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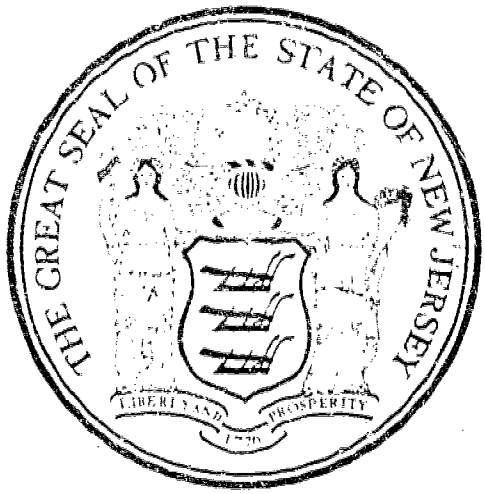
ABSTRACT

This analysis of the family financial circumstances of students attending New Jersey's colleges and universities is the result of data collected in a mailed survey to approximately 25,000 undergraduate students enrolled in the states. Some findings are that: (1) New Jersey college students from different family financial circumstances are disproportionately distributed among the different types of institutions; (2) across all institutions and family income intervals, the family contribution amounts to 54 percent of educational expenses; (3) just over 10 percent of all educational expenses are met with scholarships and grants; (4) long-term loans account for 9.5 percent of the educational expenses of all students; (5) term-time employment income meets over 26 percent of all educational expenses; and (6) depending on how it is computed, estimated unmet need ranges from $12.9 million to $112.5 million. (Author/KE)



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COMMISSION ON FINANCING POSTSECONDARY EDUCATION
STATE OF NEW JERSEY

A PUBLIC COMMISSION APPOINTED BY THE NEW JERSEY BOARD OF HIGHER EDUCATION

A SPECIAL ANALYSIS *

FAMILY FINANCIAL CIRCUMSTANCES AND PATTERNS OF FINANCING A COLLEGE EDUCATION

December, 1975

* Based on analysis of data from the New Jersey Student Resource Survey, conducted jointly by the Commission and the College Entrance Examination Board during spring term, 1975.

INTRODUCTION

In a period when tuition charges are a major issue because of climbing costs, when dollars committed by the Federal and state government significantly influence the lives of many citizens, and when charges of elitism and inequity in the postsecondary education system are leveled by different groups with increasing frequency, a careful analysis is crucial to provide reasoned input for future policy decisions.

In an attempt to address a series of questions relating to equity in postsecondary education financing, the New Jersey Commission on Financing Postsecondary Education commissioned Brookdale Associates to conduct a special analysis on family income and financing a college education. (This report is part of a larger effort, the Student Resource Survey, being undertaken.)

The pages that follow provide a detailed analysis of the family financial circumstances of students attending New Jersey's colleges and universities. The data used in this analysis is the result of a mail survey to approximately 25,000 undergraduate students enrolled in the state. The survey was mailed in the spring of 1975 and it should be assumed that much of the data will change significantly over time if the economic conditions present in the state change.

This special analysis was conducted to; (a) enhance the understanding of the level of educational benefits accruing to students in different sectors and at different income levels, (b) examine the implications of tuition increases on students in the several sectors, and (c) examine current Federal and state student aid programs given the financial circumstances and needs of students enrolled in the different sectors.

A number of important findings emerged from this analysis, including:

- family contributions to defray educational expenses exceed the contribution expected by the College Scholarship Service until the family income exceeds $15,000. This is true across all sectors of the postsecondary education system.

- families of students at independent colleges exceed expected contributions to a greater degree than families of students attending public institutions.

- average financial need is greatest for the lowest income interval, (less than $6,000) but quite similar for all families with incomes between $6,000 - $17,999. The actual dollar need varies significantly between sectors.

- the percentage of students applying for aid is lower than expected for lower income levels and higher than expected for the more affluent students.

- students at county colleges have the highest term time earnings while students of Rutgers and independent colleges show the least term time earnings--in spite of attending relatively more expensive institutions.

- the participation rates for eligible students in the Federal Basic Grants programs are significantly below national averages.

- except in the independent colleges the percentage of students seeking loans generally varies inversely with income.

- the greatest percentage of unmet need in the state is for students from families with incomes of $6,000 - $14,999.

- the greatest percentage of unmet need exists for students in the state colleges, with the lowest percentage of unmet need present at Rutgers.

- depending on the assumptions employed, aggregate unmet need for additional student aid can total from $13.9 million to $112.5 million. The level of unmet need depends on what the policy maker assumes as "reasonable" parameters.

These findings indicate that there is considerable latitude for policy makers to rethink tuition and student aid policies with concepts such as equal participation and equity clearly in mind. This special analysis points out a number of problems with the current system and provides data that should be useful as one considers the merits of alternative financing strategies for the future.

A SPECIAL ANALYSIS *

FAMILY FINANCIAL CIRCUMSTANCES AND PATTERNS OF FINANCING A COLLEGE EDUCATION

This special analysis was conducted to respond to a number of policy questions raised by the staff of the New Jersey Commission on Financing Postsecondary Education.

There are some special technical problems in providing detailed analyses by family incomes which should be mentioned. First of all, the number of respondents and the relatively small sample sizes produce many frequencies where the N's are less than 75 students. Consequently, difference of means tests based on these small sample sizes produce results which indicate the means are of questionable reliability, i.e., the apparent differences may simply be functions of the sample sizes and distributions and not representative of real differences in the total population.

Even more significant is the fact that the standard SRS analysis provides no direct way of assessing family contributions to students by family income and dependent or independent status for financial aid purposes. Put another way, there is no precise way to assess the amount of money students, by dependent or independent status, actually receive or should receive in support from their parents. Some married and otherwise independent students receive contributions from their parents. Some dependent students who should receive contributions from their parents receive nothing. Further, the question of who is correctly classified as a dependent or independent student for financial purposes cannot be resolved by the data available from the SRS.

Because of these limitations, all students are analyzed by their family incomes and no consideration is given to questions of dependency or independency, to student marital status, or to how much parents should contribute to individual students. The total resources from parents, spouses, and students' savings are available by family income but no individual breakdowns by each source for each income interval to dependent or independent students are available. The average resources from each of these three sources are grouped together for each income interval and added to educational benefits to constitute the "family contribution." This procedure accurately represents the total family contribution for students in each family income interval. It does not, however, provide a precise estimate of the composition of the family contribution for each income interval.

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* Based on analysis of data from the New Jersey Student Resource Survey, conducted jointly by the Commission and the College Entrance Examination Board during spring term, 1975.

In Chapter V of the SRS report entitled The Needs and Resources of Undergraduate Students in Postsecondary Education, it was noted that students who attend Independent Colleges and the State University are likely to come from families with higher incomes than students who attend State Colleges of Community Colleges. The median family incomes by sectors are: Independent Colleges, $17,860; the University, $15,486; State Colleges, $14,166; and Community Colleges, $13,296. The distribution of students by family incomes among the four institutional types is displayed in Table 1.

TABLE 1

Family Income Distributions

By Sector

	Less Than $6,000	$6,000 to $8,999	$ 9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
University	12.5%	14.5%	16.1%	17.0%	18.4%	17.7%	16.6%
State Colleges	34.3	37.6	38.8	38.4	37.9	30.1	34.9
Community Colleges	34.4	30.5	28.7	24.8	24.9	19.2	25.0
Independent Colleges	18.8	17.4	16.4	19.8	18.8	33.0	23.5

It will be noted that, while 16.6 percent of all students are enrolled at the University, only 12.5 percent of the students from families with incomes of less than $6,000 are enrolled at the University. At the other end of the income scale, 33 percent of the students with incomes of more than $18,000 are enrolled in Independent Colleges which enroll just 23.5 percent of all the students. A comparison of enrollment percentages by income intervals with total enrollment percentages shows that the higher income students are more likely to be enrolled at Independent Colleges, lower income students enrolled at Community Colleges, and students at the University and State Colleges are distributed about equally among the income intervals. While the public colleges enroll 76.5 percent of all students, they enroll 82.5 percent of all students from families with incomes of less than $12,000 and 81.9 percent of all students from families with incomes of less than $9,000.

The ways in which students from the various income intervals distribute themselves among the segments contribute to differences in the average costs paid by the students. These are displayed in Table 2.

TABLE 2

Average Educational Costs

By Family Income Intervals

Family Income	Average Budget
Less than $6,000	$3,016
$6,000 to $8,999	3,000
$9,000 to $11,999	2,984
$12,000 to $14,999	3,063
$15,000 to $17,999	3,043
More than $18,000	3,341

The average educational costs paid by students with family incomes of less than $12,000 is around $3,000 per year. Because they tend to enroll at more expensive Independent Colleges, the average costs to students from families with incomes above $12,000 are slightly higher.

The family contributions of students at the different types of institutions vary by income intervals and institutional types. These are displayed in Table 3.

