59 in North America, \$69 for international orders, including airmail postage. www.collegeboundnews.com
©2013 COLLEGE BOUND PUBLICATIONS, INC. All rights reserved. ISSN 1068-7912 For photocopy rights, please write the Editors.