



Ivy League Increases Aid For Low-Income Students

By Judith Earley



It is no secret that increases in tuition and fees at U.S. colleges and universities have far out-paced inflation. The American Association of State Colleges and Universities (AASCU) recently published a [report](#) which stated that ‘the average borrower who graduates from a public college owes \$17,250’. This is up from \$8,000 a decade ago. Additionally, the report continued, in the year 2004, 88.5 percent of Pell Grant recipients took out student loans with an average amount of \$20,735; private loans have also increased seven-fold in that time period.

As a consequence, more and more students are graduating with both a degree and an unmanageable amount of debt. Having to shoulder high levels of financial liability can drastically reduce the viable choices that graduates can make concerning their careers. Low paying, high gratification professions such as teaching and social services are out of the question.

In recent years, there has begun a collective effort among the Ivy League schools to increase accessibility for low and middle income students. These eight [private](#) institutions of higher learning have initiated significant overhauls to their financial aid policies, decreasing the amount of money that an individual family has to contribute.

Officials said they believe that other universities will make similar changes in coming years to remain competitive with schools that have already initiated improvements to their student aid guidelines. However this could be challenging for schools with fewer financial resources. Harvard and Yale, for example, have the country’s two largest endowments.

Earlier this year, Harvard University eliminated the parental contribution for students from families making under \$60,000; additionally it made a significant reduction the amount of contribution from families that fall within the \$60,000 to \$80,000 range.

Harvard officials report an increase of 40 percent increase in the number of students admitted to the university from families with incomes of less than \$40,000 to the class of 2010 versus the class of 2008.

University of Pennsylvania students will be evaluated on a case by case basis as opposed to the school establishing a fixed income level cut-off; also additional funds will be set aside to help cover incidental expenses for low-income students. At Columbia University, students who come from families with annual incomes of less than \$50,000 are having all of their loans replaced with grants.



Yale, Princeton and Stanford universities have put into place comparable financial aid plans that center upon either doing away with the family's contribution or eliminating student debt. At Yale University, where it costs about \$41,000 per year to attend, no tuition will be charged students from families making less than \$45,000. And for students from families making between \$45,000 and \$60,000, the family's required contribution will be reduced by approximately 50 percent.

While the measure is supposed to show that Ivy League schools are affordable and such an education is no longer an impossible dream, there are guidance counselors at high schools across the country who still have mixed opinions as to whether or not these changes to financial aid policies will really impact application trends from their schools.