TABLE 3

Family Contributions from Parents, Spouses, and Savings

By Income Intervals and Segments

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$ 520	$ 522	$ 532	$ 574	$ 529
$6,000 to $8,999	922	794	729	1,013	826
$9,000 to $11,999	1,059	971	955	1,423	1,050
$12,000 to $14,999	1,196	1,000	982	1,783	1,182
$15,000 to $17,999	1,397	1,015	1,084	1,993	1,285
More than $18,000	2,025	1,377	1,186	2,924	1,973
Average	$1,456	$1,059	$ 950	$2,142	$1,352

It will be noted that the contributions to students from families with incomes of less than $6,000 are quite similar regardless of where the student is enrolled. This is because the low-income family's ability to pay for educational expenses is quite limited, regardless of how much they might be willing or find it necessary to contribute. There are some interesting variations between the contributions from families in the $6,000 to $15,000 range to students at the University and the State Colleges. The average costs at these two types of institutions are quite similar, $2,757 at the University and $2,728 at the State Colleges. The average family contribution to students at the University from families in the $6,000 to $18,000 ranges are from $128 to $382 higher than they are at the State Colleges. This may indicate that parents who send their children to the University are slightly more willing than parents who send their children to the State Colleges to contribute more to the education of their children. There is no evidence to indicate that the families of University students are more able to contribute than the families of State College students.

Family contributions by income intervals for students at the State Colleges are quite similar to those for students at Community Colleges. The family contributions to students at Independent Colleges are considerably higher than to students at the other institutions from families with incomes above $9,000. The larger contributions are made necessary by the much higher costs at the Independent Colleges where the average budget is $4,724.

In Chapter V of the SRS report the total family contribution was determined by adding support from educational benefits (e.g., Veterans Administration benefits, Social Security Administration benefits, vocational rehabilitation grants, and welfare payments) to the parent's contribution, spouse's contribution and student's contribution from savings. Educational benefits received by students vary at the institutions by the numbers who receive them. The mean benefits received by students who receive them vary little by institutions or income intervals. The mean benefits received are displayed in Table 4.

TABLE 4

Average Educational Benefits to Recipients at Segments

By Family Income*

Family Income	Univ.	S.C.	C.C.	I.C.
Less than $6,000	$1,185	$1,378	$1,734	$1,629
$6,999 to $8,999	1,158	1,656	1,632	1,488
$9,000 to $11,999	1,242	1,701	1,558	1,671
$12,000 to $14,999	1,468	1,678	1,826	1,547
$15,000 to $17,999	1,064	1,504	2,337	1,565
More than $18,000	1,421	1,673	1,737	1,433

*All means based on N's of less than 70 students.

The mean of total educational benefits received is around $1,550. Because varying percentages of students, by family income intervals and by segments, receive educational benefits, the impact of these monies varies considerably by both variables. As noted in Table 5 below, almost 45 percent of the students from families with incomes of less than $6,000 receive benefits, 30 percent of the students from families with incomes between $6,000 and $8,999 receive benefits and only 11 percent of students from families in the higher income intervals receive benefits. Primarily because of veterans' benefits and their lower family incomes, Community College students are more likely to receive educational benefits.

TABLE 5

Percentage of Students Receiving Educational Benefits

By Segments and Family Income

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	34.8%	39.0%	50.4%	48.4%	44.2%
$6,999 to $8,999	26.3	29.2	36.3	26.6	30.5
$9,000 to $11,999	16.3	17.8	24.8	17.5	19.5
$12,000 to $14,999	11.0	10.7	15.8	10.2	11.9
$15,000 to $17,999	6.9	6.1	16.1	9.1	9.3
More than $18,000	4.9	6.8	12.3	6.9	7.6
All students	12.5%	17.3%	24.5%	13.9%	17.5%

Table 6 displays the average educational benefits received by all students in the different segments by family income intervals. It will be seen that the percentages of recipients have a dramatic impact on the average benefits received. Community College students, at all income intervals, receive more benefits, on the average, than do students at the other institutions.

Table 7 displays the average total family contribution by income intervals and segments. The total contribution is the sum of the average contributions from parents, spouses, savings, and educational benefits. These amounts represent the resources the student has expended on educational expenses regardless of which institution he may attend. The students with the least resources are those from families with incomes of less than $6,000 at the University. The students with the most resources are those from families with incomes above $18,000 who are enrolled at Independent Colleges.

TABLE 6

Average Educational Benefits

By Family Income Intervals and Segments

Family Income	Univ. Amt.	Univ. % of Total Family Cont.	S.C. Amt.	S.C. % of Total Family Cont.	C.C. Amt.	C.C. % of Total Family Cont.	I.C. Amt.	I.C. % of Total Family Cont.
Less than $6,000	$462	47.0%	$638	55.0%	$873	62.1%	$787	57.8%
$6,000 to $8,999	354	27.7	583	42.3	632	46.4	395	28.1
$9,000 to $11,999	251	19.2	353	26.7	487	33.8	293	17.1
$12,000 to $14,999	161	11.9	199	16.6	389	28.4	158	8.1
$15,000 to $17,999	74	5.0	142	12.3	287	20.9	142	6.7
More than $18,000	70	3.3	114	7.6	233	16.4	99	3.3
All Students	$165	10.2%	$281	21.0%	$450	32.1%	$213	9.0%

It will be noted that, regardless of their family income intervals, families of students at Community Colleges appear to be contributing about 56 to 57 percent of the total costs of education. The contributions of families of State College students do not vary directly with family income. Students at the state colleges from families with incomes less than $6,000 and between $12,000 and $18,000 receive 42 to 44 percent of the cost of their education from their families. Students from families with incomes between $6,000 and $9,000 and above $18,000 receive over 50 percent of the cost of their education from their families.

The lack of a positive relationship between family contributions and family income for students at State Colleges and Community Colleges may be the result of several factors. First is the fact that varying percentages of students at these two segments from the different family income intervals are likely to be independent of parental support. The percentages of students from each income interval who were determined by the SRS analysis to be independent students are displayed in Table 8. These data indicate that fewer State College and Community College students than students at the other segments may be expected to receive parental support. This is especially true for State College students from families in the $15,000 to $17,999 income interval and for Community College students from families in the $6,000 to $8,999 interval. Precise estimates of the amount of money that was received from parents of these students and what could reasonably be expected from their parents are not available. Further, the degree to which spousal contributions may or may not have offset parental contributions is unknown.

TABLE 7

Average Total Family Contribution

By Family Income Intervals and Segments

Family Income	Univ. Total	Univ. % Of Budget	S.C. Total	S.C. % Of Budget	C.C. Total	C.C. % Of Budget	I.C. Total	I.C. % Of Budget
Less than $6,000	$ 982	35.6%	$1,160	42.5%	$1,405	57.0%	$1,361	28.8%
$6,000 to $8,999	1,276	46.3	1,377	50.5	1,361	55.2	1,408	29.8
$9,000 to $11,999	1,310	47.5	1,324	48.5	1,442	58.5	1,716	36.3
$12,000 to $14,999	1,357	49.2	1,199	44.0	1,371	55.6	1,941	41.1
$15,000 to $17,999	1,471	53.4	1,157	42.4	1,371	55.6	2,135	45.2
More than $18,000	2,095	76.0	1,491	54.7	1,419	57.6	3,023	64.0
All Students	$1,621	58.8%	$1,340	41.6%	$1,400	56.8%	$2,355	49.9%

Another explanation for the lack of linearity in the total family contributions for State Colleges and Community Colleges is that educational benefits form a varying percentage of the family contribution by income intervals (See Table 6). The generally larger amount of benefits received by these students, as compared to University or Independent College students may have offset some of the dollars of support that parents, spouses, or the students themselves from their savings were willing (or felt it necessary) to contribute.

Finally, some parents of State College and Community College students may be less willing than parents of other students to contribute to their dependent children's education for a variety of reasons unavailable from the data at hand.

The total average family contribution of all students amounts to 54 percent of the average budget for all students. The average family contribution by family income intervals ranges from 41.6 percent for those students from the lowest-income families to 63.8 percent for the students from upper-income families. As expected, the total contribution increases as family income increases.

Table 9 displays the percentage of the typical budgets that the family contributions account for by the various income intervals across all segments. Students from lower income families, those with less than $9,000 income, receive 22.2 percent of their educational costs from parents, spouses, and savings. Students from families in

TABLE 8

SRS Determined Self-Supporting Student Status

By Family Income Intervals and Segments

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	28.4%	33.6%	36.9%	25.3%	32.5%
$6,000 to $8,999	13.6	14.6	22.1	5.3	15.1
$9,000 to $11,999	10.6	14.9	14.5	6.2	12.7
$12,000 to $14,999	6.6	8.7	10.1	4.8	7.9
$15,000 to $17,999	5.5	13.3	9.7	4.5	8.3
More than $18,000	5.0	9.3	7.9	3.1	6.8
All Students	9.9%	14.8%	17.2%	6.4%	12.6%

the $9,000 to $18,000 range receive approximately 38.7 percent of their expenses from these three sources. About 59 percent of the educational costs of upper-income students are defrayed by contributions from parents, spouses, and savings. When educational benefits are added to contributions from parents, spouses, and savings, the students from families with less than $18,000 annual income receive about 46 percent of their educational costs from "family contributions." Students from families with incomes above $18,000 receive nearly 64 percent from this source.

The Commission staff is concerned with the assessment of family contributions against some standard of ability to pay for educational costs. A precise assessment cannot be made with data available from the SRS. However, early chapters of the major SRS report show that families of New Jersey students are contributing as much as expected and necessary under the College Scholarship Service standard of need analysis.

An approximate comparison of the family contributions by income intervals can be made with data at hand if averages are used and it is remembered that the data do not make considerations for dependent or independent student status for financial aid purposes. If the average student from each family income interval is considered dependent on his parents and the CSS standards are employed, typical expected contributions can be derived. These are displayed in Table 10.

