



West Virginia Higher Education Policy Commission

Higher Education
News Clippings

Week of May 17, 2009

May 14, 2009

Tuition Increases Approved for Coming School Year Rates will take effect at the start of the 2009-2010 school year.

Story by Walt Williams

The state Higher Education Policy Commission approved tuition increases at most of the state's four-year universities Thursday, but at the same time charged the university system with developing a plan to reduce costs.

The commission voted to raise tuition and fees from three to eight percent at all the state's four-year institutions except Marshall University and West Virginia University.

The boards of governors at both universities have not yet acted on tuition and fee increases, although WVU officials have suggested students could face a four percent increase in the coming academic year.

The new rates will take effect at the start of the 2009-2010 school year.

The commission also created a cost-savings committee to report back in six months with recommendations about how universities could trim costs, Higher Education Chancellor Brian Noland said.

"What the board would like to see is a discussion of tuition and fees much earlier in the cycle so parents and students can plan ahead," he said.

University officials had to set rates this year without knowing how much funding the state Legislature would set aside for higher education. Lawmakers have yet to set a budget for the coming fiscal year, although they will meet at the end of May to take up the issue.

However, university officials have been told to expect a 5 percent cut in funding.

State financial support for higher education as been shrinking in recent years, which many blame for most of the tuition and fee increases during that time. Some state lawmakers counter colleges and universities could do more to control costs.

WTRF Channel 7 News

May 19, 2009

West Virginia Making Progress Toward Research Goals New national indicators show state's investments in science and research starting to pay off.

Story by Sandra Cole

CHARLESTON -- Governor Joe Manchin said Monday that new national indicators show West Virginia's investments in science and research over the last few years are beginning to show results.

According to the latest data from the National Science Foundation (NSF), total research and development (R&D) expenditures at colleges and universities in the state increased by 24 percent between 2004 and 2007. In fiscal year 2006-07, the most recent year for which data is available, the expenditures jumped 11 percent.

These figures, along with data that shows increases in the number of West Virginia college students majoring in science and engineering, are just a couple of recent indications the state is making progress toward the goals in its Vision 2015 strategic plan for science and technology.

"I'm extremely pleased to say that the foundation we've been laying over the last several years, by steadily increasing state investments in science and research, are beginning to pay off," said the governor. "We are seeing marked increases in the R&D expenditures at our colleges and universities, showing we have more people working in science and technology on our campuses and that our researchers are landing more federal grants to help fund their work."

"As I've said before, if we can build our university research programs, the discoveries the scientists and engineers make will eventually lead to business spin-offs, new patents and high-tech jobs at all skill and education levels."

The state has invested a total of \$76 million in academic research since 2005 through the Research Challenge Fund, the Eminent Scholars Recruitment and Enhancement Initiative, and the "Bucks for Brains" West Virginia Research Trust Fund.

Manchin added that data from the West Virginia Higher Education Policy Commission (HEPC) and the NSF show that more college students are majoring in science and technology disciplines, and that more are earning advanced degrees in those fields from the state's higher education institutions. In fact, the number of students majoring in science and engineering fields rose by nearly 19 percent between 2003 and 2007, and science and engineering doctorate awards per capita rose 43 percent between 2002 and 2006.

"This new data is encouraging news that our strategies are working," said Dr. Paul L. Hill, HEPC vice chancellor for science and research. "If we can continue to enable the creation of high-tech jobs by making investments in university research, we can make lasting contributions to the quality of life in West Virginia."

Hill added that West Virginia is still in the early stages of making the research investments necessary to see a payoff down the road in the form of more high-tech businesses and better jobs. "Success won't occur overnight," he said. "We will need to stay focused on the long-term goals, but if these new studies are any indication, we are definitely on the right path."

The governor cited the recent recruitments of several world-class scholars to West Virginia University (WVU) and Marshall University through the Eminent Scholars and "Bucks for Brains" initiatives. Dr. J. Michael Ruppert has joined the Mary Babb Randolph Cancer Center at WVU to fill the newly created Jo and Ben Statler Eminent Scholar and Chair in Breast Cancer Research, and Dr. Eric Kmiec has been hired as the first director and lead research scientist of the Marshall University Institute for Interdisciplinary Research. Dr. Terri Marts has been appointed interim director of WVU's Advanced Energy Initiative, while Dr. Laura Gibson has been named the university's first Alexander B. Osborn Distinguished Professor in Hematological Malignancies Research.

Manchin also noted he was gratified by the results of a recent phone survey of state households commissioned by Create West Virginia. The survey showed 82 percent of the state's citizens support community and state efforts to generate more jobs by investing in research and development.

"West Virginians clearly understand that the key to success in the 21st century economy is continuing investments in infrastructure for scientific research," he said. "If we keep making significant progress toward the goals in Vision 2015, we can stimulate business development, and create better jobs and a higher standard of living for all our state's citizens."

Vision 2015: The West Virginia Science and Technology Strategic Plan is available online at www.wvresearch.org.



May 21, 2009

WVU alum named registrar

Robinson begins job on June 30

Staff, submitted reports

WVU alumnus Steve Robinson has been hired to serve as the university's new registrar, interim Provost E. Jane Martin announced Wednesday.

Robinson, 39, will begin his new duties June 30, the same day incoming President James P. Clements is scheduled to start work.

He currently serves as registrar for the University of Maryland, Baltimore County (UMBC).

WVU spokesman Dan Kim said Robinson will earn \$115,000 annually. The American Association of across the university.

"We are delighted that Dr. Robinson is joining the WVU family," Martin said.

"We had an exceptionally strong pool of applicants and finalists, but Steve's extensive background as a registrar and leader in academic regulations and certification practices stood out. We also felt he was just an all-around good fit for WVU."

At UMBC, Robinson maintains the accuracy and integrity of the academic records of the institution. Under his guidance, the Office of the Registrar migrated to a new student information system, refined the degree audit and graduation processes to increase efficiency and student service, re-engineered the transcript and documentation ordering process, facilitated the overhaul of the undergraduate catalog and introduced new communication Collegiate Registrars and Admissions Officers (AACRAO), an independent record management consulting group, recommended in February that WVU establish a permanent university registrar who would serve as the official custodian of all students' academic records.

Establishing this position signals the development of a centralized system of records management, Martin said, intended to standardize and strengthen degreegranting practices and policies tools to enhance customer service.

Robinson earned a bachelor's degree in philosophy and political science and a master's degree in higher education administration from WVU in 1992 and 1995, respectively. He also received a doctorate in higher education administration from the University of Alabama.

Prior to serving as registrar at UMBC, he was associate registrar at the University of Alabama. He also served for a time as director of student services, office of nursing, at Alabama as well as coordinator and adviser of student services, College of Nursing, at East Tennessee State University.

He has delivered numerous presentations and workshops on recordkeeping, enrollment management, change management, FERPA, advising and other related topics.

“I am thrilled to be joining WVU at such an exciting time,” Robinson said. “To return to West Virginia and West Virginia University is an opportunity that I am fortunate to have. I feel like I am coming home.

“Maintaining the integrity of the university’s academic records is an incredible responsibility, but it is also one that I am honored to accept,” he added.

“I look forward to building upon the significant work that has already been accomplished in implementing the recommendations of the AACRAO task force. We will meet and exceed the gold standard in these matters that WVU expects and deserves.”

WVU initially received 25 applications for the position and narrowed the list to four candidates, but one took another position.

Interviews with the three finalists were held on campus in April and May.



May 15, 2009

WVUH, UHA to remain separate Too few doctors vote in favor of combining

BY CASSIE SHANER The Dominion Post

University Health Associates physicians failed to pass a proposed organizational structure that would have united WVU's clinical operations under one umbrella — WVU Healthcare.

WVU Hospitals and University Health Associates (UHA) — the university's clinical practice arm for School of Medicine faculty — would have continued to exist as separate corporate entities under the plan, but operate jointly as WVU Healthcare. The plan was endorsed by the WVU Board of Governors (BOG) in April.

However, it included changes to the UHA bylaws that had to be approved by a two-thirds majority of the eligible physicians voting to take effect, according to Amy Johns, a spokeswoman for WVU's Robert C. Byrd Health Sciences Center.

A total of 318 UHA physicians, or about 83 percent of the 384 doctors eligible, voted on the proposal during a twohour period Wednesday.

Johns said 177 ballots — or about 56 percent — were cast in favor of the plan, and 141 were cast against it.

"A majority voted for it, but not a two-thirds majority," Johns said.

Faculty physicians were informed of the outcome by e-mail Wednesday night. The results were announced to the remainder of UHA and WVU Hospitals staff Thursday.

"As a result of this vote, the current organizational structure, governance and management of UHA will remain in place," Gary Marano, interim president and chief executive officer of UHA, said in an e-mail provided to The Dominion Post.

UHA and WVU Hospitals currently have their own governing boards and CEOs. The new plan would have combined the two CEO positions into one representing WVU Healthcare, UHA and WVU Hospitals. It would have also created an executive committee for WVU Healthcare that included four members each from the governing boards of UHA and WVU Hospitals.

WVU is seeking a new chancellor for health sciences that will report to WVU's president and would have presided over the executive committee.

WVU Healthcare's CEO would have reported directly to the chancellor and the president and CEO of the West Virginia United Health System, a private network of hospitals and health care providers that UHA would have joined under the plan.

Marano said UHA leaders are still committed to developing a more integrated management structure, and they plan to continue those efforts.

“The majority support for this proposal among the faculty, and the approval of this proposal by all of the other organizations involved, indicates a strong desire among all parties to move in this direction,” Marano said.

Because physicians voted on the proposal by anonymous ballot, Johns said she wasn’t sure who voted against the proposal or why. A 15-person team worked with The Chartis Group, a health care consulting firm, to develop the proposal. Officials said it would have streamlined the decision-making process and given WVU School of Medicine faculty a greater say in patient care.

Interim WVU President C. Peter Magrath and other university officials said WVU’s complicated health enterprise needed to be restructured to improve efficiency. In a joint statement released Thursday, Magrath and BOG Chairwoman Carolyn Long said they were disappointed by the UHA vote, but they respect the doctors’ decision.

“Along with the UHA Board and leadership, we believe that we can and must form a more integrated relationship for managing the health care provided by WVU faculty,” they said. “The fact that a majority of physicians voting supported this proposal, and that it has been endorsed by all other relevant parties, including the WVU Board of Governors, demonstrates the support for this integration. We will continue this effort.”

May 21, 2009

Massey funding WVa college scholarships

The Associated Press

MORGANTOWN, W.Va. (AP) - Massey Energy is donating \$500,000 for scholarships in mining and civil engineering at West Virginia University and WVU Institute of Technology.

Chief Executive Don Blankenship hopes the money will attract the best and brightest engineering students from across Central Appalachia. He says it's the best investment his Virginia-based coal company can make in West Virginia's future.

The scholarships provide \$36,000 annually for five years to WVU students and \$12,000 annually for five years to WVU Tech students.

Preference goes to students from southern West Virginia, followed by eastern Kentucky, southwestern Virginia and elsewhere.

Massey also is giving \$260,000 for public school outreach programs and for internships, career fairs and speakers.

MU a leader in family practice doctors

By JEAN TARBETT HARDIMAN, The Herald-Dispatch

HUNTINGTON -- Dr. Sydnee McElroy started medical school with the intention of specializing in infectious disease.

But during her third year at Marshall's Joan C. Edwards School of Medicine, she rotated through different specialties and family practice. When she worked in family practice with Drs. Glenn Harper and Gary Cremeans in Kenova, she changed her mind about her path.

"I fell in love with family practice," said McElroy, who graduated this month and is doing her residency in family practice with Marshall. In family practice, "You have to know so much about so much, and I found it more challenging than other specialties."

She said she wishes more doctors would choose family practice, but she knows that her university is doing its part to encourage that.

In fact, Marshall's medical school ranks third in the nation in the percentage of graduates entering family practice programs, and it received a "Top 10 Award" from the American Academy of Family Physicians as a result.

Marshall tied with West Virginia University's and Florida State's medical schools with the third-highest percentage, 16.8 percent, of its graduates entering family practice over the three-year period. The University of North Dakota led the group with 20.3 percent, and the University of Kansas came in second with 19.1 percent.

The awards were presented during the 2009 Society of Teachers of Family Medicine spring conference April 30-May 3 in Denver.

It's a testament to the role-modeling of the faculty in the Department of Family and Community Health at Marshall, Dr. John B. Walden said in a press release. He is an associate dean at the medical school and chair of its Department of Family and Community Health,

It's also a credit to the "unwavering support from the administration of this medical school in promoting primary care, that for 20 years in a row we have placed in the top tier of schools across the nation in the percentage of graduates entering family medicine residency programs," Walden said in the release.

"We are especially proud that 90 graduates of this residency program now provide care in more than 25 mostly rural communities throughout the state, including a significant number who have chosen to provide care to patients in the immediate Tri-State region."

Walden added that national surveys consistently show that the demand for primary care physicians continues to skyrocket. Studies also warn about a looming shortage of residency-trained family doctors across America.

"Clearly, Marshall is doing its share to address these critical primary care physician training issues," he said in the release.

McElroy said medical students often choose to specialize because specialists work fewer hours with better pay. But as soon as she started at the family practice office in Kenova, "it just clicked. ... I realized that with family practice, you get to know the patient, their families and their neighbors," she said. "I felt like they were taking care of them on a different level than the other specialists.

"So much medicine in this area has to do with lifestyle changes and making decisions on a daily basis that have nothing to do with medication, and (in family practice) you can really help them make those changes."

MU to manage \$17M for research

BILL ROSENBERGER, The Herald-Dispatch

HUNTINGTON -- Marshall University has been awarded a second five-year grant from the U.S. Department of Health and Human Services' National Center for Research Resources. The grant is worth more than \$17 million, which Marshall will use to fund biomedical research at undergraduate institutions in West Virginia.

The funding is for the West Virginia IDeA Network of Biomedical Research Excellence, which will allow for better communication among educators in the field of biomedicine in the state. Marshall manages the program.

"We have the opportunity to shape West Virginia and open doors and create opportunities for the future," said Dr. Gary Rankin, Marshall's chair of the Department of Pharmacology, Physiology and Toxicology and principal investor for the grant.

He said the first segment of funding is about \$3.64 million. Five major awards have been committed to faculty doing research at Alderson-Broaddus College, Wheeling Jesuit University, West Virginia State University and West Liberty State College.

Among the projects are cardiovascular disease, cancer treatments and the interaction of drugs with the body's enzymes.

There also are a number of smaller grants going to a variety of other educational institutions, including one at Concord University, where the researcher is looking for possible drugs in Appalachian plants.

"(This money) establishes research in colleges and universities around this state where research was never happening," Rankin said. "It will lead to more dollars going to these universities, which will create new jobs."

Rankin added that the \$17 million worth of research has the potential to have a \$60 million to \$70 million impact on the West Virginia economy over the next five years. And that's on top of the estimated \$60 million impact the previous five years of grant money should have had.

Marshall, in partnership with West Virginia University, received a Biomedical Research Infrastructure Network award in 2001 by the National Institute of Health to begin to build a collaborative effort to sponsor research at West Virginia undergraduate institutions. The National Center for Research Resources is a part of the National Institutes of Health that provides laboratory scientists and clinical researchers with the tools and training they need to understand, detect, treat and prevent a wide range of diseases.

Marshall President Stephen Kopp said the funds will help build biomedical research infrastructure across West Virginia and help attract more students to biomedical research career opportunities.

The program was started more than five years ago for 23 states and Puerto Rico, which were not getting their share of biomedical funding, Rankin said. Through this federal funding from the National Institute of Health, those states have the ability to create biomedical infrastructure.

"There's prestige (in Marshall managing the program)," Rankin added. "For Marshall University to have one of the 23 centers across the country is important for our recognition."

Charleston Daily Mail

DAILYMAIL.COM

May 22, 2009

EDITORIAL

Minting doctors for rural areas

Marshall and WVU are now leaders in family practice, which helps W.Va.

Back in 1989, the Carnegie Foundation noted, among other things, that less than half the graduates of the state's three medical schools set up practice in the state.

Officials at the schools got the message.

Marshall University and West Virginia University began emphasizing family practice, a specialty especially needed in a rural state in which 68 percent of the populace lives outside an incorporated area.

Now, 20 years later, both programs are nationally recognized, as 16.8 percent of the students at each medical school now enter the family practice specialty.

The American Academy of Family Physicians ranked them as tied for third (with Florida State) in its Top 10 awards. Only the University of North Dakota at 20.3 percent and the University of Kansas at 19.1 percent scored higher.

Dr. John Walden, an associate dean at Marshall's medical school, credited 20 years of stressing family practice. "We are especially proud that 90 graduates of this residency program now provide care in more than 25 mostly rural communities throughout the state," he said.

For its part, the osteopathic school has put graduates in at least 45 of the 55 counties.

The Carnegie report was a wake-up call. Twenty years later, the schools seem to have answered it effectively.

May 20, 2009

W.Va. State faculty wants MIC gone from Bayer

By Ken Ward Jr., Staff writer

CHARLESTON, W.Va. - Faculty at West Virginia State University have voted to urge Bayer CropScience to remove the stockpile of deadly methyl isocyanate from the company's Institute plant.

The plant, adjacent to State's campus, stores more than 200,000 pounds of MIC, the chemical that killed thousands of people in a 1984 leak at a Union Carbide plant in Bhopal, India.

In recent weeks, the Bayer facility has come under renewed scrutiny, after federal investigators reported the August 2008 explosion that killed two plant workers could easily have damaged or destroyed one of the MIC tanks.

Last week, West Virginia State's faculty unanimously approved a resolution on the MIC issue similar to one approved about a week earlier by the university's faculty senate.

The resolution stated, "The faculty at West Virginia State University demands that the storage of MIC and or other deadly toxins at Bayer's Institute plant be eliminated or drastically reduced to a minimum.

"Kanawha Valley residents are the only people in the United States still living or working next to a chemical plant that maintains large amounts of MIC in storage -- twenty five years after MIC claimed so many thousands of people's lives during the Bhopal disaster," the resolution said. "The recent and ongoing investigation by the U.S. Chemical Safety Board into the deadly accident at the Bayer-Institute plant on August 28, 2008, has revealed that Bayer has not, and likely cannot, responsibly manage the storage of these types of chemicals.

"The time has come for Bayer to eliminate these storage hazards as they continue to threaten the lives of all Kanawha Valley residents, rather than continue to force us to wait for another deadly incident and the loss of all hope that Bayer can ever effectively manage large-scale MIC storage."

Congressional investigators and safety board officials have said that serious safety lapses by Bayer caused the August 2008 explosion, which occurred about 80 feet from a tank that can hold up to 37,000 pounds of MIC.

For years, the local group People Concerned About MIC has advocated that the Institute plant get rid of its MIC stockpile. In recent weeks, political leaders including Kanawha County Commissioner Kent Carper and Sen. Jay Rockefeller, D-W.Va., have joined in demanding an independent review of the issue by the safety board.

Bayer maintains that its MIC storage and handling is safe, but told a congressional hearing it sought to use chemical plant anti-terrorism secrecy rules to avoid a public discussion of the issue.

Tom Dover, an Institute plant spokesman, could not immediately be reached for comment Wednesday.

May 21, 2009

Montgomery community college adopts new name

MONTGOMERY, W.Va. -- Another West Virginia community college has renamed itself ahead of a July deadline for schools that were once linked to four-year institutions.

The Community and Technical College at WVU Tech in Montgomery is now Bridgemont Community and Technical College.

The school announced the new name Wednesday. It becomes the third of five community and technical colleges to change their names after a 2008 law separated them from four-year university partners. Earlier, West Virginia State CTC became Kanawha Valley CTC, and Fairmont State CTC became Pierpont CTC.

The other two schools, Marshall CTC in Huntington and West Virginia University at Parkersburg, have until July 1 to change their names or strike an agreement with the larger schools on trademark use.



May 18, 2009

What's Next?

MetroNews

Thousands of students are graduating from colleges and universities throughout West Virginia this month. What's waiting for them on the other side of graduation in a recession, though, is anyone's guess.

"This is, probably, the most challenging labor market for a set of students walking across the college stage since the late 70s," says state Higher Education Policy Commission Chancellor Brian Noland.

Earlier this month, Vice President Joe Biden told those graduating from Syracuse University they are graduating into a "world of anxiety and uncertainty."

Graduates are heading into the worst job market in a generation.

But Chancellor Noland says all is not lost.

"This is a good opportunity for students to look at graduate schools," Noland tells MetroNews. "This is also a great opportunity for students to look at public service. It's also, I think, an opportunity to look for positions here in West Virginia."

Noland says the economic downturn has not impacted West Virginia the way it has impacted other states.

"While there may be a depressed economic environment and hiring environment in places where our graduates have traditionally looked, North Carolina, Pittsburgh, Northern Virginia, the labor market in West Virginia remains strong."

Nationwide, the unemployment rate is nearing 9%.

May 19, 2009

What Does a Degree Cost?

By Doug Lederman

College tuition prices keep rising. State budgets are stagnant or shrinking. And policy makers, from President Obama on down, are increasingly calling for increases in the number of Americans who get some higher education or training.

Those factors have led more state legislators, trustees and others to argue that, to accomplish the latter goal given the former circumstances, colleges are going to have to lower what they spend to produce the average credential they award. But any discussion of lowering the "cost per degree" must start with a more fundamental question: What does a degree cost to produce now?

That question may be basic, but it is not simple, as a new report from the Delta Project on Postsecondary Education Costs, Productivity, and Accountability makes clear. The paper, prepared by Nate Johnson, associate director of institutional planning and research at the University of Florida, lays out a range of possible approaches to calculating the cost of a college degree and then calculates them using a rich set of data from the State University System of Florida, where Johnson formerly worked.

The paper shows that it is distinctly possible to come up with such a figure, but the wide variation in the numbers -- based on institution type, program, degree level, and other factors -- suggests that the answer will depend in large part on how the question is framed. And that decision is a surprisingly value-laden one, says Johnson. "You frame the question one way if you are only interested in students who graduate, and another way if you want to know the cost for people who go to college and don't complete," he says. "The point is, this is not just a data question. It's a question of what it is that we want from our colleges and universities."

The broad work of the Delta Project and its founder, Jane Wellman, is to analyze the "spending side" of the higher education cost and price picture; the group has released a series of reports that try to document the interplay of colleges' revenues and expenditures, and how those trends affect what they charge to students. The new study, which grew out of Johnson's work in Florida, he says, aims to develop a "common language," if not a common format, for focusing the discussion about how one might measure the cost of a degree in a particular institution, system or state. Toward that end, Johnson proposes several possible ways of calculating the average cost of a degree.

The analyses are based on data showing that the Florida university system incurred an average of \$288 in direct and indirect instructional expenditures per credit hour, with wide variation by level (\$188 for lower division undergraduate, \$537 for master's, etc.), institution (\$240 for an upper level undergraduate credit at the massive University of

Central Florida, \$677 for the same credit at the 700-student New College), and field of study (\$159 in family/consumer sciences, \$509 for natural resources/conservation). The analysis counts only those expenditures derived from state appropriations and student tuition, excluding endowment and other funds.

The first estimate, which Johnson calls the "catalog cost," calculates what a college would spend to educate a student who fulfills the "catalog requirements" of the average degree to the letter -- no more, no less. (The equation: cost per credit hour x instructional expenditures/credit hours.) The average cost is \$26,485, with institutions within the Florida system ranging from \$22,440 to nearly double that. Johnson also found significant variation by field because of vastly different requirements and program length, with mechanical engineering averaging \$37,870 vs. \$27,159 for elementary education.

The catalog method is easily understood, but it "does not reflect actual student behavior," Johnson notes. More accurate in gauging how students actually maneuver through institutions, he writes, is the "transcript method" of cost analysis, in which the total number of credit hours students take are multiplied by the cost per credit hour, and then divided by the number of degrees awarded. The average freshman who entered a Florida system university and graduated in 2003-4 "attempted" 131 credits, including failed or withdrawn courses and subtracting for any AP or dual enrollment courses that reduced their course requirements.

The average "transcript cost," then, was \$31,763; converting to 2006 dollars, to make parallel to the figures from the "catalog cost" analysis, Johnson writes, the average figure is \$33,672. (The 2003-4 figure for mechanical engineering was \$47,257.)

Both the catalog and transcript cost methods factor into the calculation only those costs incurred by students who actually graduate. The third major analysis, "full cost attribution," examines the entire amount that an institution or system spent on instructional purposes to achieve an "aggregate level of degree completion." The equation looks like this: all credits taken at an institution over three years x the three-year average cost per credit hour/three years of degrees.

Not surprisingly, because all courses taken by all students would be allocated to the smaller proportion who actually earned degrees, this produces the highest cost per degree number; \$37,757 in 2002-3 dollars, equivalent to \$40,645 in 2005-6, Johnson writes. This analysis grows less predictable and valid the more narrowly it is drawn, he adds, because programs with high attrition, or into which many students transfer late in the game, can have their figures drastically altered. The overall high and low for the Florida university system, for example, were \$170,831 for "multidisciplinary studies" and \$21,473 for parks and recreation, and the variation by degree level was enormous: \$33,425 for a law degree, \$259,781 for an M.D., and \$121,725 for a doctorate.

So which is the most accurate assessment of what a university spends to educate a graduate? The catalog cost of \$26,485, the transcript cost of \$33,672, or the "full cost" \$40,645? The last is "probably closer to an answer" to the question that policy makers are increasingly asking now, about "what would we have to spend to get more graduates," though that assumes that colleges maintained their current enrollment and expenditure levels, he notes.

But the other key point, Johnson says, is that the choice of how you measure cost depends, to an extent, on how you perceive the role of colleges. Using the "full cost" measure, he asserts, more or less says that most of what a university does is designed to educate students, and that "all of those costs could be attributed to the cost of producing college graduates," as overhead, he says.

"If you highly value research or public service," though, "you could almost say that the graduates are free -- a byproduct" of what you spend on those other purposes.

Credit reform means new era for college students

By ANNE FLAHERTY

WASHINGTON (AP) — It's an end of an era for the thousands of college students who rely on MasterCard or Visa to get them through tight times.

Under a new law awaiting President Barack Obama's signature, credit card companies will be prohibited from giving cards to people under 21 unless they can prove they have the means to repay the debt or a parent or guardian co-signs for the loan.

Congress passed the bill this week, and Obama was expected to sign it into law Friday. The changes will go into effect in nine months.

"The hope is that when they spend, they'll spend under better terms and there'll be fewer traps for them," said Pedro de la Torre, a spokesman for Campus Progress, a progressive group in Washington that tracks issues affecting young people.

Congress is hoping to break a vicious cycle: A cardholder falls behind in paying the bill and watches helplessly as the interest rate spikes on the existing balance. Buried in higher rates and late fees, the cardholder spend less, which hurts local businesses.

College students are particularly vulnerable.

According to Campus Progress, aggressive marketing by the card companies and multimillion-dollar agreements with universities have presented young people with ample opportunities to borrow money they can't repay. College seniors with credit cards are graduating with an average balance of \$4,100, a 41 percent increase in the past five years, the group says.

In addition to curbing the number of young people who can obtain a card, the legislation would set new limits on when and how banks charge fees.

For example, a customer would have to be more than 60 days behind on a payment before seeing a rate increase on an existing balance. Even then, the lender would be required to restore the previous, lower rate if the cardholder pays the minimum balance on time for six months.

Consumers also would have to receive 45 days' notice and an explanation before their interest rate was increased.

"This will allow consumers to make informed choices about how best, and whether, to use a credit card, or to shop around for better terms," House Speaker Nancy Pelosi, D-Calif., said after the House passed the bill Wednesday, 361-64.

The Senate approved the bill Tuesday, 90-5.

The banking industry opposes the changes.

"Less credit will be available generally, which means some consumers and small businesses will not be able to obtain credit cards at all, particularly younger people and startup small businesses," said Edward Yingling, president and CEO of the American Bankers Association.

A spokeswoman for Sen. Christopher Dodd, D-Conn., chairman of the Senate Banking Committee, said the provision would not be retroactive. People under 21 who already have cards would be allowed to keep them, she said.

A Lifetime of Student Debt? Not Likely Many college graduates borrow lightly or not at all, statistics show

By ROBIN WILSON

Despite tales of gargantuan student-debt burdens for some college graduates, studies have found that most students borrow sensibly, pay it back, and are better off for having gone to college.

One college graduate had smashed a ceramic piggy bank, while another had adorned a life-size human statue with nothing but a silver ball and chain. A third drew a picture of a woman in a red coat stumbling down a seemingly endless pathway. The objects were all part of an art show last month in which graduates expressed fear and frustration over their student-loan debt.

The show joins a number of increasingly high-pitched campaigns aimed at exposing what some consider a national crisis: Student-loan borrowing that is threatening the financial future of today's college students. In January a lawyer with \$100,000 in education debt started a Facebook campaign urging the federal government to "free us of our obligations to repay our out-of-control student loan debt." Forbes magazine published an article that same month called "The Great College Hoax," which said that the decision to borrow to attend college often amounts to a "financial disaster." A month later, a book came out decrying college debt, with the title *The Student Loan Scam: The Most Oppressive Debt in U.S. History and How We Can Fight Back* (Beacon Press).

But is it really all that bad?

"There are some really poignant, painful stories," says Michael S. McPherson, an economist and president of the Spencer Foundation, which supports educational research. "But they aren't the typical American experience."

In fact, despite stories of a large number of students who face gargantuan debt, about a third of graduates leave college with no debt at all for their education. Of the 65 percent who face debt, the average they owe is around \$20,000. That's just below the starting price of a 2009 Ford Escape.

"Most people borrow a reasonable amount of money, they pay it back, and they are better for having gone to college," says Mr. McPherson.

But for a vocal minority of borrowers, problems with student-loan debt are very real. About 8 percent of undergraduates borrow at least double the national average.

Why do some students borrow more than \$40,000 for a bachelor's degree when average borrowing is only half that? The answer is almost never that they are from very low-income families and need that much money to get a four-year degree. Public four-year colleges charged an average of just \$6,585 for in-state tuition and fees in 2008-9. The total cost, including textbooks, room and board, and other living expenses, averages \$18,326 a year — and financial aid brings that figure down for many students.

