The facts: college affordability

EXCELLENCE IN HIGHER EDUCATION

The University of California provides a world-class education to approximately 240,000 students from across the socio-economic spectrum.

Students with high academic qualifications, from the length and breadth of California, seek to attend the university. Through UC's generous and progressive financial aid program, many have the opportunity to attend the university despite financial barriers.

One indication of UC's financial accessibility for low-income students is the enrollment of Pell Grant recipients, whose family income is generally below $50,000. More than 40 percent of UC undergraduates — historically, the university's highest percentage — currently receive Pell Grants. This proportion is higher than at any comparable public or private institution.

UC is not just a leader in financial assistance. It also is the world's premier public institution, ranked consistently among the best universities in the nation and rated among the best values in public education in numerous national and international surveys.

CALIFORNIA ECONOMICS

At the University of California, rising tuition is related directly to steep and ongoing state budget cuts. State funding historically has been the largest single source of support to the university. However, the fiscal crises that have rocked California since 1990 have reduced the state's share of core funding per student by more than half. From 1990–91 to 2011–12, the state provided funding that reflected annual growth of 0.5 percent. During this same period, student enrollment grew by more than 50 percent.

Per-Student Average Expenditures for Education

This decline in state support has forced the UC to raise tuition to fill the budget gap. This has transferred a heavier financial burden from the state to students; as a result, the share students and their families pay has increased from 13 percent of their educational costs in 1990 to 49 percent in 2012.

In fact, under the 2011–12 state budget, student tuition and fees contributed — for the first time in UC’s history — more to core operating funds than did state general funds. That continues to be the case in 2012–13, as student tuition and fees contribute nearly $3 billion versus $2.38 billion coming from the state.

The university has responded to these staggering cuts by restricting spending and implementing a broad range of actions, including
installation of common IT systems; reduced employee travel; leaving thousands of faculty and staff positions unfilled; and reducing the number of employees at the university’s systemwide administrative office by a third. Many of these actions have increased operational efficiency, but others have adversely affected programs. Overall, the per-average expenditure for education has declined 25 percent since the 1990s.

MAKING UC AFFORDABLE

In 2011–12, UC’s average in-state tuition and fees totaled $13,200 per year. However, the average net tuition paid by UC undergraduates was much lower — about $5,273 — and was zero for about half of California resident undergraduates.

UC’s Blue and Gold Opportunity Plan, through a combination of federal, state and institutional financial aid, covers 100 percent of in-state tuition for California residents from families with financial need and an annual household income up to $80,000.

UC is committed to helping our students finance their education costs. UC sets aside an amount equivalent to one-third of tuition increases for institutional aid to assist undergraduates who demonstrate financial need.

More than six out of 10 undergraduates received scholarship or grant assistance averaging more than $15,800 per student in 2011–12.

All UC students contribute toward the cost of their own education with a “self-help” requirement, which is approximately $9,400 in 2011–12. Students can use summer or school year work earnings, as well as student loans, to cover this commitment.

COST-EFFECTIVENESS AND VALUE

UC publicly releases an annual accountability report showcasing how well and at what cost the university is meeting its goals of providing world-class, affordable education.

Almost half of UC’s 2011–12 graduating class had zero student loan debt. For students who did borrow, the average UC debt after graduation was about $19,751, well below the national average of $25,250.

UC COMPLETION RESULTS

UC students excel and graduate at high rates. For example, the one-year persistence rate for entering freshmen and transfer students combined is 92 percent. Moreover, success isn’t limited to students from traditional college-going backgrounds. Using the widely accepted six-year time period for measuring graduation rates, UC’s overall graduation rate is 83 percent; for transfer students, 86 percent; and for Pell recipients, 85 percent.

After graduation, 26 percent of UC students go on to graduate or professional school.

<table>
<thead>
<tr>
<th>Student debt load of graduating seniors</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Debt</td>
<td>49%</td>
</tr>
<tr>
<td>Up to $5,233</td>
<td>5%</td>
</tr>
<tr>
<td>$5,233-$10,467</td>
<td>11%</td>
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<tr>
<td>$10,467-$15,700</td>
<td>9%</td>
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<td>$15,700-$20,934</td>
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<tr>
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<td>7%</td>
</tr>
<tr>
<td>$26,167-$31,401</td>
<td>7%</td>
</tr>
<tr>
<td>Above $31,401</td>
<td>5%</td>
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</tbody>
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Numbers rounded to the nearest whole.