The average expected contribution was calculated on the basis of the average family sizes by income intervals and the assumptions that: (1) only one dependent child is in college; and, (2) that there are

TABLE 9

Family Contribution as a Percent of Total Budget

By Family Income Intervals

Family Income	Parents, Spouse Savings	Educational Benefits	Total
Less than $6,000	17.5%	24.1%	41.6%
$6,000 to $8,999	27.5	17.8	45.3
$9,000 to $11,999	35.2	12.2	47.4
$12,000 to $14,999	38.6	7.8	46.4
$15,000 to $17,999	42.2	5.5	47.7
More than $18,000	59.0	4.8	63.8

no unusual family financial circumstances. The student self-help contribution from summer and term-time earnings is based on the CSS standard weighted by sex and upperlevel and lowerlevel status at the different institutional types. (Men are expected to contribute more than women and upperlevel students more than those at the lowerlevel.) The "expected" and "actual" contributions are exclusive of educational benefits.

TABLE 10

Average Family Contributions, College Scholarship Service
Expected Compared to Actual Self-Reported

Family Income	Average Family Size*	Median Income	Expected Parental Cont.	Self Help	Total Family Cont.	% Of Budget	Actual Family Cont.	% Of Budget
Less than $6,000	4.36	$ 3,000	$ 0	$485	$ 485	16.1%	$ 529	17.5%
$6,000 to $8,999	4.16	7,500	0	486	486	16.2	826	27.5
$9,000 to $11,999	4.23	10,500	146	487	633	20.7	1,050	35.2
$12,000 to $14,999	4.18	13,500	683	489	1,172	38.3	1,182	38.6
$15,000 to $17,999	4.32	16,500	1,168	488	1,656	54.4	1,285	42.2
More than $18,000	4.32	24,000	3,280	491	3,771	63.8	1,973	59.0

*Two parents and only one dependent child enrolled in college.

The actual average family contribution for students from families with incomes below $15,000 is more than the average expected under the CSS standard. The average expected contribution is $596; the actual contribution is $745. The actual contribution as a percentage of the educational costs is 24.6 percent; the expected contribution is only 19.6 percent. It is only at the upper income levels where the expected contribution is larger than the actual.

Another way of expressing the relationship between the actual average contribution and the expected contribution is to divide the actual contribution by the expected. This yields an index of the actual contribution as a percent of the expected contribution. These are displayed in Table 11.

TABLE 11

Actual Family Contribution as a Percentage
of College Scholarship Service Expected Contribution

By Family Income Intervals

Less than $6,000	109%
$6,000 to $8,999	170
$9,000 to $11,999	166
$12,000 to $14,999	101
$15,000 to $17,999	78
More than $18,000	52

The students whose families are contributing far more than is expected by the CSS standard are those from families with incomes between $6,000 and $11,999. By income intervals and institutional types the students from families with annual incomes of less than $12,000 are contributing more than is expected. Families with incomes in the $12,000 to $14,999 range with students at the University and Independent Colleges are contributing more than is expected. Families in this income interval with students at the State Colleges and Community Colleges are contributing just slightly less than expected--16 percent and 13 percent respectively. However, given the imprecise nature of these data, the true differences for these two groups of families are likely to be less. The actual and expected contributions by family income intervals and segments are displayed in Table 12.

TABLE 12

Average Family Contributions,
College Scholarship Service Expected Compared to
Actual Self-Reported

Family Income	Univ. Actual	Univ. Expected	S.C. Actual	S.C. Expected	C.C. Actual	C.C. Expected	I.C. Actual	I.C. Expected
Less than $6,000	$ 520	$ 490	$ 522	$ 505	$ 532	$ 450	$ 574	$ 504
$6,000 to $8,999	922	490	794	505	729	450	1,013	504
$9,000 to $11,999	1,059	636	971	651	955	596	1,423	650
$12,000 to $14,999	1,196	1,173	1,000	1,188	982	1,133	1,783	1,187
$15,000 to $17,999	1,397	1,658	1,015	1,673	1,084	1,618	1,993	1,672
More than $18,000	2,025	3,770	1,377	3,785	1,186	3,730	2,924	3,730

The actual contributions as a percentage of the expected contributions are displayed by income intervals and segments in Table 13. It is evident that families of students with income below $15,000 are generally contributing as much or more than expected under the CSS standard. At all types of institutions, families with incomes in the $6,000 to $11,999 intervals are making the largest disproportionate contributions over what is expected.

TABLE 13

Actual Family Contributions as a Percentage
Of College Scholarship Service Expected Contributions

By Family Income Intervals and Segments

Family Income	Univ.	S.C.	C.C.	I.C.
Less than $6,000	106%	103%	118%	114%
$6,000 to $8,999	188	157	162	201
$9,000 to $11,999	167	150	160	219
$12,000 to $14,999	102	84	87	150
$15,000 to $17,999	84	61	67	119
More than $18,000	54	36	32	78

It is likely, based on just these data, that increases in costs of education which are not offset by corresponding increases in available financial aid would have a dramatic impact on the access to college of students from families with less than $12,000 annual income. These students currently receive 33 percent more from their families than is expected under the CSS standard. These students also represent 34.4 percent of all currently enrolled full time undergraduates in New Jersey colleges and universities, and 37 percent of all full time undergraduates in the public colleges.

When all the contributions from parents, spouses, and savings are subtracted from the average costs, the average remaining financial need per student is $1,496. The averages range from just $662 for students at the University from families with incomes above $18,000 to $3,363 for students at Independent Colleges from families with incomes below $6,000. Because of the likelihood of enrollment of lower income students in lower cost colleges, the effect of educational benefits, and the greater-than-expected family contributions of lower-middle income families, the financial need of students with family incomes in the $6,000 to $17,999 range are quite similar. Table 14 displays the average need by income intervals and segments. Table 15 displays the average need if students received family contributions as expected by the CSS standard.

TABLE 14

Average Remaining Financial Need

By Family Income Intervals and Segments

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$1,775	$1,568	$1,059	$3,363	$1,762
$6,000 to $8,999	1,481	1,351	1,103	3,316	1,642
$9,000 to $11,999	1,447	1,404	1,022	3,008	1,569
$12,000 to $14,999	1,400	1,529	1,093	2,783	1,649
$15,000 to $17,999	1,286	1,571	1,093	2,590	1,592
More than $18,000	662	1,237	1,045	1,701	1,208
All Students	$1,136	$1,388	$1,064	$2,369	$1,496

TABLE 15

Average Financial Need by Family Income Intervals
If Parents Contributed as Expected
By the College Scholarship Service Standard

Family Income	Actual Current	CSS Projected	Difference
Less than $6,000	$1,762	$1,806	+ $ 44
$6,000 to $8,999	1,642	1,982	+ 340
$9,000 to $11,999	1,569	1,986	+ 417
$12,000 to $14,999	1,649	1,659	+ 10
$15,000 to $17,999	1,592	1,221	- 371
More than $18,000	1,208	0	- 1,208
All Students	$1,496	$1,109	- $ 387

While the average financial need would decrease by about 25 percent if all families contributed what was expected by the CSS standard, it is perhaps unrealistic to expect parents of upper-income families to increase their family contributions by $1,208, the amount necessary to "wipe out" financial need for students at those intervals. This would represent an increase in their average contribution of nearly 61 percent. For families in the $15,000 to $17,999 interval, the average increase would be nearly 19 percent. The next section of this chapter will examine how students meet these financial aid needs.

Meeting the Financial Aid Needs

Chapter VI of the major SRS report contained a short discussion on the differences in patterns of aid applications by students at the different segments. The number of students who apply for aid has a significant impact on who receives aid and how total aid dollars are distributed among students. Students at the University and the Independent Colleges were more likely than students at the other segments to apply for financial aid--even though they were more likely to be from more affluent families.

The rates of application for and by family income intervals account, in part, for the larger-than-expected family contributions of students from families in the $6,000 to $11,999 intervals. The expected contributions from families in the $6,000 to $8,999 interval are nearly the same as those from the lowest interval. However, 16 percent fewer students from families in the $9,000 to $11,999 interval than the

lowest interval applied for aid. If the students from these two lower-middle income ranges had applied for aid in proportion to the students from families in the lowest income intervals, the total number of aid applications would have increased by nearly 5,800 or by 4 percent of all students.

The larger-than-expected contributions of the lower-middle income families are apparently related to the fact that they are less likely to apply for financial aid. The reasons why they are less likely to apply for aid are unknown. It has been suggested that families with these levels of income are reluctant to apply for financial aid because they consider it a form of welfare. The data do not support or negate this hypothesis.

The data on rates of applications do indicate that many students from low-income families who have great financial need do not apply for assistance. A significant number of students from upper-income families with apparently little financial need do apply for aid--over 30 percent of the students from families with incomes over $18,000 apply for financial aid.

The question might reasonably be asked, "If these students from lower-income families have financial need and are not applying for aid, how do they afford their educational costs?" There are answers to this question. The expense data presented in this report are averages of the costs for all students at all income levels, including aid recipients. Many low-income students may experience expenses below the average by living at home with parents, by living in sub-standard accommodations, or by otherwise reducing their maintenance costs to a bare minimum. Other low-income students may work longer hours at jobs during the school term in order to offset a lesser family contribution or the absence of financial aid. Regardless of how students pay for their educational costs, it is clear that many needy students fail to apply for financial aid, and, consequently, must bear the entire burden of their educational expenses. Table 16 displays the percentages of students who apply for aid by family income intervals and segments.

The most common form of "student aid" to New Jersey students is term-time employment. Over 68 percent of all students reported some income for term-time employment. It should be noted, however, that not all this income can technically be considered financial aid. Only 13.1 percent of the students reported earning money from College Work-Study employment or assistantships which would presumably be under control of the financial aid administrator or some other institutional official. The remainder of the students, 45 percent, reported earnings from off-campus jobs secured by themselves and not under administrative control of some financial aid program.

TABLE 16

Percentage of Students Who Applied for Financial Aid at Their College

By Family Income Intervals and Segments

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	79.6%	71.0%	66.3%	79.1%	74.3%
$6,000 to $8,999	69.0	49.0	39.3	74.7	58.4
$9,000 to $11,999	59.3	52.0	45.8	70.8	56.3
$12,000 to $14,999	52.1	39.5	37.2	69.2	49.0
$15,000 to $[illegible]999	46.6	37.9	29.8	61.5	44.0
More than $[illegible]000	30.0	25.2	25.3	37.6	30.4
All Students	47.7%	41.2%	38.2%	53.6%	44.4%

The students who are least likely to be employed in term-time jobs are from families at the two extremes of the income distribution. In the case of low-income students, they are likely to work less in order to devote more time to academic preparation. High-income students are likely to work less because they do not need the financial support. Table 17 displays the percentage of students who reported term-time earnings by family income intervals and segments.

TABLE 17

Percentage of Students Reporting Term-Time Earnings

By Segments and Family Income

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	65.2%	70.5%	61.0%	70.3%	66.5%
$6,000 to $8,999	63.8	76.4	63.7	81.3	71.6
$9,000 to $11,999	60.6	77.7	69.0	67.0	70.7
$12,000 to $14,999	62.1	73.1	77.2	68.0	71.2
$15,000 to $17,999	56.2	78.1	72.6	67.3	70.7
More than $18,000	52.9	68.7	69.6	60.3	63.3
All Students	57.8%	72.6%	68.5%	68.8%	68.2%

Table 18 displays the average term-time earnings reported by students who worked. It is interesting to note that the average earnings by students from different family financial circumstances are quite similar within the different institutional types. Students at State Colleges and Community Colleges, regardless of their family incomes, reported more earnings than students at the other segments. This is largely attributable to the fact that they worked more hours than students in the other segments. The average earnings per hour by segments are quite similar. The hourly average wage at the University is $1.90; at the State Colleges, $2.04; at the Community Colleges, $1.87; and, at the Independent Colleges, $1.97. These averages are based upon total average earnings divided by the average hours worked per week times 36 weeks, the number of work weeks in a typical academic year. The computation is, for example, at the University: $938 average annual earnings divided by (13.7 hours per week times 36 weeks) or $938 ÷ (13.7 x 36).

TABLE 18

Average Term-Time Employment Earnings
By Those Reporting Any at Segments

By Family Income

Family Income	Univ.	S.C.	C.C.	I.C.
Less than $6,000	$1,173	$1,368	$1,219	$1,013*
$6,000 to $8,999	951	1,362	1,216*	950*
$9,000 to $11,999	1,004	1,142	1,102	882*
$12,000 to $14,999	940	1,385	1,214	967
$15,000 to $17,999	890	1,316	1,426	1,074*
More than $18,000	815	1,239	1,451	907
All Employed	$ 938	$1,299	$1,315	$ 941

*Based on an N of less than 75 students.

When the average earnings by income intervals and segments are prorated across all students, they result in the figures displayed in Table 19.

TABLE 19

Average Term-Time Earnings for All Students

By Family Income Intervals and Segments

Family Income	Univ. Amount	Univ. % of Budget	S.C. Amount	S.C. % of Budget	C.C. Amount	C.C. % of Budget	I.C. Amount	I.C. % of Budget	All Amount	All % of Budge
Less than $6,000	$764	27.7%	$ 965	35.4%	$ 744	30.2%	$712	15.1%	$816	27.1%
$6,000 to $8,999	607	22.0	1,040	38.1	804	32.6	773	16.3	859	28.6
$9,000 to $11,999	609	22.1	887	32.5	760	30.8	659	14.0	768	25.7
$12,000 to $14,999	583	21.1	1,012	37.1	937	38.0	658	13.9	850	27.8
$15,000 to $17,999	500	18.1	1,027	37.6	1,035	42.0	723	15.3	875	28.8
More than $18,000	431	15.6	851	31.2	1,009	40.9	547	11.6	707	21.2
All Students	$542	19.7%	$ 944	34.6%	$ 900	36.5%	$647	13.6%	$796	26.2%

Over one-third of the educational budgets of State College and Community College students are met with term-time employment income. In part, these larger percentages take the place of the somewhat lower family contributions for these students. The percentage of educational expenses defrayed by term-time earnings is quite similar among students from families with incomes of less than $18,000. The average percent of educational expenses earned by students from families in these income ranges is 27.6 percent. Students from upper-income families earn a slightly smaller percentage of their educational budgets, 21.2 percent, primarily because their expenses are higher due to enrollment at Independent Colleges.

The next most common form of student aid is in the form of grants or scholarships. Over 36 percent of all students reported receiving grants or scholarships from some source. As expected, students from families in the lower-income intervals were more likely to receive grants. As reported in Chapter VI of the major SRS report, more students at Independent Colleges and the University than at the other segments received grants. Community College students were least likely to receive grants, especially those from families in the $6,000 to $18,000 income intervals. Students at the University, from families in all but the $15,000 to $18,000 interval, were much more likely than students at the other public colleges to receive grant awards. University grant recipients were more likely than other public college students to receive larger grant awards. At the Independent Colleges, the average grant per recipient was quite similar for students from families in the $9,000 to $17,999 intervals, despite the fact that their financial need varied considerably. Table 20 displays the percentage of students receiving grant awards by income intervals and segments. Table 21 displays the average award per recipient by these variables.

The percentage of students from each family income interval at each institution and the differences in average awards results in the average per student grant distribution displayed in Table 22. About 10.3 percent of the average educational budget is met by a grant or scholarship award. Students who attend Independent Colleges or the University are more likely than other students to have a larger percentage of their educational expenses met by grants. This is especially true for students from families with less than $9,000 annual income. While their ability to pay for educational costs is only slightly more than the lowest income students, students from families in the $6,000 to $12,000 income intervals receive grants which amount to a significantly smaller percentage of their total educational expenses, 13.9 percent as compared to 24.1 percent.

TABLE 20

Percentage of Students Receiving Grants

By Segments and Family Income

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	69.7%	63.0%	53.2%	73.6%	62.5%
$6,000 to $8,999	66.2	48.6	31.9	64.0	48.7
$9,000 to $11,999	52.8	50.0	26.9	67.0	46.6
$12,000 to $14,999	42.4	32.0	24.1	54.4	36.2
$15,000 to $17,999	24.9	24.5	15.3	57.3	28.4
More than $18,000	18.1	11.7	11.9	24.8	23.4
All Students	37.7%	31.9%	25.4%	43.1%	36.2%

TABLE 21

Average Grant Awards to Recipients at Segments

By Family Income

Family Income	Univ.	S.C.	C.C.	I.C.
Less than $6,000	$1,034	$886	$ 871	$2,068*
$6,000 to $8,999	964	595*	843*	1,779*
$9,000 to $11,999	773	499	564*	1,488*
$12,000 to $14,999	699	407	571*	1,389
$15,000 to $17,999	565	432*	1,116*	1,491*
More than $18,000	629	597*	792*	1,146
All Recipients	$ 773	$580	$ 779	$1,487

*Based on an N of less than 75 students.

TABLE 22

Average Grant Award for All Students

By Family Income Intervals and Segments

Family Income	Univ.		S.C.		C.C.		I.C.		All	
	Amount	% of Budget	Amount	% of Budget	Amount	% of Budget	Amount	% of Budget	Amount	% of Budget
Less than $6,000	$720	26.1%	$558	20.5%	$463	18.8%	$1,523	32.2%	$727	24.1%
$6,000 to $8,999	638	23.1	289	10.6	269	10.9	1,135	24.0	481	16.0
$9,000 to $11,999	408	14.8	250	9.2	152	6.2	997	21.1	370	12.4
$12,000 to $14,999	296	10.7	130	4.8	137	5.6	726	15.4	278	9.1
$15,000 to $17,999	199	7.2	106	3.9	171	6.9	878	18.6	284	9.3
More than $18,000	114	4.0	70	2.6	94	3.8	284	6.0	153	4.6
All Students	$292	10.6%	$185	6.8%	$198	8.0%	$ 641	13.6%	$313	10.3%

The variations in grant award average are partially the consequence of receipt of awards from different sources at the different institutions. The percentage of students who received awards from the Basic Educational Opportunity Program, state scholarship programs, and institutional grant and scholarship programs are displayed in Table 23. Interpretations of the differences should be made with caution as other research has indicated that students sometimes do not correctly identify the source of their financial aid awards. Income distributions of recipients of Supplemental Educational Opportunity Grant Program awards, grants from other Federal programs, and grants from private sources are unavailable.

