

State fees might make Ivy League look cheap

As California weighs increases, private schools offering breaks

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Ivy League and other elite colleges may soon be cheaper for some of the state's top students than California's public universities.

The governing boards for the California State University and University of California systems will consider increasing fees tomorrow for the sixth time in seven years. The increases come as top-tier private universities such as Harvard, Stanford and the Massachusetts Institute of Technology are dangling unprecedented tuition breaks to low-and middle-income families.

"Thirty or 40 years ago, the best way to get an education that wasn't expensive was to go to a public university. Go to University of California," said Patrick Callan, president of the National Center for Public Policy and Higher Education in San Jose. "Now, if you can get in, the best bargain may be at Harvard and Stanford."

California's budget shortfall, which Gov. Arnold Schwarzenegger has said could be as high as \$20 billion, has prompted the governor to call for a reduction of more than \$700 million from what the two systems say they need. CSU and UC officials say raising fees is necessary to cope with the cuts.

If approved, the proposed fee increase would more than double the cost for CSU and UC students since 2001.

The UC regents will vote on a 7 percent increase in educational fees and a 10 percent increase in the registration fee for 2008-09. It would boost undergraduate costs for California residents by \$490 for an average total of \$8,007 per year. In-state graduate fees would rise \$546 for an average cost of \$10,376 per year.

The figures do not include books, transportation and living expenses that can nearly triple the amount for its 220,000 students.

"UC seems to be only for the wealthy," said Lisa Chen, 20, a student at UC San Diego. "People are dropping out who can't afford it and it's homogenizing our education."

CSU trustees will vote on whether to raise annual fees 10 percent for the system's 450,000 students. That would be an increase of \$276 for in-state undergraduates, bringing systemwide and campus fees to an average of \$3,797 in 2008-09. Graduate students would see a \$342 spike, for an average of \$4,505 in fees.

The proposed increases come as a growing number of prestigious private schools have announced plans to replace loans with grants, cut tuition and roll out other financial aid deals.

In December, Harvard extended its financial aid package to accommodate families with income of up to \$180,000 a year. It was joined by Yale, which expanded aid to families with income of as much as \$200,000. Students pay no tuition or living expenses at Harvard if their families earn \$60,000 or less, and Yale offers a similar deal.

Dartmouth and MIT waived tuition for those whose parents make below \$75,000. Stanford will eliminate tuition for students from families earning less than \$100,000, while covering room, board and other expenses for those who bring in less than \$60,000.

These discounts follow congressional pressure on schools with large tax-exempt endowments to spend more of their wealth on easing the financial burden for students.

About 20 private schools unveiled aggressive, new financial aid programs, including Claremont McKenna College, California Institute of Technology and Pomona College in California.

Of course, you have to get in. At UC Berkeley, the average GPA for incoming freshmen is 4.25. Many private colleges do not release such figures.

“This does hurt the UCLAs and UC Berkeleys of the world at the level of the top bright students,” said Richard Vedder, director of the Center for College Affordability and Productivity. “A student may apply to Harvard, Stanford and UCLA and their decisions will be based on, 'Did I get accepted and what's the financial aid package?' ”

A student whose family earns \$95,000 and who has no siblings in college would pay nearly 100 percent of the fees at UC Berkeley, said Cheryl Resh, financial aid director. At Stanford, that student would not pay any of the \$36,030 tuition in the fall.

The next tier of private schools could begin to emulate the Ivies by boosting aid, Vedder said.

California's public universities are still a good bargain, but not if they continue to raise their fees at this rate, Vedder said.

UCSD students are pondering what this means for the University of California.

“I think it's a shame that California can't balance the budget and has to push it all off on the students,” said UCSD student Greg Murphy, who graduates this year and is the vice chairman of the Registration Fee Advisory Committee. “I think the private schools ought to be commended that they can provide free tuition,” he said. “At public schools, the majority of the cost of education is being paid by the students.”

Other UCSD students are organizing a protest at the regents meeting in Los Angeles.

But is it that bad? Especially if you live at home?

Even though Ivy League schools may suddenly be a cheaper option for some, UC officials argue that their system is still more attainable for the masses.

“Despite the challenges we have had, which include large fee increases, the university has remained financially accessible to students at all income levels,” said UC spokesman Ricardo Vasquez. “We continue to enroll a larger number of lower-income students than Harvard and Yale.”

One-third of the revenue from the fee increase would go toward financial aid.

“On a per-student basis, our endowment is just a fraction of Harvard's and other institutions,” Vasquez said. UC's endowment is \$9.6 billion, compared with \$34.9 billion at Harvard. About \$69.4 million of the endowment's payout was spent on financial aid in 2007-08.

Tuition has escalated among public colleges across the nation.

The average tuition at four-year public universities nationwide this academic year is \$6,185, a 6.6 percent increase from last year, according to the College Board. In California, the average was \$4,971, a 9 percent increase.

But Callan, of the National Center for Public Policy and Higher Education, said the cost of a college education is particularly acute in California because most students attend school in some of the nation's highest-cost areas.

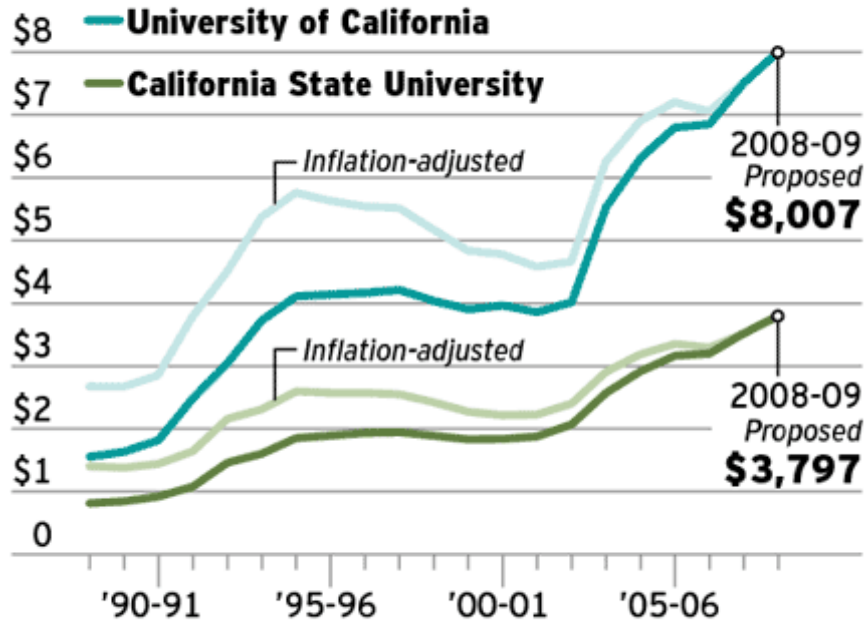
Housing, transportation, books and other expenses can push costs for a Cal State education to a range of nearly \$15,000 to more than \$20,000, depending on the campus. For the UC system, the total average

cost is about \$24,000.

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AVERAGE ANNUAL UNDERGRADUATE FEES FOR CALIFORNIA RESIDENTS

\$9 thousand



SOURCES: The university systems; Bureau of Labor Statistics

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