

Testimony of the Professional Staff Congress: Merit and Need-Based Scholarships at CUNY

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Good morning, Chair Barron, members of the Council and friends. On behalf of the 27,000 faculty and staff of CUNY represented by the Professional Staff Congress and the students we serve, we thank you for giving us the opportunity to testify about financial aid at CUNY. Council Member Barron, thank you for holding this hearing, and thank you for acting aggressively to expand access to CUNY and protect the quality of a CUNY education.

You recently delivered a letter to Speaker Mark-Viverito, endorsed so far by 24 other Council members, calling for two new Council-funded initiatives: \$10 million to support 100 new full-time faculty lines at CUNY and \$5 million to create a need-based financial aid fund at CUNY. CUNY is radically understaffed after years of underfunding, and too many of the University's poorest students (and potential students) are ill-served by the current system of State and federal financial aid. