



The Cost of Opportunity: Student Stories of College Affordability

Eleanor Eckerson Peters

Senior Research Analyst, Institute for Higher
Education Policy

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The **Institute for Higher Education Policy (IHEP)** is a research, policy, and advocacy organization that works to promote college access, success, and affordability, particularly for low-income students and students of color.

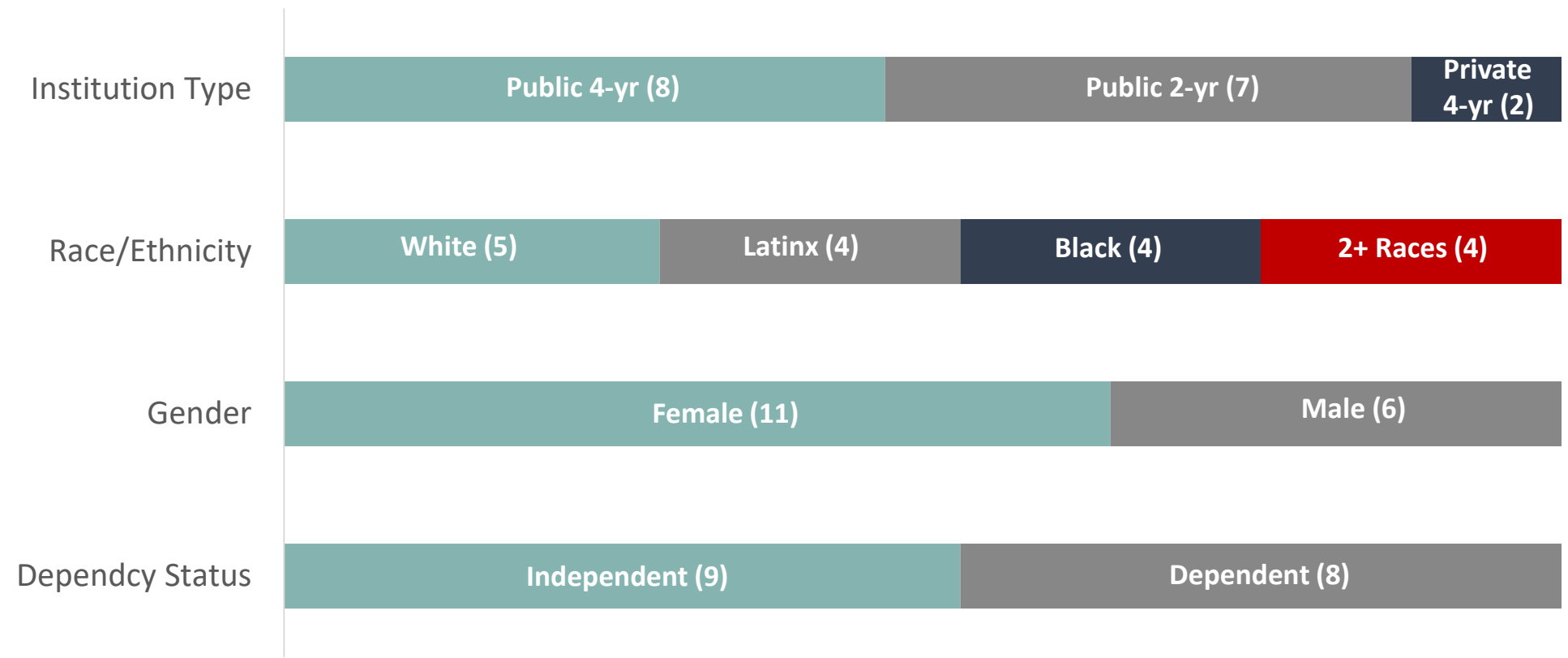
Presentation Overview

1. Methodology
2. Key takeaways
3. Policy recommendations for improving affordability and advancing equity

Methodology

- Two rounds of in-person student interviews
- Financial and demographic questionnaires
- Analysis of existing literature & nationally representative, publicly available data

