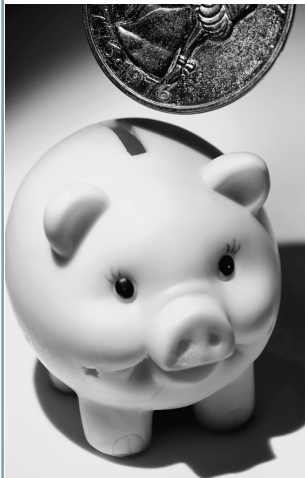




NEWSLETTER

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STUDENTS AND ACLU FIGHT DRUG RULE

- ANNE O'DELL

The ACLU will represent the Students for a Sensible Drug Policy (SSDP) in a South Dakota case regarding the 1998 Higher Education Act amendment that declares convicted drug offenders ineligible to receive federal financial aid.

The class-action aims for the repeal of the law, which it says has affected around 200,000 students. The SSDP website argues that the amendment violates Fifth Amendment clauses regarding double jeopardy and due process and unfairly affects low-income and minority students.

"Students from wealthier families can afford to pay for tuition without public assistance and

can frequently afford the cost of a lawyer to avoid a drug conviction in the first place," said the website's page regarding the lawsuit.

The group also contends that students with upper-middle class backgrounds don't need to use federal aid and can usually afford to hire attorneys to avoid a drug conviction.

SSDP cites the National Education Association, the National Association of Student Financial Aid Administrators, the Association for Addiction Professionals, the United States Student Association, and the NAACP as having recommended the full repeal of the amendment.

TOP SCHOOLS COMPETE TO OFFER BEST AID - CHARISSE DENGLER

Ivy League schools across the country are locked in a competition over financial aid programs to the benefit of students and their families.

Recently, Stanford announced that, starting in the 2006-2007 academic year, families earning less than \$45,000 a year will be exempt from contributing to their children's tuition. Additionally, the university announced that families falling into the \$45,000 to \$60,000 range will see significant reductions in the amount they are required to contribute.

A statement on the university's financial aid website states, "Our concern is that low-income families are seeing the cost of attending Stanford and ruling us out as an option before investigating financial aid options. We hope that this very clear message will encourage those talented students from low-income backgrounds to consider Stanford. Also, our experience with current students has shown that even when only a modest parent contribution is expected, students are often picking up the slack through student loans so their parents will not have to pay. With this new policy, we are

recognizing that issue up front and addressing it with scholarship rather than student loans."

In order to compete, Harvard also raised its cut-off at the end of March, exempting families that make \$60,000 or less a year from parental contributions. In 2004, the school set the bar at \$40,000, but these new financial guidelines promise to double benefits by extending financial aid to families that make up to \$80,000.

During the first year of the 2004 changes, the school saw a 24 percent increase in students from families with annual incomes of \$40,000 or less; and the new initiative promises an even greater representation of low- and middle-class students.

"There is no more important mission for Harvard and higher education than promoting equality of opportunity for all," said President Lawrence H. Summers in a *Harvard Gazette* interview. Other universities raising their income level guidelines include Yale and the University of Pennsylvania (Penn).

Continued on page 2

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NEWSLETTER

THE IVY LEAGUE'S COLD WAR

In 2005, Yale University President Richard Levin announced that the university's policy would eliminate families who made less than \$45,000 a year from contributing to tuition, a move that was prompted by its students. After staging a nine-hour protest, submitting an online petition, and presenting a document of suggested changes, the concerned students got their way.

Implemented during the 2005-2006 school year, the new financial aid program also included reductions in the amount that families with an income in between \$45,000 and \$60,000 had to contribute.

Penn has also made changes to its financial aid program, although somewhat less drastic changes due to the fact that Penn's endowment is much less than other Ivy League schools. However, with 40 percent of its undergraduates receiving aid,

the university is launching a fundraising campaign in hopes of raising \$325 million. This would allow the school to completely do away with loans and replace them with grants.

Princeton, however, is the only school that doesn't evaluate its financial aid disbursements by family income levels but instead evaluates every student on an individual basis.

The school prides itself on examining every student's economic background and making a financial aid decision based on the family's income, savings, and expenditures. School officials feel this is more reasonable than basing financial aid qualifications solely on annual income.

"The way financial aid works at Princeton is that every case is considered on its own," said Vice President and Secretary Robert Durkee in a *Daily Princetonian* interview. "Where we begin...is trying to figure out how much a family can afford to pay."

NEWS IN BRIEF

WAKE FOREST'S NEW CFO

Nancy Sutenfield, formerly the top financial administrator at UNC at Chapel Hill, will become Wake Forest University's new senior VP and CFO. She will be responsible for all of the Reynolda Campus' resource management and financial affairs beginning August 1, 2006.

WELLESLEY RECEIVES WEBBERT BEQUEST

The late Virginia Webbert, whose career as a federal employee spanned 4 decades and led her through many Southeast Asian locales, bequeathed a \$2.7 million financial aid fund to her alma mater, Wellesley College. The 1935 alumna wrote that she "had fulfilled a major career goal of using [her] Wellesley training in economics to work in foreign countries." Webbert, who died in 2004, wanted those funds to be used for students majoring in economics or music. The endowment will be named for Webbert and her parents, Harry and Emma.

ILLINOIS FACES PRIVATIZED LOANS

Illinois Governor Rod Blagojevich wants to privatize the state's secondary student loan portfolio and give academically adept students a \$1,000 tax credit.

The credit, which will cost around \$90 million, would not depend on income. Though many oppose the sale of the loans, the state's public university presidents supported the proposal as a part of a larger plan to increase state higher education funding by 1.5 percent.

OREGON STUDENTS HAVING TUITION TROUBLE

The Oregon State Public Interest Research Group (OSPIRG) has published a study claiming that dwindling financial aid has made the cost of higher education unmanageable for many students.

The report states that 16 percent of graduates who become teachers and 37 percent who do social work find their student debt is more than they can handle.

OSPIRG cites federal loan and grant program changes as contributing factors to unmanageable debt, but the report also noted that Oregon's students report lower percentages of unmanageable debt than did students in many other states.

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