TABLE 23

Percentage of Students Reporting Receipt
Of Grant Awards From Three Sources

By Family Income Intervals and Segments

	Less than $6,000	$6,000 to $8,999	$ 9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More than $18,000	All Students
University							
BEOG	26.4%	24.4%	14.4%	4.0%	2.5%	0.5%	7.4%
State	56.2	51.2	39.1	31.4	23.0	5.9	25.3
Institution	7.5	10.8	7.5	6.8	9.7	4.1	6.2
State Colleges							
BEOG	30.1%	11.8%	12.4%	2.8%	2.6%	0.9%	7.2%
State	43.2	29.9	35.6	25.3	16.8	5.6	21.8
Institution	3.4	2.1	3.0	0.8	0.0	0.9	1.4
Community Colleges							
BEOG	27.0%	13.3%	11.5%	5.1%	3.2%	1.6%	8.9%
State	33.3	15.0	20.4	10.1	8.9	3.6	13.3
Institution	3.5	2.7	4.1	0.6	4.8	2.3	2.8
Independent Colleges							
BEOG	24.2%	18.7%	16.5%	9.5%	4.5%	1.2%	7.5%
State	56.0	34.7	36.1	28.6	31.8	5.1	20.9
Institution	35.2	36.0	34.0	29.3	30.9	13.9	22.4
All Colleges							
BEOG	27.5%	15.3%	13.1%	4.9%	3.1%	1.1%	7.7%
State	43.8	29.3	31.9	23.2	18.8	5.1	20.0
Institution	9.9	15.7	9.1	7.4	8.8	6.0	7.5

Table 23 shows that equivalent percentages of students receive Basic Grants and awards from institutional programs. However, Community College students are slightly more likely than other students to receive Basic Grants. Independent College students are much more likely than other students to receive grants from their institutions. Receipt of grants from this source accounts for the slightly larger percentage of the average independent College student budget that is met by grant awards. As noted in Chapter VI of the major SRS report, students at Community Colleges are less likely to receive scholarships or grants from State programs. The distribution of aid dollars from all three programs generally follows a linear pattern, i.e., students from lower-income families are more likely than students from upper-income families to receive grants.

The third type of aid available to students is the long-term loan. Over 23 percent of the students reported receiving a long-term loan from some source in 1974-75. Students at the four-year colleges, especially the Independent Colleges and the University, were more likely than other students to have borrowed money for college expenses. Over one-third of the students from lower-income families received loans while only half as many students from upper-income families borrowed money. About 27 percent of the students from families in the $6,000 to $17,999 income intervals

As was noted in Chapter VI of the major SRS report, the average total loans received by students at the public colleges were basically the same. Independent College students received slightly larger loans, on the average, than other students. However, this is expected due to the higher costs at these institutions. Only 13.2 percent of the Community College students from families with incomes of less than $9,000 borrowed money for college. Almost 37 percent of the students from similar family income intervals enrolled at other colleges accepted loans. However, when the lower-income Community College students borrowed money their average loans were larger than those of lower-income students enrolled at other colleges. As Community College students generally work more than students at other colleges, it is likely that the larger average loans to fewer students reflect one of two typical patterns of financing education--work a lot and borrow less or borrow more and work less. The percentages of students who received loans by family income intervals and segments are displayed in Table 24. Table 25 displays the average loans per recipient.

Table 26 shows the average loans per student by family income intervals and segments. With two exceptions, students from most family income intervals borrow from 10 to 12 percent of the costs of their education. The exceptions are the students from families in the $6,000 to $8,999 and "More than $18,000" income intervals. They borrow, respectively, 8.4 percent and 6.9 percent of their educational budgets. The lower average for the students from the

TABLE 24

Percentage of Students Receiving Loans

By Segments and Family Income

Family Income	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	47.3%	32.2%	16.3%	57.1%	33.3%
$6,000 to $8,999	41.8	22.2	9.7	44.0	25.0
$9,000 to $11,999	32.2	30.7	15.2	46.4	29.1
$12,000 to $14,999	30.2	20.6	13.9	60.0	28.4
$15,000 to $17,999	29.6	20.9	12.1	40.9	24.1
More than $18,000	15.5	12.0	7.1	25.1	16.0
All Students	27.1%	20.8%	11.9%	36.9%	23.4%

TABLE 25

Average Long-Term Loans to Recipients
At Segments

By Family Income

Family Income	Univ.	S.C.	C.C.	I.C.
Less than $6,000	$ 869	$ 846*	$1,061*	$ 943*
$6,000 to $8,999	722	1,006*	1,054*	1,215*
$9,000 to $11,999	893	1,051*	836*	1,173*
$12,000 to $14,999	1,095	1,071*	986*	1,383
$15,000 to $17,999	1,076	1,234*	1,703*	1,247*
More than $18,000	1,259	1,521*	1,428*	1,475
All Borrowers	$1,011	$1,122	$1,145	$1,306

*Based on an N of less than 65 students.

$6,000 to $8,999 interval is primarily attributable to the lower rates of borrowing by Community College students from families in this interval. It will be recalled that these students pay for a larger percentage of their educational expenses from term-time employment and the family contribution, particularly educational benefits. Students from upper-income families are likely to borrow less money simply because they do not have to meet educational expenses. The students who borrow the greatest percentage of their educational budgets are Independent College students from families in the $12,000 to $14,999 interval, 17.5 percent of the costs.

It is a widely accepted principle in the administration of student financial aid that larger percentages of student aid packages to low-income, high-need students than high-income, low-need students should be grant awards. The administration of student financial aid in New Jersey appears to comply with that principle. As the student's family income increases, the percentage of grant awards as a percentage of the total aid package decreases. Furthermore, as the student's family income increases and his need decreases, the percentage of aid received in the form of grants decreases. The percentage of the aid package that is grant money decreases in a linear relationship to increases in family income. Furthermore, with only one slight variation, the percentage of the student budget and financial need represented by grants decreases in linear relationship to increases in family income. The exception to the relationship is that grants to students from families with incomes in the $15,000 to $17,999 interval represent a slightly larger percentage of the total budget and the financial need of these students than do grants to students from families in the $12,000 to $14,999 interval. This is primarily due to the average grant award distribution to students at Independent Colleges.

For reasons unknown from the data, Independent College students from families in the $15,000 to $17,999 interval are slightly more likely to receive grants, and slightly larger average grant awards, than their classmates from the $12,000 to $14,999 family income interval. The three types of aid received by students from the different family income intervals and expressed as a percentage of the total aid package, the percentage of the average educational budget, and the percentage of average financial need are displayed in Table 27.

In general, loans represent a similar percentage of the aid packages received by students from families with incomes above $9,000. The lesser percentages of loans received by students in the lower intervals may reflect a reluctance on the part of low income families to borrow money for college expenses. It may also reflect the preponderance of low income students who enroll at Community Colleges where borrowing is a less frequent means of paying for educational costs. The percentage of educational expenses or financial need met by loans is not perfectly linear in relationship to family income primarily because the students from families in the $6,000 to $8,999 income interval are less likely to borrow money for college.

TABLE 26

Average Loan for All Students

By Family Income Intervals and Segments

Family Income	Univ. Amount	Univ. % of Budget	S.C. Amount	S.C. % of Budget	C.C. Amount	C.C. % of Budget	I.C. Amount	I.C. % of Budget	All Amount	All % of Budget
Less than $6,000	$410	14.9%	$272	10.0%	$173	7.0%	$539	11.4%	$305	10.1%
$6,000 to $8,999	302	11.0	224	8.2	103	4.2	535	11.3	253	8.4
$9,000 to $11,999	287	10.4	324	11.9	127	5.2	544	11.5	298	10.0
$12,000 to $14,999	331	12.0	220	8.1	137	5.6	828	17.5	339	11.1
$15,000 to $17,999	319	11.6	258	9.5	206	8.4	510	10.8	362	11.9
More than $18,000	195	7.1	182	6.7	102	4.1	370	7.8	231	6.9
All Students	$273	9.9%	$233	8.5%	$136	5.5%	$482	10.2%	$274	9.5%

TABLE 27

Types of Awards as a Percentage of Aid Packages, Educational Expenses and Financial Need

By Family Income Intervals

Family Income	Grants, Scholarships			Long-Term Loans			Term-Time Employement		
	% of Aid Package	% of Budget	% of Financial Need	% of Aid Package	% of Budget	% of Financial Need	% of Aid Package	% of Budget	% of Financial Need
Less than $6,000	39.3%	24.1%	41.3%	16.5%	10.1%	17.3%	44.2%	27.1%	46.3%
$6,000 to $8,999	30.2	16.0	29.3	15.9	8.4	15.4	53.9	28.6	52.3
$9,000 to $11,999	25.8	12.4	26.1	20.8	10.0	21.1	53.4	25.7	54.3
$12,000 to $14,999	19.0	9.1	16.9	23.1	11.1	20.6	57.9	27.8	51.5
$15,000 to $17,999	18.7	9.3	17.8	23.8	11.9	22.7	57.5	28.8	55.0
More than $18,000	14.0	4.6	12.7	21.1	6.9	19.1	64.9	21.2	58.5
All Students	22.6%	10.3%	20.9%	19.8%	9.5%	18.3%	57.6%	26.2%	53.2%

As was noted earlier, the percentage of educational expenses and financial need met by term-time employment is quite similar for students from families in the $6,000 to $18,000 intervals. Term-time employment as a percentage of the total aid package increases as family income increases, a desirable phenomenon in the administration of student financial aid. It should again be noted here that term-time employment includes earnings from employment which is not expressly financial aid, i.e., jobs which are not College-Work Study or assistantships administered by campus administrators.

Paying the Bill for Education: Some Different Perspectives

In Chapters VII and VIII of the major SRS report, special attention was given to the way students in general and students at the different types of institutions paid their costs of education. Attention will be given here to the ways in which students from different family financial circumstances pay for their education, followed by a brief discussion of some different perspectives on the need for additional aid.

It has been noted that the family contribution (from parents, spouses, and the student's savings) amounts to over 44 percent of the educational costs experienced by students. Families in the $9,000 to $17,999 interval generally contribute from 40 to 45 percent of the total costs of education; families with incomes above $18,000 contribute over 62 percent; and families with incomes below $6,000 contribute slightly less than 15 percent. The contributions from all sources by income intervals are displayed in Table 28.

The percentages of educational expenses met by student self-help vary from just over half for expenses of students from families in the lowest income interval to nearly 90 percent for students from families in the highest income interval. Self-help was defined in Chapter VII of the major SRS report as resources from the family, contributions from savings, loans and work. Repayment of loans will require future effort on behalf of the student. Work requires current effort by the student. While it is recognized that State subsidies to public institutions help to keep tuition costs at a low rate to students and, therefore, represent a "hidden" contribution to educational costs, the students and families of New Jersey college students pay a significant percentage of all educational costs from past, present, and future earnings. Less than one fifth of the educational costs to students are defrayed by "free money," i.e., scholarships, grants and educational benefits which require no repayment in work or money.

At various places throughout this report consideration has been given to the amounts of money parents and students from different family financial circumstances should contribute to the education of the student. This matter is of particular concern to the Commission and its staff in their efforts to develop a plan for financing postsecondary education in New Jersey. The Commission is also concerned with identifying the amounts of financial aid necessary to help all qualified students achieve financial access to postsecondary education.

TABLE 28

Sources of Contributions Toward Educational Costs

By Family Income Intervals*

	Less than $6,000	$6,000 to $8,999	$ 9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More than $18,000	All Students
Family Contribution[1]	17.5%	27.5%	35.2%	38.6%	42.2%	59.0%	43.1%
Term-Time Employment	27.0	28.6	25.7	27.8	28.8	21.2	25.4
Long-Term Loans	10.1	8.4	10.0	11.1	11.9	6.9	8.7
Self-Help[2]	54.6%	64.5%	70.9%	77.5%	82.9%	87.1%	77.2%
Education Benefits	24.0	17.7	12.2	7.6	5.5	4.8	9.2
Grants, Scholarships	24.1	16.0	12.4	9.1	9.3	4.6	10.0

[1] Includes parent's contribution, spouse's contribution, contributions from savings and summer employment.

[2] Includes everything but grants, scholarships, and educational benefits.

An earlier report to the Commission prepared by one of the study staff members addressed itself to the matter of need for additional financial aid.** Using different data bases and study methodology, the report identified a need for an additional $51.2 million in financial aid in 1973-74 to make it possible for then enrolled full time undergraduates to reasonably afford the costs of education. The key phrase in the preceding sentence and the earlier study is to "reasonably afford the costs of education."

This report has indicated that students and parents are, for the most part, meeting the costs of education but the ways in which they are met frequently represent contributions in excess of what can reasonably be expected from many of them. The impact of "over-contributions" on the economic livelihood of New Jersey families and the impact of extended term-time employment on the academic progress of students is unknown. It can be inferred, however, that the impact is negative in nature. For example, data reported in Chapter III of the major SRS report indicate that many students who delayed their entry into college by two or more

* These percentages are based upon the relationship between an individual source of contribution and the total budget. Since the sum of the sources of contribution may not equal the total budget, the sum of the percentages will not be precisely 100%.

** Davis, Jerry S. A Report on Undergraduate Student Financial Aid Needs and Resources in New Jersey Colleges and Universities, 1973-1974 (Trenton: Commission on Financing Postsecondary Education, 1975).

years were from lower income families, indicating that absence of parental resources and/or financial aid at least partially contributed to this delay.

As consideration is given to plans for paying for educational costs in the currently inflationary economy, attention must be given to who can afford the costs of education, who might be willing and able to pay more, and who will be affected most by increased costs. It seems inevitable that costs of education will increase. Even though direct educational costs may be held at a minimum to students by direct State subsidies to institutions, indirect educational costs (i.e., maintenance and living expenses), will increase with inflation beyond the control of educational planners. If costs increase without correspondent increases in financial aid or diversion of financial aid resources to students with the most need, financial access to postsecondary education will be inhibited. For all these reasons, it is important to take a closer look at the student and parent's ability to pay for, or "reasonably afford" the costs of education.

Tables 10 through 15 describe the amounts of money families were actually contributing in comparison to what is expected by the CSS standard of need analysis. It was noted that lower-income families were generally contributing more than expected; upper-income families less than expected. The difference between what is a reasonable family contribution and what is actually being contributed, when the actual contribution is larger, represents a need for additional aid or "unmet need." In other words, there is a need for additional aid dollars to make up the difference between actual contributions and reasonable contributions so that families can reasonably afford the costs of education. The formula for unmet need appears below. This should make it easier to understand the concept.

Educational Costs - Reasonable Family Contribution = Financial Need

- Available Aid = Unmet Need.

It can be seen that any changes in the Costs, Family Contribution, or Available Aid will directly affect Financial Need and Unmet Need. If the CSS standard is considered acceptable, then the actual family contributions are larger than reasonable and the differences between the actual and reasonable contributions represents unmet need, or the need for additional aid.

Multiplying the average differences displayed in Table 15 for the students whose families are contributing more than is reasonable by the total number of students from those intervals results in an estimated need for $13.9 million in additional aid in order for them to reasonably afford their costs of education. It will be noted that students from the families in the upper-income intervals

contribute less than is expected by the CSS standard. If their contributions were increased to the expectations, students from those intervals would have no financial need. But as was mentioned above, it is unlikely that families from the uppermost income interval would be willing to increase their average contributions by almost 61 percent.

By using the formula for unmet need it is possible to take another perspective on paying the bill for education. It can be assumed that what parents and students are currently contributing to the education of the student is reasonable. The data indicates a willingness to make a sacrifice which appears in excess of $13.9 million. With this assumption in mind, a different perspective on another element in the formula, financial aid, can be taken. Throughout this report all term-time employment has been considered financial aid. Technically, as mentioned above, only that employment which is administered by the financial aid office or some other administrator through a College-Work Study or assistantship activity can be considered financial aid. If only the dollars from College Work-Study programs or assistantships are considered as financial aid, then unmet need exists. Its existence is found by subtracting only that assistance which is "true" financial aid from the calculated financial need. This calculation is displayed for all students in Table 29 and is identified as 'Remaining Need."

Only a limited percentage of term-time employment is from financial aid programs among all institutions. For example, while total average term-time earnings for all students from families with incomes of less than $6,000 is $816, only $222 or 27.2 percent is technically considered financial aid. These students' total average financial need is $1,762. There was only $1,254 in aid available to meet that need.

Substituting in the formula for unmet need on page 29, the unmet need is $508, or the difference between financial need and available aid ($1,762 minus $1,254 = $508). The students were able to make up this deficit by more term-time employment in off-campus full time and part-time jobs. On the average, they earned $86 more than their average additional need. It will be noted that students in the other income intervals were not, on the average, able to earn enough to meet their need for additional aid.

If the "Remaining Need" is considered equivalent to unmet need, the total unmet need for all students can be determined by multiplying the average remaining need for each income interval for each segment by the number of students included in those intervals and summing the totals. The average remaining need for all students by family income intervals at each segment is displayed in Tables 30 through 33. The calculated total unmet need is displayed in Table 34.

TABLE 29

Summary of Costs, Family Contributions, Financial Need and Financial Aid

By Family Income Intervals, All Segments Combined

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
Budget	$3,016	$3,000	$2,984	$3,063	$3,043	$3,341	$3,136
Family Contribution	$529	$826	$1,050	$1,182	$1,285	$1,973	$1,352
Educational Benefits	725	532	365	232	166	160	288
Financial Need	$1,762	$1,642	$1,569	$1,649	$1,592	$1,208	$1,496
Grants	$727	$481	$370	$278	$284	$153	$313
Loans	305	253	298	339	362	231	274
Work-Study	222	104	114	98	124	106	121
Total Aid	$1,254	$838	$782	$715	$770	$490	$708
Remaining Need	$508	$804	$787	$934	$822	$718	$788
Other Employment	$594	$755	$654	$752	$751	$601	$675
Deficit (Surplus)	($86)	$49	$133	$182	$71	$117	$113

Budget - (Family Contribution + Educational Benefits) = Financial Need; Grants + Loans + Work-Study = Total Aid
Financial Need - Total Aid = Remaining Need; Remaining Need - Other Employment = Deficit or Surplus.

TABLE 30

Summary of Costs, Family Contributions, Financial Need and Financial Aid

By Family Income Intervals, State University

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
Budget	$2,757	$2,757	$2,757	$2,757	$2,757	$2,757	$2,757
Family Contribution	*$520*	*$922*	*$1,059*	*$1,196*	*$1,397*	*$2,025*	*$1,456*
Educational Benefits	462	354	251	161	74	70	165
Financial Need	$1,775	$1,481	$1,447	$1,357	$1,286	$662	$1,136
Grants	$720	$638	$408	$296	$199	$114	$292
Loans	410	302	287	331	319	195	273
Work-Study	127	92	74	67	53	56	69
Total Aid	$1,257	$1,032	$769	$694	$571	$365	$634
Remaining Need	$518	$449	$678	$663	$715	$297	$502
Other Employment	$637	$515	$535	$516	$447	$375	$473
Deficit (Surplus)	($119)	($66)	$143	$190	$268	($78)	($29)

Budget - (Family Contribution + Educational Benefits) = Financial Need; Grants + Loans + Work-Study = Total Aid
Financial Need - Total Aid = Remaining Need; Remaining Need - Other Employment = Deficit or Surplus.

TABLE 31

Summary of Costs, Family Contributions, Financial Need and Financial Aid

By Family Income Intervals, State Colleges

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
Budget	$2,728	$2,728	$2,728	$2,728	$2,728	$2,728	$2,728
Family Contribution	$522	$794	$971	$1,000	$1,015	$1,377	$1,059
Educational Benefits	638	583	353	199	142	114	281
Financial Need	$1,568	$1,351	$1,404	$1,529	$1,571	$1,237	$1,388
Grants	$558	$289	$250	$130	$106	$ 70	$185
Loans	272	224	324	220	258	182	233
Work-Study	223	67	110	87	122	94	110
Total Aid	$1,053	$580	$684	$437	$486	$346	$528
Remaining Need	$515	$771	$720	$1,092	$1,085	$891	$860
Other Employment	$742	$973	$777	$925	$905	$757	$834
Deficit (Surplus)	($227)	($202)	($57)	$167	$180	$134	$26

Budget - (Family Contribution + Educational Benefits) = Financial Need; Grants + Loans + Work-Study = Total Aid; Financial Need - Total Aid = Remaining Need; Remaining Need - Other Employment = Deficit or Surplus.

TABLE 32

Summary of Costs, Family Contributions, Financial Need and Financial Aid

By Family Income Intervals, Community Colleges

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
Budget	$2,464	$2,464	$2,464	$2,464	$2,464	$2,464	$2,464
Family Contribution	$532	$729	$955	$982	$1,084	$1,186	$950
Educational Benefits	873	632	487	389	287	233	450
Financial Need	$1,059	$1,103	$1,022	$1,093	$1,093	$1,045	$1,064
Grants	$463	$269	$152	$137	$171	$ 94	$198
Loans	173	103	127	137	206	102	136
Work-Study	160	78	107	101	175	123	124
Total Aid	$796	$450	$386	$375	$552	$319	$458
Remaining Need	$263	$653	$636	$718	$541	$726	$606
Other Employment	$584	$726	$653	$836	$860	$886	$776
Deficit (Surplus)	($321)	($73)	($17)	($118)	($319)	($160)	($170)

Budget - (Family Contribution + Educational Benefits) = Financial Need; Grants + Loans + Work-Study = Total Aid
Financial Need - Total Aid = Remaining Need; Remaining Need - Other Employment = Deficit or Surplus.

TABLE 33

Summary of Costs, Family Contributions, Financial Need and Financial Aid

By Family Income Intervals, Independent Colleges

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
Budget	$4,724	$4,724	$4,724	$4,724	$4,724	$4,724	$4,724
Family Contribution	$574	$1,013	$1,423	$1,783	$1,993	$2,924	$2,142
Educational Benefits	787	395	293	158	142	99	213
Financial Need	$3,363	$3,316	$3,008	$2,783	$2,589	$1,701	$2,369
Grants	$1,523	$1,135	$997	$726	$878	$284	$641
Loans	539	535	544	828	510	370	482
Work-Study	399	242	177	141	131	133	169
Total Aid	$2,461	$1,912	$1,718	$1,695	$1,519	$787	$1,292
Remaining Need	$902	$1,404	$1,290	$1,088	$1,070	$914	$1,077
Other Employment	$313	$531	$482	$517	$592	$414	$478
Deficit (Surplus)	$589	$873	$808	$571	$478	$500	$599

Budget - (Family Contribution + Educational Benefits) = Financial Need; Grants + Loans + Work-Study = Total Aid
Financial Need - Total Aid = Remaining Need; Remaining Need - Other Employment = Deficit or Surplus.

The "remaining need" totals $112.5 million across all segments and income intervals. This amount could be considered unmet need under the formula. It will be noted, in Table 34, that a large proportion, about 40 percent, of the unmet need under this calculation is experienced by the students from families with incomes above $15,000. This is because of their large numbers and because their average family contributions are less than the CSS expectation. Families in the $12,000 to $14,999 income interval with students at the State Colleges and Community Colleges contribute slightly less than expected. If the family contributions for students from families with more than $12,000 income were increased to the level of CSS expectations and the over-contributions of families with incomes below $12,000 are considered reasonable, unmet financial need would be reduced to $64.8 million. These calculations are displayed in Table 35. Unmet need for students from families in the two upper-income intervals is reduced from 40 percent to just 15 percent of the total.

TABLE 34

Unmet Need as "Remaining Need"

By Family Income Intervals and Segments
(amounts in $1000's)

	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$ 1,026	$ 2,795	$ 1,430	$ 2,686	$ 7,937
$6,000 to $8,999	932	4,145	2,846	3,468	11,391
$9,000 to $11,999	2,119	5,426	3,551	4,103	15,199
$12,000 to $14,999	2,768	10,259	4,370	5,265	22,662
$15,000 to $17,999	2,524	7,905	2,591	3,692	16,712
More than $18,000	2,664	13,565	7,086	15,308	38,623
	$12,033	$44,095	$21,874	$34,522	$112,524

TABLE 35

Unmet Need as "Remaining Need" After CSS Expected Family Contributions for Families With Incomes Over $12,000 are Utilized

By Family Income Intervals and Segments
(Amounts in $1,000's)

	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$1,026	$ 2,795	$ 1,430	$ 2,686	$ 7,937
$6,000 to $8,999	932	4,145	2,846	3,468	11,391
$9,000 to $11,999	2,119	5,426	3,551	4,103	15,199
$12,000 to $14,999	2,768	8,493	3,451	5,265	19,977
$15,000 to $17,999	1,602	3,111	33	3,692	8,438
More than $18,000	0	0	0	1,809	1,809
	$8,447	$23,970	$11,311	$21,023	$64,751

It could be considered that all contributions made by the family and from the student's additional term-time employment are "reasonable" and expected. This would be an especially severe interpretation of what is a reasonable contribution as it has been shown that families with incomes below $12,000 already contribute more than is expected by the CSS standard. Furthermore, their children earn 23 percent of their educational expenses in term-time employment which is over and beyond the expectation. Such an interpretation could lead to use of the deficits displayed in Tables 30 through 33 to calculate the unmet need of students as the "deficits" represent a balance of dollars needed to meet costs. This particular consideration of unmet need is not appropriate for two reasons. One, it does not employ a currently acceptable need analysis standard for reasonable contributions; it simply accepts the family over-contributions and the extra earnings from student term-time employment beyond Work-Study awards as reasonable. Two, the "deficits" represent the average for each group of students. Some individual students receive financial aid which is more than their demonstrated need, others receive less than their demonstrated need. The average "deficit" is the amount of additional aid required to meet everyone's needs if all the present financial aid was distributed according to and in proportion to students' financial needs.

Since some aid is not needs-based and cannot be redistributed, according to need, the deficits represent a minimum estimate of additional aid required. If this procedure is used for estimating unmet need, the total is $26.5 million. The unmet need by family income intervals is displayed in Table 36.

TABLE 36

Unmet Need as "Deficits" After All Family Contributions, Financial Aid, and Term-Time Employment Earnings Are Considered

By Family Income Intervals and Segments
(Amounts in $1,000's)

	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$ 0	$ 0	$0	$ 1,754	$ 1,754
$6,000 to $8,999	0	0	0	2,156	2,156
$9,000 to $11,999	447	0	0	2,570	3,017
$12,000 to $14,999	793	1,569	0	2,763	5,125
$15,000 to $17,999	946	1,311	0	1,730	3,987
More than $18,000	0	2,040	0	8,374	10,414
	$2,186	$4,920	$0	$19,347	$26,453

Under this particular method of determining unmet need, 73.1 percent of the unmet need is experienced by students at the Independent Colleges, who enroll only 24 percent of all students. Even more significant, 54.4 percent of the unmet need is experienced by students from families with incomes of more than $15,000. It will be recalled that these families contribute considerably less than is expected by the CSS standard toward their children's costs. Therefore, this method of determining unmet need "favors" those students who are already at a considerable advantage in paying for educational costs.

If it were considered desirable to reduce the family contributions from families with incomes below $15,000 to the CSS expectation, the total unmet need would "increase" to $39.3 million, and a slightly

lesser percentage of it would be experienced by students from families with incomes above $15,000. However, this method would still favor the upper income families. The results of these calculations are displayed in Table 37.

TABLE 37

Unmet Need as "Deficits" After All Family Contributions, Financial Aid, and Term-Time Employment Earnings Are Considered, Family Contributions For Families With Incomes Below $15,000 Reduced to CSS Expectation

By Family Income Intervals and Segments
(Amounts in $1,000's)

	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$ 0	$ 0	$ 0	$ 1,962	$ 1,962
$6,000 to $8,999	759	468	898	3,413	5,538
$9,000 to $11,999	1,769	1,982	1,909	5,029	10,689
$12,000 to $14,999	877	0	201	5,647	6,725
$15,000 to $17,999	946	1,311	0	1,730	3,987
More than $18,000	0	2,040	0	8,374	10,414
	$4,351	$5,801	$3,008	$26,155	$39,315

If it were considered desirable to reduce the family contributions from families with incomes below $15,000 to the CSS expectation and increase the contributions from families with incomes above $15,000 to the CSS expectation, the total unmet need would reduce to $27.8 million. The results of these calculations are displayed in Table 38.

TABLE 38

Unmet Need as "Deficits" After All Family Contributions, Financial Aid, and Term-Time Employment Earnings are Considered, Family Contributions For All Families Adjusted To CSS Expectation

By Family Income Intervals and Segments
(Amounts in $1,000's)

	Univ.	S.C.	C.C.	I.C.	All
Less than $6,000	$ 0	$ 0	$ 0	$ 1,962	$ 1,962
$6,000 to $8,999	759	468	898	3,413	5,538
$9,000 to $11,999	1,769	1,982	1,909	5,029	10,689
$12,000 to $14,999	877	0	201	5,647	6,725
$15,000 to $17,999	25	0	0	2,892	2,917
More than $18,000	0	0	0	0	0
	$3,430	$2,450	$3,008	$18,943	$27,831

The best and most equitable means of measuring the current unmet need is to assume that family contributions for each income interval at each institutional type are at the level of the CSS expectation, to calculate the average financial need on that basis, and to assume that financial aid is distributed as it is. This procedure is essentially that followed in the earlier report to the Commission.[2] These calculations are displayed in Table 39.

The total financial need for all enrolled students is $161,558,000. Financial aid totals $100,060,000. However, because financial aid is not distributed evenly among all students in proportion to their need, the need for additional aid, or the unmet need, totals $81,885,000.

Over one-third of the unmet need is experienced by the Independent College students, even though they represent less than one-fourth of all enrolled students. Almost 57 percent of the unmet need is experienced by students from families with incomes in the $9,000 to $14,999 income intervals, even though they represent just 30

[2] Davis, op. cit.

TABLE 39

Unmet Need After CSS-Expected Family Contributions For All Families Are Utilized

By Family Income Intervals and Segments
(Amounts in $1,000's)

	Less Than $6,000	$6,000 to $8,999	$9,000 to $11,999	$12,000 to $14,999	$15,000 to $17,999	More Than $18,000	All Students
The University							
Need	$4,108	$3,969	$5,843	$5,762	$3,619	$ 0	$23,301
Financial Aid	$2,489	$2,141	$2,403	$2,898	$2,016	$ 327	$12,274
Unmet Need	$1,619	$1,828	$3,440	$2,864	$1,603	$ 0	$11,354
State Colleges							
Need	$8,600	$8,817	$12,992	$12,599	$6,652	$ 0	$49,660
Financial Aid	$5,714	$3,118	$ 5,155	$ 4,106	$3,541	$5,268	$26,902
Unmet Need	$2,886	$5,699	$ 7,837	$ 8,493	$3,111	$ 0	$28,026
Community Colleges							
Need	$6,206	$6,023	$7,710	$5,734	$2,678	$ 0	$28,351
Financial Aid	$4,329	$1,961	$2,155	$2,283	$2,644	$3,113	$16,485
Unmet Need	$1,877	$4,062	$5,555	$3,451	$ 34	$ 0	$14,979
Independent Colleges							
Need	$10,384	$9,448	$12,027	$16,351	$10,534	$ 1,502	$60,246
Financial Aid	$ 7,329	$4,723	$ 5,465	$ 8,202	$ 5,499	$13,181	$44,399
Unmet Need	$ 3,055	$4,725	$ 6,562	$ 8,149	$ 5,035	$ 0	$27,526
All Segments							
Need	$29,298	$28,257	$38,572	$40,446	$23,483	$ 1,502	$161,558
Financial Aid	$19,861	$11,943	$15,178	$17,489	$13,700	$21,889	$100,060
Unmet Need	$ 9,437	$16,314	$23,394	$22,957	$ 9,783	$ 0	$ 81,885

TABLE 40

Percentages of Enrollment, Need, Financial Aid, and Unmet Need

By Family Income

	% of Enrollment	% of Need	% of Available Aid	% of Unmet Need
Less than $6,000	11.0%	18.1%	19.8%	11.5%
$6,000 to $8,999	9.9	17.5	11.9	19.9
$9,000 to $11,999	13.5	23.9	15.2	28.6
$12,000 to $14,999	17.0	25.0	17.5	28.1
$15,000 to $17,999	13.4	14.5	13.7	11.9
More than $18,000	35.2	1.0	21.9	0.0

TABLE 41

Percentages of Enrollment, Need, Available Aid, and Unmet Need

By Segments

	% of Enrollment	% of Need	% of Available Aid	% of Unmet Need
The University	16.6%	14.4%	12.3%	13.9%
State Colleges	34.9	30.8	26.9	34.2
Community Colleges	25.0	17.5	16.5	18.3
Independent Colleges	23.5	37.3	44.3	33.6

percent of all enrolled students. The percentages of enrollment, financial need, available aid, and unmet need by family income and segments, are displayed in Tables 40 and 41.

Several methods of determining unmet need have been employed here. As each method involves the family contribution and/or term-time employment, they can be summarized and better understood by listing their assumptions. It is reiterated here that unmet need is a concept based upon the assumption that there are widely accepted and reasonable standards for parental and student contributions toward educational expenses. Unmet need represents those amounts of contributions beyond what is considered reasonable for the families' financial circumstances. The determination of unmet need depends on what is considered "reasonable." In reality, students and parents will meet the costs of education one way or another by making unreasonable sacrifices or over-contributions. The total amount of over-contribution, by the best method of measuring it, currently amounts to over 18 percent of the educational expenses of all students.

Unmet Need	Assumptions
$13.9 million	Family contributions for students with incomes below $15,000 are reduced to the CSS expectation. This amount represents the differences between current and actual contributions. No consideration is given to current costs, deficits, or term-time earnings.
$26.5 million (Table 36)	Family contributions for all students remain as currently contributed. All term-time earnings are considered financial aid.
$27.8 million (Table 38)	Family contributions for students from all families are adjusted to the CSS expectation. All term-time earnings are considered financial aid.
$39.3 million (Table 37)	Family contributions for students from families with incomes below $15,000 are reduced or increased to the CSS expectation. All term-time earnings are considered financial aid.

Unmet Need	Assumptions
$64.8 million (Table 35)	Family contributions for students from families with incomes below $15,000 remain as currently contributed. Family contributions for families with incomes above $15,000 are increased to the CSS expectation. Only College Work-Study and assistantship earnings are considered financial aid. All other term-time earnings are considered "sacrifices" by the students.
$81.9 million (Table 39)	Family contributions for all students are either reduced (for those below $15,000) or increased (for those above $15,000) to the CSS expectation. Only College Work-Study and assistantship earnings are considered financial aid. All other term-time earnings are considered "sacrifices" by the students.
$112.5 million (Table 34)	All family contributions remain as currently contributed. Only College Work-Study and assistantship earnings are considered financial aid. All other term-time earnings are considered "sacrifices" by the students.

The most reasonable and equitable estimate of unmet need is $81.9 million. If all term-time earnings are considered reasonable, the unmet need is only $39.3 million.

Summary

New Jersey college students from different family financial circumstances are disproportionately distributed among the different types of institutions. As expected due to their lower costs, public colleges enroll disproportionately more lower-income students than do the Independent Colleges. This is especially true for Community Colleges which enroll 25 percent of all students, but 32.5 percent of all students from families with incomes of less than $9,000. The disproportionate enrollments have a significant impact on planning to meet college expenses and planning student financial aid programs.

Across all institutions and family income intervals, the Family Contribution amounts to 54 percent of educational expenses. As expected, as family income increases so does the amount of the Family Contribution and the percentage of educational expenses represented by the contribution. Families with incomes below $12,000 are making disproportionately larger contributions than are reasonable to their children's education. This is especially true for the families in the $6,000 to $11,000 income intervals. Families with incomes above $15,000 are contributing disproportionately less than is reasonably expected under the CSS standard.

Just over 10 percent of all educational expenses are met with scholarships and grants. As expected and is desirable, the percentage of educational expenses met by grants decreases as family income increases. Almost one-fourth of the educational expenses of students from families with incomes below $6,000 are met with grants; less than 5 percent of the educational expenses of students from families with incomes above $18,000 are met with grants.

Long-term loans account for 9.5 percent of the educational expenses of all students. The percentages of expenses of students from the different family income intervals that are met by loans are similar across all income intervals below $18,000

Term-time employment income meets over 26 percent of all educational expenses. Much of this income, however, is not technically financial aid as most of it comes from off-campus jobs. Only a small percentage, 15 percent, of employment earnings are achieved through College Work-Study programs or assistantships which are administered by institutional officials as financial aid. Students from families in the $6,000 to $8,999 interval and the $15,000 to $17,999 interval earn the greatest percentages of their educational expenses, 28.7 percent. As with loans, however, total average term-time employment earnings are quite similar across all income intervals below $18,000.

Depending on how it is computed, estimated unmet need ranges from $13.9 million to $112.5 million. The most equitable estimate of unmet need, or the amount of additional aid necessary to enable all students to reasonably afford the costs of education, is $81.9 million. Nearly 57 percent of this need is experienced by students from families in the $9,000 to $14,999 income intervals.