Student Participants



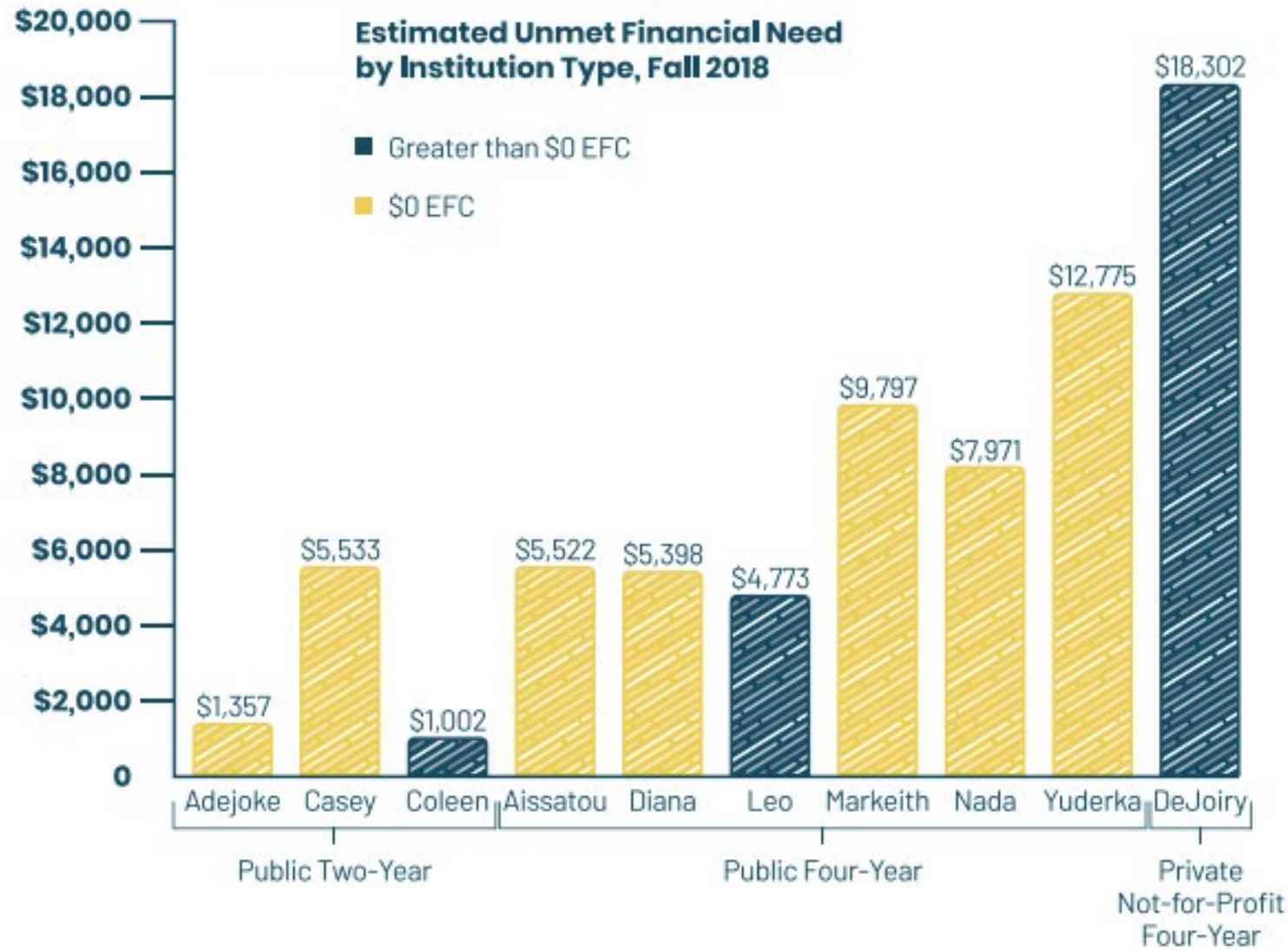
Key Takeaways

1. Targeted need-based aid is critical for helping students overcome substantial affordability challenges but does not cover low-income students' full cost of attendance.
2. Students are forced to make unacceptable decisions about how to make ends meet.
3. Our financial aid process is confusing, complicated, and leads to great uncertainty about how students will afford college.

“Financial aid is a great help. It’s helping low-income students get to college, get their degree, and become something in life.” But, “at the same time, the money runs like water.”

Diana, Student at Lehman College





Ten student participants provided the information necessary to calculate their unmet need.

Source: IHEP analysis of 2018 cost of attendance data published on institutional websites. IHEP analysis of expected family contribution and financial aid award information made available to IHEP by students from a variety of data sources including federal Student Aid Reports, institutional bills, and self-reported data collected on financial questionnaires, as well as 2018–19 Pell Grant payment schedules. Data availability varied widely across students.