More often, the problem among students who go heavily into debt is that they are determined to attend their dream college, no matter the cost.

"People don't pay attention to the debt," says Mark Kantrowitz, publisher of FinAid, a Web site about student aid. "They want to be able to pay for the school they have wanted to go to for as long as they can remember, and they are willing to do whatever it takes."

'Life Sentence'?

Students whom financial-aid experts call "overborrowers" capture most of the media's attention. "If you are a writer vying for a story on Page 1, which story do you want to write?" asks Mr. McPherson. "Is it going to be the careful story driven by the data, or is it going to be the headline that can scare people?"

He's talking about headlines like the one on a CNN report in 2006 that called student loans "A Life Sentence" and said: "Forget about getting married and buying a home. This generation is thinking about next month's payment."

But data on the average student-loan borrower tell a very different story. Figures compiled by the U.S. Education Department show that while roughly two-thirds of students graduated from four-year colleges in 2003-4 with some education debt, on average they borrowed \$19,202. Those who attended public institutions graduated with an average debt of \$17,277, and those from private colleges \$21,957.

The data have been updated by the Project on Student Debt, a nonprofit research-and-policy organization, which found that for the Class of 2007, graduates' average debt was \$18,482 at public colleges and \$23,065 at private ones.

Jill McCusker graduated in 2007 from Stonehill College, a Roman Catholic institution in Massachusetts. Her \$30,000 in education loans put her above the average, but she is managing her \$300-a-month payments by living with her mother for now. She doesn't regret her decision to attend Stonehill or even to borrow \$30,000 — although it has caused her to delay her plans to live in an apartment in Boston with a friend. "I really love the school and I felt it would look good on a résumé," says Ms. McCusker, who earns \$39,000 a year working in an entry-level position for buyers at the headquarters of Talbots, a chain of women's clothing stores.

Ms. McCusker is among the silent majority of borrowers who are repaying their student loans without much complaint (see related articles). Her story stands in stark contrast to thousands of others on a new Facebook page that calls on the U.S. government to forgive all student loans. Robert Applebaum, who started the page, has been amazed to attract 188,766 friends and counting. With nearly \$100,000 in education debt, though, he has a story far different from Ms. McCusker's. Mr. Applebaum incurred his loans during law school, for which the average graduate borrowed \$70,933 in 2003-4.

Part of the confusion over the student-loan issue is that undergraduate debt is frequently conflated with graduate and professional-school debt — which is typically much, much higher. In 2003-4, for example, medical-school graduates borrowed an average of \$113,661. Student-aid experts say the higher debt makes sense for people who earn degrees in law, business, and medicine because they are much more capable of landing high-paying jobs and paying off larger loans. (Mr. Applebaum has struggled

because he went to an expensive law school but then took a low-paying job with the district attorney's office in Brooklyn, N.Y.)

Still, many economists say borrowing for any kind of higher education is generally a smart idea. That's partly because student loans typically carry low interest rates. "College is a very good investment, and most students take out too few loans, not too many," says Caroline M. Hoxby, a professor of economics at Stanford University.

Anthony P. Carnevale, director of Georgetown University's Center on Education and the Workforce, agrees. "From an economist's point of view, debt is the very best way to pay for education because you're shifting the cost forward until you'll be earning more money," he says. "You borrow cheap money. It's really a very good bargain."

Patrick M. Callan, president of the National Center for Public Policy and Higher Education, is not as sanguine about the value of borrowing. Still, "the only thing worse than borrowing," he says, "is not borrowing and not going to college at all."

Data on salaries back him up. According to the Census Bureau, the average college graduate earned \$57,181 in 2007, while the average high-school graduate earned just \$31,286. That means college graduates earned about 80 percent more that year than high-school graduates did. Over a lifetime, those extra earnings stack up. According to a 2002 report by the Census Bureau, a college graduate can expect to earn nearly \$1-million more in lifetime earnings than a high-school graduate can.

"Alarmists have tried to change the public story on student-loan debt" by questioning whether borrowing for college is worth it, says Sandy Baum, a senior analyst at the College Board. But a student who graduates with \$20,000 in debt should be able to make at least that amount in extra earnings in one to two years' time, she calculates, simply by having earned a college diploma.

Even in this economy, college graduates are much better off than high-school graduates. Yes, white-collar employees are losing their jobs. But the unemployment rate for people over 25 years old who hold at least a bachelor's degree is 4.4 percent, compared with 9.3 percent for people that age who hold only a high-school diploma, according to the Bureau of Labor Statistics.

Borrowing Risk

People concerned about student-loan debt say the problem is not that college isn't worth borrowing for, or even that today's average loan amount is too much.

What bothers advocacy groups like the Project on Student Debt is how many more students are borrowing now compared with a decade ago, how much more they are borrowing, and what that says about the affordability of a college education.

In 1993, the project has found, fewer than half of graduating seniors had loans, compared with 65 percent in 2003-4. Among those with loans, the average debt has more than doubled, from \$9,250 in 1993 to \$19,200 in 2003-4.

"It used to be that, 10 to 20 years ago, if you went to a four-year public institution, had a low to moderate income, and worked a reasonable amount part time in school, there was enough aid. and public institutions were better financed, so you could come out

with no debt," says Lauren J. Asher, acting president of the group. "That same student now would have to borrow to get their education. A college degree is still a good investment, but the financial risk for the student has increased."

Indeed, Ms. Asher points out that more college graduates are carrying unmanageably high student-loan debts of at least \$40,000. A study by the project found that in 1993, only about 1.3 percent of graduating seniors had borrowed the current equivalent of at least \$40,000. By 2004 the proportion had risen to 7.7 percent.

High student-loan debt, says Ms. Asher, "can ruin someone for life." Many borrowers who find themselves in trouble use options under the federal loan program that allow them to postpone repayments on their loans for years. The problem is that because interest keeps racking up during such a deferment and after a default, the amount a borrower owes can soar.

That's what happened to Alan M. Collinge, founder of StudentLoanJustice.org, an advocacy group. He took out \$38,000 in loans, which included \$15,000 for an undergraduate degree and \$23,000 for a master's program in aerospace engineering. In 1999 he took a research position at the University of Southern California at \$35,000 a year. By 2001, after he had spent \$6,000 on an invention that didn't pan out and had a car accident that cost him \$1,500, he realized that he could no longer pay his bills, including his \$362-a-month education debt. He went to his boss, asked for a 30-percent pay raise, and quickly found himself out of a job and in default on his student loans. His student-loan debt now has reached \$120,000.

In February, Mr. Collinge published *The Student Loan Scam*, which blames lenders for using harsh collection tactics and failing to work with distressed borrowers — some of whose stories he details in the book and on his Web site. He acknowledges that these borrowers fall at the margins of the student-loan experience, but argues, "The margins are important because those are real people."

It is not that difficult for borrowers to find themselves in trouble, Ms. Asher says. "People lose control of their finances, and sometimes they make choices you wish they hadn't made."

That could probably be said of Darla M. Horn, who organized the student-loan-debt art show last month in Long Island City, N.Y. Ms. Horn says she has taken responsibility for repaying her \$80,000 in undergraduate student loans. Until recently she earned \$100,000 a year and could afford her repayments of \$650 a month. (She is between jobs now and recently put her loans in forbearance while she worked on the art show, which she said was meant "to boost awareness of the growing burden of student-loan debt in an ever-tightening, ever-globalizing economy.") But she says she is not sure anyone should lend college students so much money, even if they are willing to take it.

