



LOW-INCOME

story: kate smith

Despite the increase in tuition, there has not been an increase in wages since 2009 when the minimum wage increased to \$7.25 an hour. Minimum wage, which most students earn at current jobs, is only above poverty level if the student works full-time all year round. According to The U.S. Bureau of Labor Statistics, almost half of workers who made the federal minimum wage were 16-24 years old. Students are not earning enough money at their jobs to pay for school and are in need of loans to pay for college. A 2015 report by Mark Kantrowitz showed that the average college graduate will have debt up to \$35,000.

The price increase prevents some students from graduating because overwhelming

student debt leads them to drop out. There is great disparity between the graduation rates of students who come from different income levels.

The Independent Council of Colleges reported in 2009 that only 24 percent of students from low-income homes graduated within four years. A National Student Clearinghouse study starting in 2006 tracked college graduation rates. Within six years, only 60.5 percent of students at public institutions graduated. Even students who enroll in two-year institutions to earn an associate's degree have trouble graduating. Only five percent graduate in two years. This information is collected as a measure

of success by students who receive Pell grants, meaning their family income is \$120,000 or less. According to an analysis by the Hechinger Report, this information isn't always right. The report said that while colleges are required by law to disclose this information to those who ask, they are not required to give it to the government.

The inability to graduate can greatly affect lifetime earnings. When students from low-income level homes drop out of school due to financial trouble, they work jobs with lower salaries. This creates a cycle that is difficult to escape from, as their children may face the same obstacles as the cost of college continues to rise.

MINORITIES

story: maggie west

More Hispanics and African Americans are enrolling in college, but the graduation rate is much smaller. The percentage of African Americans enrolling in college is only 14 percent compared to the 58 percent of white people, according to a Pew Research Center study. This study also found that in 2012, only 18 percent of Hispanics and African Americans received their bachelor's degree.

There are multiple reasons for this racial gap. Affirmative Action, cuts in public funding for public colleges, and even lack of resources within the community, such as college readiness, financial aid, and proper

influence all come into play.

Young Invincibles is a non-partisan, non-profit organization that seeks to amplify the voices of young Americans and expand opportunities. It engages in education, policy analysis, and advocacy around the issues that matter most to this demographic.

Over the past three years, the organization released 50 state report cards as a part of their Student Impact Project. The report cards provide guidance and context for students, advocates, policymakers, and the media to better understand how states compare in regards to supporting public higher education. According to their report, three-quarters of all American students attend public institutions, and the budget and policy

decisions made by state and local policymakers drive the access, affordability, and value of our higher education system.

The annual state cards showed racial inequality within eighteen states. The study shows how each state makes higher education accessible for all students. It factors in the financial burden of families, funding of need-based financial aid, and the rise in tuition.

The study says that the state awards \$890 in grants per student, and almost all of them are considered need based. In order for the gap to narrow, the report says state and federal governments will need to make policies and increase the budget to support students, especially those who don't have resources available to them.

BY THE NUMBERS

128% how much tuition has risen in the past 20 years	70% of Bachelor's degree recipients hold student debt after graduating	\$2,726.27 how much the outstanding balance of student loans grows every second	\$35,051 average student debt for the class of 2015
37 million Americans that have college loan debt	21% amount states have cut funding per student since the recession	\$1.2 trillion total outstanding student debt	72% of 2014 Ball State students graduated with debt

STUDENT DEBT

story: breanna heath

In 2011, the average college graduate took on 26,000 dollars in debt upon graduation. The amount of college debt in the United States has more than tripled in the past ten years, from \$400 billion in 2005 to now more than \$1.1 trillion, according to Fastweb.

Over the last 20 years, tuition has risen over 128 percent for four-year public schools and 69 percent for private nonprofit schools. In the same period, government aid, including grants and loans, has more than tripled. Of the \$1.36 trillion dollars in student debt nationwide, almost \$1.2 trillion is from government loans.

This dramatic inflation is occurring because state funding per full-time equivalent student declined from \$10,110 in 2000 to \$6,960 in 2012, according to the Trends in College Pricing report by The College Board. It rose to \$7,540 in 2014. When the recession hit in 2008, public funding for colleges and universities decreased by 14.6 percent.

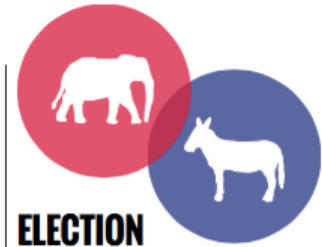
In every year from 2001 to 2011, at least a

third of states experienced funding cuts and in more than half of those years, two-thirds of states did. Real net average tuition at state universities, which is the price after grants are deducted, rose 33.1 percent (from \$3,415 to \$4,546). In comparison, average net tuition at private institutions has risen 21.2 percent during the same period.

According to the Federal Reserve Bank, federal funding, such as Pell Grants is often blamed for driving up college costs. When low-income and middle-income students receive federal grants to attend college, it is believed that the institutions simply raise their prices to reflect this aid.

Each year, students can apply for federal student aid. Many receive a small grant but are still left with thousands of dollars in loan debt they will have to pay off within a specific time frame after graduation.

Many students are also experiencing slower graduation times. Most colleges charge students per credit hour. When students can't afford the cost of a full course load, they may choose to take fewer classes, which can dramatically delay the expected time of their graduation.



ELECTION

story: taylor hohn

The issue of student debt in the United States rose to the surface when Democratic candidate Senator Bernie Sanders entered the 2016 presidential election. Nearly 70 percent of Bachelor's degree recipients hold student debt, totalling to over \$1.2 trillion. Although rising tuition costs and student loans have long been a troubling matter, Senator Sanders' proposed solution pushed it to become a main point of discussion among the presidential candidates.

Senator Sanders' College For All Act, officially announced in May of 2015, plans to eliminate tuition at public four-year colleges and universities. The bill would require the federal government to cover 67 percent of the costs, while the state would meet the other 33 percent. The money provided by the federal government would come from both taxpayers and new taxes on Wall Street.

Democratic candidate Hillary Clinton followed suit with her own plan, the New College Compact. This would make community college free and student loans more affordable, by limiting the amount of deductions wealthy taxpayers can take on their returns. Her plan would also put an end to the profits the government makes on student loans.

Senator Marco Rubio was the only Republican candidate to propose a solution for the nation's student debt. He introduced his own plan, the Student Right to Know Before You Go Act, which aims to give students data on how much they will owe and how much they will make after graduation.

BY THE NUMBERS

50% of minimum wage workers are between the ages of 16 and 24	14% of African Americans enroll in college	24% of students from low-income homes graduate in four years	18% of Hispanics and African Americans receive a bachelor's degree
---	--	--	--