

## **Colleges and Universities Expand Efforts to Improve Access and Affordability**

*Below are examples of recent efforts by public and private colleges and universities to expand financial assistance to low- and middle-income students. While expected family contribution (EFC) is often zero for low-income students, it is important to note that these programs require that any calculated EFC be met. Additionally, "student budget," which varies by institution, includes tuition, fees, books, supplies, room, board, transportation and personal expenses.*

### **Arizona State University: ASU Advantage**

*Public, 50,755 undergraduates enrolled*

**For Arizona residents with family incomes up to \$25,000:** The program covers tuition, room, board, books and supplies with work-study and grant aid. Loans and/or additional work would be required in order to cover transportation and personal expenses.

### **Brown University**

*Private, 5,821 undergraduates enrolled*

Beginning with the class of 2003, students who qualify for institutional aid receive larger grants and smaller loans. It gives students with the greatest financial need approximately \$17,000 in additional grant aid over four years. All students can apply 100 percent of any outside grants toward the self-help portion of their financial aid packages, reducing loan or campus work expectations.

### **Duke University**

*Private, 6,197 undergraduates enrolled*

Beginning in 2008-09, Duke will eliminate parental contributions for families who make less than \$60,000 a year, and make it possible for students from families with incomes below \$40,000 to graduate debt-free. To help relieve financial pressures on the middle class, Duke also will reduce loans for students from families with incomes up to \$100,000 and will cap loans for eligible families with incomes above \$100,000.

### **Emory University: Emory Advantage**

*Private, 6,646 undergraduates enrolled*

Beginning in 2007-08, Emory will replace need-based loans with grants for students whose parents earn \$50,000 or less. Students whose families earn between \$50,001 and \$100,000 won't have to take out more than \$15,000 in loans over a four-year period.

### **Georgia Institute of Technology: Tech Promise**

*Public, 12,360 undergraduates enrolled*

**For Georgia residents with family incomes below \$30,000 eligible for the Pell Grant or HOPE programs:** The program covers the entire remaining student budget with grant aid.

### **Harvard University**

*Private, 6,715 undergraduates enrolled*

Since 2006-07, parents in families with incomes of less than \$60,000 have not been expected to contribute to the cost of their children attending Harvard. Beginning in 2008-09, families earning \$60,000 to \$120,000 a year will contribute on a sliding scale declining from 10 percent. Families

earning \$120,000 to \$180,000 a year will be required to pay, on average, no more than 10 percent of their income. Harvard will also eliminate loans in financial aid packages, replace them with grants, and remove home equity in determining a family's assets.

### **Indiana University**

*Public, 77,694 undergraduates enrolled*

**For Indiana residents who are eligible for federal Pell Grants:** The program covers the entire remaining student budget with grant aid.

### **Pomona College**

*Private, 1,561 undergraduates enrolled*

Beginning in 2008-09, Pomona College will eliminate loans in financial aid packages and replace those amounts with scholarships. The change will apply to both current and future students.

### **Princeton University**

*Private, 4,760 undergraduates enrolled*

Since 2001, Princeton has replaced loans with grants for all undergraduates receiving financial aid. The move followed a decision made in 1998 to replace loans with grants for low-income students. Princeton has also reduced the summer earning expectation for financial aid students and the amount that students are expected to contribute from their own savings. The university lowered expected parental contributions by removing home equity from consideration (or giving an equivalent renter's allowance to those who don't own homes, but have other investments). As a result of these improvements, the portion of tuition covered by the average grant for a freshman aid student rose from 65 percent in 1997 to 95 percent in 2008.

### **University of Florida: Florida Opportunity Scholarships**

*Public, 38,424 undergraduates enrolled*

**For Florida residents with family income up to \$40,000 whose parents did not earn a bachelor's degree:** The program covers the remaining student budget with grant aid.

### **University of Michigan, Ann Arbor: M-PACT**

*Public, 26,083 undergraduates enrolled*

**For Michigan residents at the lowest income level:** Program covers cost of attendance with grant aid and work-study.

**For Michigan resident with income under \$60,000:** Program awards an additional grant ranging from \$500 to \$1,500 to reduce loan burden.

### **University of North Carolina, Chapel Hill: Carolina Covenant**

*Public, 17,931 undergraduates enrolled*

**For students with family incomes below 200% of the poverty level and who have "limited assets":** The program covers the entire remaining student budget with work-study and grant aid for in-state and out-of-state students.

### **University of Pennsylvania**

*Private, 13, 198 undergraduates enrolled*

Effective fall 2008, new and current students with calculated family incomes under \$100,000 will receive loan-free aid packages, while families above that level will receive a 10 percent reduction in need-based loans. By fall 2009, all undergraduate students eligible for financial aid will receive loan-free aid packages, regardless of family income level. In 2006-07, Penn started replacing loans with grants for students of families earning less than \$50,000. In 2005-06, the university reduced the summer savings requirement and increased allowances for incidental expenses for students from low-income backgrounds.

### **University of Virginia: Access UVA**

*Public, 15,920 undergraduates enrolled*

AccessUVA applies to all undergraduate students, both in-state and out-of-state. A financial literacy program is an integral part of Access UVA.

**For students with family incomes below 200% of the poverty level:** The university covers student need with grant aid.

**For all other students:** The program meets the full need of all students and caps need-based loans at \$20,000 over four years while covering the remaining student need with work-study and grant aid.

### **University of Washington: Husky Promise**

*Public, 25,469 undergraduates enrolled*

**For Washington residents who are eligible for Pell Grant or State Need Grant programs:** The program guarantees that tuition and fees are covered with grant and scholarship assistance.

### **Williams College**

*Private, 2,141 undergraduates enrolled*

Beginning in 2008-09, Williams will eliminate loans from all financial aid packages and replace them with grants.

### **Yale University**

*Private, 5,300 undergraduates enrolled*

Yale provides institutional aid on the basis of need only, with no awards being made for scholastic merit, athletic ability or other factors. Most recently, Yale announced that it would reduce the cost of attendance by more than 50 percent—families with incomes below \$120,000 will see their contributions cut by more than 50 percent, while most families with incomes between \$120,000 and \$200,000 will see cost reductions of 33 percent or more. Families earning less than \$60,000 annually will not make any contribution toward the cost of a child's education, and families earning \$60,000 to \$120,000 will typically contribute from one to ten percent of total family income. The contribution of aided families earning above \$120,000 will average 10 percent of income.

More than 45 percent of Yale undergraduates are receiving financial aid with an average annual grant from all sources of \$30,210. In contrast, for the class that graduated in 2001, 39 percent received financial aid and the average grant was \$16,884. In addition, Yale provides its

undergraduates on financial aid with a grant of up to \$2,350 to make it possible for every student to participate in a summer study or internship abroad. Yale also has lowered "self-help" expectations for students, raised the wage rates for campus employment, which now starts at \$11.30 per hour, and excluded \$200,000 of family assets from calculations of the expected family contribution. As a result of these policies, average indebtedness, upon graduation, has fallen from an average of \$18,786 for the Class of 2001 to an expectation of \$11,000 to \$12,000 for the Class of 2011.

*This information was compiled with the assistance of the American Council on Education (ACE), the Association of American Universities (AAU), the National Association of Independent Colleges and Universities (NAICU), the National Association of State Universities and Land-Grant Colleges (NASULGC), Council for Advancement and Support of Education (CASE), and others. For additional information, please contact Erin A. Hennessy, ACE Office of Public Affairs, at (202) 939-9367 or [erin\\_hennessy@ace.nche.edu](mailto:erin_hennessy@ace.nche.edu).*