Ms. Horn didn't have to borrow all that she did to earn a four-year degree, but she wanted to get far away from the small Texas town on the Louisiana border where she grew up. So she enrolled at the State University of New York College at Purchase and borrowed about \$25,000 a year for the final three years to pay her out-of-state tuition. "There really wasn't a whole lot of thinking behind it," says Ms. Horn, whose parents hadn't saved much for her higher education. "I could have gone to a public school in Texas for less, but I wanted to go to New York and start a new life."

When she graduated, she realized that she didn't even know how much money she had borrowed. "I can humbly say that I was completely financially illiterate," she says. "I was just signing the documents and faxing them back."

Experiences like Ms. Horn's aren't uncommon, say higher-education experts. Indeed, heavy borrowers are not necessarily poor students who would have been forced to forgo higher education if they hadn't received extravagant sums. Rather, some students enroll in high-priced for-profit programs only to learn later that their certificates or degrees are not as useful on the job market as they had expected. Students who attend four-year programs at for-profit institutions borrow much more on average — about \$28,138 each in 2003-4 — than students at nonprofit institutions do. Others borrow large amounts to attend pricey traditional four-year colleges but have no idea what kind of jobs they might land upon graduation and so have no way to judge whether they will be able to repay their loans.

'Intimidated by the Complexity'

Meanwhile, it is no one's job to talk with students about whether the amounts they are borrowing line up with their professional aspirations or even their immediate job prospects.

"College academic advisers are intimidated by the complexity of financial aid," says Jacqueline E. King, assistant vice president for policy analysis at the American Council on Education. Financial-aid offices say to students, "You make the academic decisions, and we will try to get you the money to pay for it," she says. Sitting down with each student to judge the wisdom of the amount he or she has borrowed would be impossible, particularly at large universities, she says.

Donald A. Saleh, vice president for enrollment management at Syracuse University, says it does try to advise students. According to a recent analysis by U.S. News & World Report, 63 percent of students in Syracuse's Class of 2007 took out education loans, borrowing an average of \$27,152. That landed the university on the magazine's list of universities with the heaviest student borrowing. (U.S. News uses the mean when calculating average debt, while Syracuse uses the median, which is only \$22,600 on average per student.)

"We can advise students about what we think is right, and we will caution students," says Mr. Saleh. "But if they have the legal ability to borrow the money, we can't prevent that from happening."

New York University — where student borrowers graduated with an average of \$33,637 in debt in 2007 — has begun contacting high-school seniors it has admitted to make sure they understand the debt load they could incur if they enroll (The Chronicle, May 1).

Deanne Loonin, director of the Student Loan Borrower Assistance Project at the National Consumer Law Center, says students shouldn't rely on their colleges to warn them about overborrowing. "It's too great a conflict of interest for schools that are essentially selling a product to be expected to be the ones who are going to be conservative financial counselors," she says.

Besides, students are not always open to such advice. "Making the college choice is a very emotional decision," says Allesandra Lanza, a spokeswoman for American Student Assistance, a loan-guarantee agency in Boston. "It is not just the education you are receiving, but this whole idea of an experience that will change your life," she says. That makes it difficult for people to step back and ask, "Is this the most valuable use of your dollars?"

Sometimes the hopes and dreams of an entire family can get caught up in a decision about where to attend college. That's particularly the case at religious institutions, says John Maguire, who is chairman of Maguire Associates, a higher-education consulting firm in Bedford, Mass. "For families who believe deeply in the mission of a Christian college, this is a school they'll spend any amount of money on," he says. "When people are saying, 'This will make a huge difference in my kid's life,' they are not talking about income. They are talking about whether their kid is going to go to church on Sundays, whether they will raise their own kids in the church, or even whether they will get into heaven."

Robert A. Sevier, senior vice president at Stamats Inc., a higher-education marketing firm in Cedar Rapids, Iowa, doesn't have a lot of sympathy for college graduates who find they cannot repay their education loans. Overborrowing for college isn't much different than overborrowing for a home, he says. "People live outside their means."

But that doesn't describe most college graduates, he adds. "In spite of all the hysterical extremes, there are a lot of people in the middle who are making things work. They are graduating from college with \$20,000 in debt, they are going to graduate school, getting jobs, and buying homes within their means."

May 14, 2009

More students, parents charging college on credit cards

By Cecelia Mason

The credit card accountability and responsibility act pending in Congress would restrict companies from offering credit to anyone under 21 without a parent or guardian's consent or without proof the debt can be paid.

A recent survey, however, shows that more college students are using credit cards to pay for their education.

The survey, conducted by the lender Sallie Mae, shows last year about 30 percent of college students used credit cards to pay for expenses like tuition, compared to 24 percent in 2004.

The trend appears to hold true in West Virginia. Both Shepherd and Marshall Universities have seen a marked increase in the number of people charging their education on credit cards.

At Shepherd, students charged about \$700 thousand more this year than last. And Marshall reports an increase of about \$1 million a year over the past two years.

"It may be a reflection of the lack of the ability for the students and the parents to obtain loans, outside loans, because of the economy," Shelley Tharp, Shepherd comptroller said.

"It may also be more convenient for them to use credit cards because we do offer the credit card payments on line," Ed Magee, Vice President for Administration and Finance, added.

For about 10 years now Marshall University has taken credit card payments for tuition expenses, but officials there have recently noticed a trend where students use more than one card.

"We have seen this year, and I think this gets right to the heart of the economy, an increase in the number of students who walk up to the bursar (cashier's office) and pull out multiple credit cards to put their tuition and fees on, instructing us to put \$700 on card A and \$800 on card B and the remainder on card C," Steve Hensley, Dean of Student Affairs, said.

"I was dismayed when I chatted with our bursar staff about students that utilize multiple credit cards because I knew that was something that was done out of a sense of they have no other viable options," Hensley said.

Hensley said Marshall has done what it can to discourage students from getting into debt by restricting companies that solicit the cards on campus.

“In prior years we’ve seen credit card companies set up on the campus and almost target the students through various inducements, a six pack of soft drinks, a T-shirt, other sort of inducements,” Hensley said.

“We have restricted that because if you take a substantial charge of \$2,000 and a student pays the minimum payment each month I don’t know if they could graduate by the time they pay that off,” Hensley said.

Tharp said most credit card charges at Shepherd are made by parents and many times, parents or students use the credit cards while they wait for financial aid or loan money.

Shepherdstown financial adviser Rob Hoxton said that’s a good way to use the cards.

“So long as the credit card is used as a convenience and a short term bridge to some cash flow event where it can be paid off then great and I think it’s terrific that that convenience is available to families for buying books and some of the other expenses associated with college,” Hoxton said.

But Hoxton advises against using credit cards for the long term because interest rates are higher than they are for other types of loans.

Hoxton said students should especially be cautious about running up large credit card debts before graduation.

“How do you pay for it, particularly in this job market, if you come out of college and suddenly you’re responsible for things like your own health insurance and finding a job in a tough job market and having this fixed expense?,” Hoxton asked.

“You can always move home and not pay rent but the credit card monster must be fed.”

Hoxton said the best way to pay for college is to save in advance. He advises anyone who has to borrow money to find loans with low interest or use a home equity loan because it offers a tax deduction.

A Year of College for All: What the President's Plan Would Mean for the Country

By KELLY FIELD

President Obama hasn't met Serena Baker, but she may be just who he had in mind when he challenged every American to commit to a "year or more" of higher education or training.

A 28-year-old mother of four, she had spent eight years as a part-time cashier at a grocery store in Baltimore when she decided, just over a year ago, "to begin a career." After scanning the local job listings, she chose medical assisting, one of the nation's fastest-growing fields, and enrolled in a 13-month certificate program at the Community College of Baltimore County.

This week she will trade in her cashier's apron for hospital scrubs and a job at Baltimore's Mercy Hospital. Her salary won't go up much initially, but she hopes to make \$10,000 to \$15,000 a year more once she is certified. She sits for the test in July.