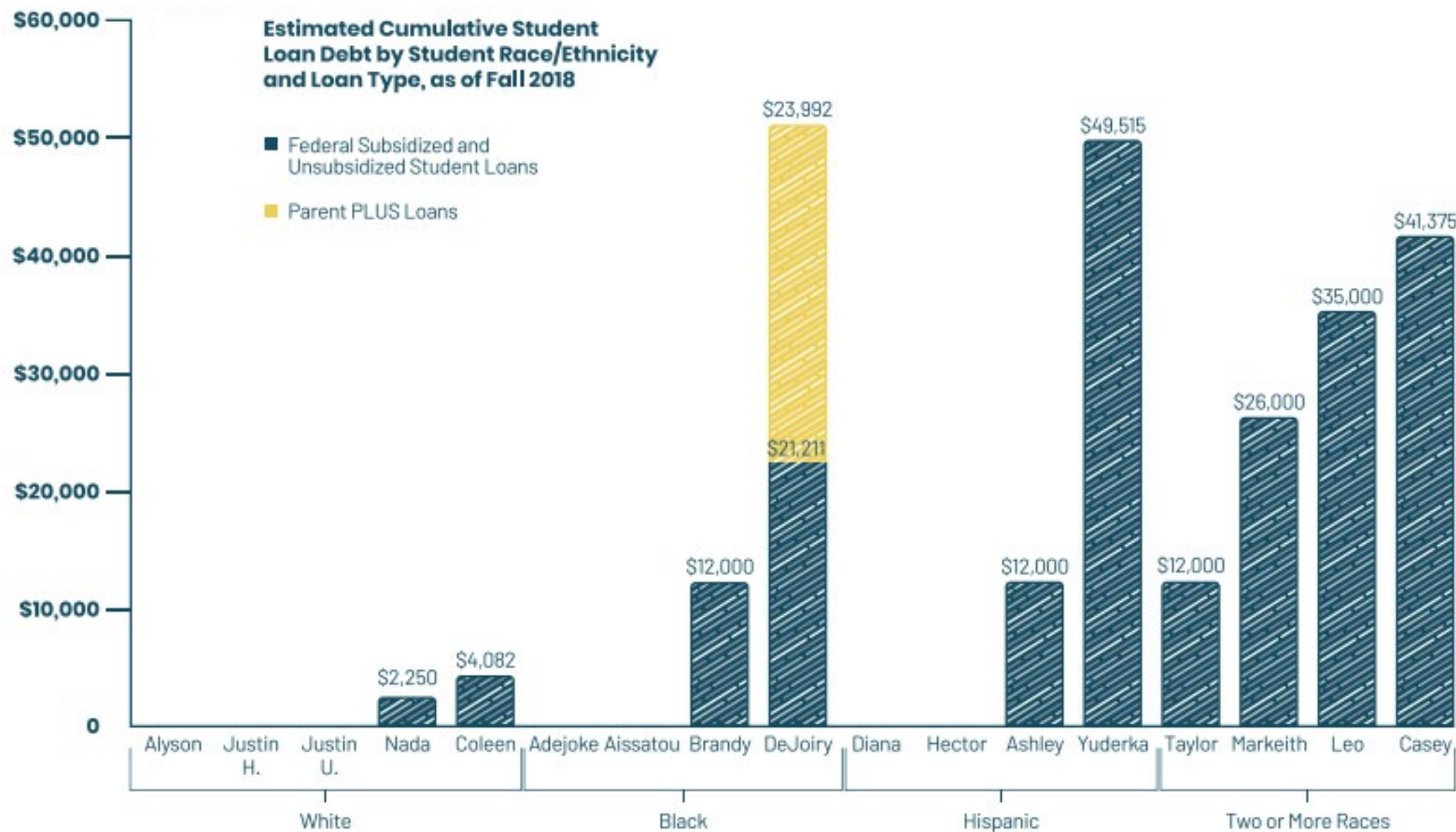
“[I] felt like I didn’t even have enough money to pay my rent, let alone [for] my food...It’s hard to settle down and study if you’re thinking about, ‘Am I going to have enough money for rent?’”

Coleen, Student at Ivy Tech Community College

“I wish I didn't have to work as much. I've noticed that [it] has placed a huge toll on my schooling.”

DeJoiry,
Student at Howard University





Ten student participants had taken out federal student loans at some point during their time in college.

Source: These numbers are based on student-reported data throughout their time in college, including at both two-year and four-year institutions. These levels of debt were not necessarily incurred exclusively while students were attending their current institution. For example, Casey incurred a portion of her student loan debt while earning her bachelor's degree at Indiana University—Bloomington, but now attends Ivy Tech Community College, where she has also taken out student loans.

“If you could get English 101 for \$600 compared to \$1,600—I think it goes without saying which one you choose.”

**Brandy, Student at
Prince George’s Community College**

“I know that I'll get aid, but the question every year is how much.”

Markeith, Student at Wayne State University



Policymakers can advance equity through college affordability by:

- **Strengthening the need-based federal Pell Grant**
 - Restore the purchasing power of the Pell Grant
 - Permanently index the grant to inflation
 - Make program funding mandatory
- **Better targeting financial aid funding**
 - Institutions should target resources to students with the greatest need
 - States should prioritize reducing tuition and non-tuition expenses
 - Federal policymakers should allow for a negative EFC

Policymakers can advance equity through college affordability by:

- **Providing greater transparency**
 - States and institutions should have clear articulation agreements and strong transfer pathways
 - Federal policymakers should increase transparency for students through a standard financial aid offer
 - Federal policymakers should create a secure, privacy-protected student-level data network (SLDN)
- **Including students in policy conversations about supporting their success**



Contact

Eleanor Eckerson Peters

Senior Research Analyst | IHEP

epeters@ihep.org

www.ihep.org/studentstories

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