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| **KEYS TO EXPOSING THE TRUTH** |
| **Self-Knowledge and a deepening awareness of white privilege is the basis for change.** |
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| Rich Colleges Receiving Richest Share of U.S. Aid  November 9, 2003  By GREG WINTER  If there is any grand, elegant logic behind the federal government's dispersal of more than a billion dollars in college aid, then Maria Hernandez is humble enough to confess that it has escaped her.  Consider her point. Poverty is hardly a rarity among the students of California State University at Fresno, where she is the director of financial aid. Many come from families working in the fields nearby, on farms where students spend their summer and winter vacations harvesting peaches and sugar beets to stay in school.  About three hours and a world away sits Stanford. Far fewer of its students are poor, yet the federal government gives it about 7 times as much money to help each one of them through college under one program, 28 times as much in another and almost 100 times as much in a third, government data show. "Pretty sad," if you ask Ms. Hernandez.  Similar discrepancies emerge across the nation, adhering to a somewhat counterintuitive underlying theme: The federal government typically gives the wealthiest private universities, which often serve the smallest percentage of low-income students, significantly more financial aid money than their struggling counterparts with much greater shares of poor students.  Brown, for example, got $169.23 for every student who merely applied for financial aid in order to run its low-interest Perkins loan program in the 2000-1 academic year. Dartmouth got $174.88; Stanford, $211.80. But most universities did not get nearly that much: the median for the nation's colleges was $14.38, according to a New York Times analysis of federal data on the more than 4,000 colleges and universities that receive some form of federal aid. Nearly 200 colleges received less than $3 per applicant for financial aid. The University of Wisconsin at Madison got 21 cents.  Harvard, Princeton, Yale - and all the other members of the Ivy League, for that matter - were also given 5 to 8 times the median to pay their students in work-study jobs. That is money the institutions got directly, to be spent on behalf of needy students.  And they got 5 to 20 times the median amount of grant money to look after the everyday needs of their poor students, despite having some of the largest endowments in the nation, if not the world. (Harvard and Yale both have endowments of more than $10 billion. Princeton's is $8.7 billion.)  Such disparities have been a sore point among universities for years, leftovers from an era when federal money was given to colleges on an individual, almost negotiable basis. Now, for the first time in more than two decades, the nation's financial aid officers are calling for the imbalances to be wiped away, replaced by a system that steers financial aid toward the universities that poor students actually attend, rather than those with the biggest reputations.  "We're saying, `Hey, is this really fair?' “Said Dallas Martin, president of the National Association of Student Financial Aid Administrators.” The money ought to follow where the neediest students are. That's the equity piece and that's what's missing."  At first glance, it may seem that some universities receive more money simply because they cost more to attend. But try telling that to Heather McDonnell, director of financial aid at Sarah Lawrence College, which costs just as much as its Ivy League competitors, yet in one category received only a sixth as much money as any of them.  "It's not even touching reality," Ms. McDonnell said. "It's not even acknowledging any changes in the economy and how my families are doing."  Even some of the beneficiaries of the imbalance concede that it is not entirely rational, and say they would consent to shedding a few dollars for the sake of parity.  "How could we complain, really?" said Sally C. Donahue, director of financial aid at Harvard College. "We have been very fortunate to receive the money that we have. And the barriers facing low-income students are considerable, so anything increasing their access to college nationally is something we would support wholeheartedly."  As for the origins of the disparities, most veterans of university finance agree that they date back at least to the 1970's, when regional panels of educational experts, not formulas, decided how much colleges would receive. Because each university had to make its own case for the money, those with long histories and a certain financial savoir-faire tended to do particularly well. In fact, the panels were sometimes composed of their peers.  "If a school was politically savvy and well connected enough, they would end up with the lion's share of the funds," said Ken Redd, research director of the financial aid officers association.  Congress tried to correct the imbalance in 1980, voting to divide the aid according to a "fair share" formula. But that applied only to whatever new money flowed into these programs, guaranteeing that no college would receive less than it was already getting. It is a guarantee that still exists.  The compromise averted a political melee over redistribution, but because spending in these programs has grown relatively slowly in the last 20 years, it did little to eliminate the disparities. Today, about 60 percent of the money is still spent honoring old pledges.  "I wish I had been at the table when the decisions were being made," said JoAnne Boyle, president of Seton Hill University in Pennsylvania. "It just drives me nuts."  It is the magnitude of the disparities that irks many college officials. At most universities, for example, whenever low-income students get money from the federal government under the Pell grant program, the college receives some, too - to help the student with tuition, books, housing, meals and so forth.  For every Pell dollar one of its students received in the 2000-1 academic year (and they could each get up to $4,000), the median college got an extra 7 cents. Harvard got 98 cents. The Massachusetts Institute of Technology got $1.09. Princeton got $1.42.  At the other end of the scale sit institutions like the City University of New York, which had the most financial aid applicants in the nation that year. It got 4 cents on the dollar. More than 50 colleges got a penny.  So what does this mean for students? For Princeton in 2000-1, a poor student meant up to $5,680 in extra grant money from the government, money that could have gone toward the student's tuition, room, board or other educational expenses.  The same student would have brought in only $2,000 at Sarah Lawrence, even though its tuition is higher than Princeton's. Sarah Lawrence could have spent its own money making up the difference (although its endowment is less than 1 percent of Princeton's). Or the student could have taken out bigger loans.  Then there is the money that campuses receive to place students in work-study jobs. For each of its aid applicants, the median college got $87.67 to help pay wages. Yale got $592.75. Duke got $600.28. Columbia got $677.93. But nearly 100 other colleges got less than $20.  Even under the fairest of systems, college officials say, some protections need to be built in so that low-income students continue to attend elite universities. And given that private colleges typically cost more than twice what public universities do, even after accounting for living expenses, they should usually receive more money, the officials say. But 10 times more than the median? Or 20?  "The problem is, once people start to see resources start to shift away from them, they do what's necessary to protect their interests," said George Chin, director of financial aid for the City University of New York.  Indeed, the call for redistribution has put many universities on the defensive, particularly those that worry about doing worse under new rules.  "Any time you talk about reallocating money when there isn't new money, you're going to pit institutions against one another," said Kate Jeffery, director of student financial support for the University of California. In some areas, her campuses do worse than most universities. In others, they do better. "It just doesn't seem appropriate to take it from one school and give it to another," she added  In fact, few universities seem to know exactly how they would fare under a new system, though the financial aid officers association has a pretty good idea of who would be the big beneficiaries: community colleges and, perhaps most surprisingly, for-profit universities.  A generation ago, neither kind of institution had the same national presence it does now, and both enroll high percentages of low-income students. These two factors would probably win them a greater share of federal dollars.  The geography of higher education has also changed. Enrollments in Arizona, Texas, Georgia and other states have more than doubled in the last 30 years, while the cluster of Northeastern states that once seemed to anchor higher education have not grown nearly so fast. That, too, could affect where the money goes.  But, some wonder, at what cost?  "The idea of fairness is certainly a valid one, but there are so many schools below their fair share that any redistribution may have a very negligible impact on their schools," said William Schilling, director of financial aid at the University of Pennsylvania. "But the schools that would lose money would face a major problem." |