The president wants more Americans to follow Ms. Baker's example. In a speech before Congress in February, he called the nation's steep high-school dropout rates and low college-completion rates a "prescription for economic decline," and he urged all Americans to commit to a year of college, technical training, or apprenticeship.

If the country complies, the economic returns could be extraordinary. Nationwide some 101.5 million adults over the age of 18 — a full 45 percent of Americans — have never attended college, according to the Census Bureau. If each of them took a year's worth of college courses, their earnings would grow by \$70-billion, according to estimates by the Center on Education and the Workforce, at Georgetown University.

The nation's employment picture would probably improve, too. Although the economic downturn has affected Americans at all education levels, it has hit the least educated hardest. In April people without a high-school diploma were twice as likely to be unemployed as those with "some college" or an associate degree, according to the U.S. Bureau of Labor Statistics.

But getting to the president's goal will not be easy, and skeptics say it is not even necessary. While a college degree may lead to higher earnings, it still is not a requirement for most jobs.

Indeed, nearly 35 percent of jobs in 2006 required less than a month of on-the-job experience and informal training, and another 18 percent required less than a year, according to the Department of Labor.

Critics of the president's plan say it would be a waste of time and money for all Americans to get a full year of postsecondary education.

"This is essentially a 'consume-more-education' policy," argued Neal McCluskey, associate director of the Center for Educational Freedom, at the libertarian Cato Institute, at a recent forum. "We're encouraging people to consume education that they're either not prepared for or aren't really interested in by subsidizing it and having our leaders tell us it's the ticket to the middle class and the American dream."

A More 'Modern' Approach

Mr. Obama is not the first president to aspire to universal higher education. In a 1996 commencement address at Princeton University, President Bill Clinton urged all Americans to get two years of college and proposed a tax credit to help them pay for it.

But while President Clinton set the standard at two years of college, the pragmatic Mr. Obama set it at one. And while Mr. Clinton imagined "college" for all, Mr. Obama envisions "community college or a four-year school, vocational training, or an apprenticeship."

Anthony P. Carnevale, director of Georgetown's Center on Education and the Workforce, says the president's proposal is "more modern" and more inclusive than his predecessor's.

"He's talking about the system in a much more comprehensive way," he says.

The president has not said why he picked one year over two, and White House officials would not comment on the record. But a White House press officer said the idea originated with the White House chief of staff, Rahm Emanuel, a former Democratic congressman from Illinois. Last year Mr. Emanuel wrote an editorial in *The Wall Street Journal* in which he argued that Americans should be required to have a year of training and education after high school.

"In an era in which you earn what you learn, Americans should no longer be allowed to drop out of school at age 16," he wrote.

While Mr. Obama's target is less ambitious than Mr. Clinton's, it may be more realistic. Many working adults don't have the time or money to attend college for two years. They want to earn the credential that will get them a job as quickly as possible, and at the lowest cost possible.

"They need a job and they need it quickly," says Jeannie Tighe, who got a surgical-technology certificate four years ago at age 44 and now teaches in the Community College of Baltimore County's surgical-technology program. "They don't have two years."

With the nation's unemployment rate at its highest point in 25 years, the president seems more concerned with quickly getting Americans bankable skills than in achieving an ideal. In a recent interview with *The New York Times Magazine*, he stressed that it is not just the credential that matters, but its marketability.

"If you're only going to go to school for two years ... then making sure that you're enrolled in a program where at the end of the journey you can see a job or a career or a field that is growing instead of contracting certainly can make some sense," he said.

That includes health-care jobs, which are expected to grow at twice the national average, according to the Labor Department. Demand for medical assistants like Ms. Baker, who help doctors with exams and perform administrative tasks, among other duties, is projected to grow by 35 percent between 2006 and 2016, making it the eighth fastest-growing occupation in the country.

Mr. Carnevale, who has served as a consultant to the Obama administration, says the president is "thinking as an economist" when it comes to college experience: "He's essentially looking at the earnings returns."

College's Labor-Market Value

There is considerable evidence that college pays. In 2007 workers with some college courses or associate degrees earned 12 percent more than high-school graduates, while workers with bachelor's degrees earned 63 percent more than those with some college or an associate degree, according to the Census Bureau.

The least educated are also the most vulnerable during economic downturns. In April the unemployment rate for Americans who didn't finish high school was 14.6 percent; among students with some college or an associate degree, it was 7.4 percent.

While there is relatively little national data on the labor-market value of "a year of higher education," or a yearlong certificate, several studies suggest that each year of college credit provides a roughly 5-percent increase in earnings. A certificate provides an additional 1-percent bump, according to an analysis of Census Bureau data by the Center on Education and the Workforce.

Some research suggests that a year of college plus a certificate may be the tipping point in terms of earnings. In 2005 researchers in Washington State found that students who took a year's worth of courses and got a credential earned considerably more than students who enrolled in shorter-term training or adult basic-skills education. While short-term and basic-skills training gave students the tools they needed to enter the work force, it generally did not help them advance beyond low-paying jobs.

Julian L. Alssid, executive director of the Workforce Strategy Center, a New York nonprofit group, says Mr. Obama's proposal "recognizes that college is the entry point to the middle class."

According to Labor Department projections to 2016, 15 of the 30 fastest growing occupations will require a bachelor's degree or higher, while seven will require a certificate or other vocational award or associate degree. Those occupations, which include home health aides, computer-software engineers, personal financial advisers, and makeup artists, are expected to add 2.3 million jobs over the 2006-16 period.

Still, about a third of all new jobs — more than 4.6 million — will require a month or less of on-the-job training, and 34 percent of all jobs in 2016 will require that amount.

Critics of the president's plan say those statistics show that it would be a waste of time, and of money, to push all Americans into yearlong programs.

"To suggest that every kid have a year of postsecondary education isn't realistic and it isn't necessary for all kids to get a job," says Dennis Redovich, executive director of the

Center for the Study of Jobs and Education in Wisconsin and the United States. "The fact of the matter is that a majority of jobs require short-term, on-the-job training."

President Obama is already taking steps to achieve his goal. This month he announced that his administration would work with colleges and states to help unemployed workers receive Pell Grants and keep their jobless benefits when they enroll in college.

In many states, workers lose their unemployment benefits when they enroll in college. At the same time, their prior year's earnings may disqualify them for a Pell Grant. These factors can discourage unemployed workers from attending college.

Under the president's plan, the Labor Department will ask states to make exceptions during economic downturns, while the Education Department will encourage colleges to factor in the financial situation of unemployed applicants when awarding aid. Whether the plan succeeds will, of course, depend on the cooperation of colleges and states, and available resources.

Meanwhile, the president and Congress have poured billions into job-training programs and student aid, while providing states with billions more to ease budget cuts to colleges and schools. An economic-stimulus bill signed into law in February contained \$4-billion for job training, \$17-billion for Pell Grants, and \$200-million for Federal Work-Study, and increased a tax credit for tuition from \$1,800 to \$2,500.

But it will take more than just money to reach his goal of higher education for all, experts say. High schools will have to do a better job of preparing people for college, so they don't spend their "year of college" in remedial education, and colleges will have to do more to reach out to students who typically don't enroll.

"Higher education needs to do a better job of lifting aspirations and communicating that college is possible," says Brian K. Fitzgerald, executive director of the Business-Higher Education Forum.

At the same time, community colleges must continue to work with business leaders to ensure that they are preparing students for high-growth careers, says Arthur J. Rothkopf, senior vice president of the U.S. Chamber of Commerce.

Public perceptions about college will also need to change. While a majority of adult students enroll in community colleges, many Americans still think of college as a four-year bachelor's degree.

"We have to demystify attending college," says Bob Jones, president of Education Workforce Policy LLP, a public-policy consulting company.

Brian Foley, provost of the Medical Education Campus of Northern Virginia Community College, says the country must "elevate the status of technical jobs."

"These jobs keep our economy running," he says.

For Ms. Baker, a year of education has increased her status in the work force, and in her family. Her children, she says, "like to think I'm a doctor."

She thinks the president's goal for the country is realistic, at least for those who aspire to it.

"I never wanted to attend college for four years," she says. "But who can't give up a year of their life to get educated?"

Megan Eckstein contributed to this report.

THE CHRONICLE OF HIGHER EDUCATION

Friday, May 22, 2009

News Analysis: Online Education Grows, but Painfully

By MARC PARRY

Evolve or dissolve. That advice, from a recent report on virtual universities, played out in two news stories this past week. The University of Texas' online division is staring down a deep budget hole as it loses a longtime subsidy. And in Utah, budget cuts have killed a 10-campus online consortium.

Those and other predicaments reflect the growing pains of public online education. As programs mature, their business models have come under more scrutiny. The Texas and Utah cases speak to difficult questions facing states: What role should those programs play? How should states pay for them? Or should they?

Technology growth in the 1990s prompted a surge of online-learning collaborations. The groups prodded member colleges to put classes online, pooled courses into collaborative degrees, and supported online programs with promotions. Some became little more than state- or systemwide online catalogs.

Fast forward to 2009: With budgets strained, every state is looking at how it pays for online learning, which can be a big expense. "As these organizations have evolved over the last decade, how they were set up and funded is becoming more important," says Rhonda M. Epper, co-executive director of Colorado Community Colleges Online. If a virtual university was paid for with a grant or one-time financing, or relies on a big appropriation, "those are getting looked at more closely and maybe reconsidered," she says.

Such is the setup in Texas. The project, which does not grant degrees, won praise for brokering collaborative programs. But its success rests on an investment of some \$22-million from endowment earnings. The university system will phase out that subsidy by 2012.

The recession is driving other states to stretch, diversify, or cut those types of programs. That strikes some observers as shortsighted. Consortia proponents say the groups can both save money and pay dividends in ways not always evident on a balance sheet. Member colleges can avoid duplicating programs and services. And the flexibility of the programs can help retain working students who may be one flat tire away from dropping out, along with their tuition.

"The challenge is that, if you view these collaborations simply as a cost center, you are missing the return," says Myk Garn, director of educational technology at the Southern Regional Education Board.

How Much Has Changed

But analysts who praise consortia see a flip side: Colleges can be capable of running online learning themselves now; 10 years ago, they may have needed an impetus. Now they may end up absorbing the functions of some consortia.

Some have already retrenched or faded away, leaving behind old Web sites and the news releases that hyped them. More may be at risk.

“There are other models out there that aren’t bringing value to the system, quite frankly,” Ms. Epper says. “Like the online catalog, for instance: I don’t know that that’s necessarily needed anymore. Students can do their own Web searches pretty easily.”

The Utah eLearning Connection, which is to disband by June, gave students access to online courses offered by 10 public colleges through one application and one registration site. The idea was to help them “swirl,” or take classes from multiple institutions. But most seem to prefer their distance education straight. Just 200 were using the consortium.

“Most students were actually being very well served by the institutions themselves,” says Charles A. Wight, associate vice president for academic affairs at the University of Utah.

The question for Texas is how to avoid Utah’s fate. There is “no one best financial model,” argues a recent paper, “The Funding of Academic Collaborations,” by the technology cooperative WCET and the Western Interstate Commission for Higher Education. There are “few and fewer funding choices.” And sometimes failure is “not about effective financial models but about fights for power, control, and money.”

“It doesn’t matter who is being served or how well,” says Russell C. Poulin, an author of the paper. “People look at that line item and have other things they want to do with that line item, because they weren’t the ones who created that organization.”

Some virtual universities have found financial footing through entrepreneurial savvy, per-course fees, revenue-sharing deals, and other income sources. Texas may join them. It is exploring a plan to build large bachelor’s-degree programs for adults who never finished college. With its experience, says the online-education analyst Richard Garrett, Texas has “a strong hand to play.”

May 20, 2009

Study Sees Small Average Gains From College Test Coaching

By Valerie Strauss, Washington Post Staff Writer

Coaching for standardized college admission tests yields relatively small average gains of about 30 points overall, according to a study released today that nevertheless urges students to prepare, because even a slight improvement can boost their chances of getting into some schools.

The report, commissioned by the nonprofit National Association for College Admission Counseling in Arlington, also urges schools to be cautious about using the SAT and the ACT -- the most widely accepted college entrance exams -- to "make fine-grained distinctions between applicants."

"This is important because a 20-point . . . difference between two college applicants could be explained by measurement error, differential access to coaching or both," the report said. "It is strongly recommended that admissions counselors receive training that emphasizes this point."

The study, conducted by Derek Briggs, an assistant professor of quantitative methods and policy analysis at the University of Colorado at Boulder, is the broadest and perhaps most authoritative look to date at research on the controversial topic of test preparation. But it reaches a similar conclusion as previous studies, one that critics of test prep courses have long supported.

All the studies were conducted when the SAT consisted of verbal and math scores that totaled a possible 1600. A writing section was added in 2005, raising the highest possible score to 2400.

Many colleges and universities rely heavily on SAT and ACT scores to help in admissions decisions, and test preparation has become a \$4 billion business despite the continuing controversy about whether the scores accurately predict a student's academic abilities.

The range of coaching alternatives is vast, from free practice tests to one-on-one tutoring that can cost more than \$200 an hour. The latter gives whatever advantage exists to more affluent families.

The biggest test prep providers, the Princeton Review and Kaplan Inc., which is owned by the Washington Post Co., offer a host of options. A student can sign up for a three-hour Princeton Review course for less than \$100 or spend thousands of dollars on personal tutoring, online or face to face.

But Princeton and Kaplan no longer do what some other companies do: guarantee specific outcomes. Although the Web sites of both say they can help raise scores, spokesmen for the companies said they do not guarantee specific results.

"It's a complicated issue," said Georgetown University Admissions Dean Charles A. Deacon. "General research says there is little or no effect of test prep, so don't waste your time. However, we do know for some people there is a pretty good effect, and it depends on how much time you spend. And it may help them reach a cutoff point for a scholarship or even admissions at certain state systems."

Besides reviewing the existing research on the impact of test preparation, Briggs's study offers original data on how colleges use test scores as part of their admissions decisions.

Since 1953, more than 30 studies have tried to evaluate the effectiveness of coaching on the SAT, though most were not representative of the national population of high school seniors. Only two have examined ACT scores.

A survey that Briggs developed -- to which 246 colleges and universities responded -- "unexpectedly revealed" that in a substantial minority of cases, colleges reported either that they use a cutoff test score in the admissions process or that a small increase in test scores can have a significant impact on an applicant's chances of admission.

A commission convened by the same association late last year reported that many schools misuse test scores, and it recommended, among other things, that schools abandon the practice of using a cutoff score for admissions.

The report warned parents to avoid "coaching rip-offs" and urged them to consider less-costly forms of test preparation available from books and the Internet.

Spokesmen for the College Board, which administers the SAT, and for ACT Inc. said test preparation is not especially helpful in raising test scores. "The best preparation for the ACT is to take challenging courses in school and to study hard," said ACT spokesman Ed Colby.

However, Ned Johnson, president of PrepMatters, a local test prep firm, said coaching can teach students strategies and shortcuts to addressing some questions and lower their anxiety, yielding gains larger than 30 points.

"If I consistently only got people a 30-point improvement, it's hard to imagine that savvy consumers would continue investing money for preparation for their kids taking the test," Johnson said.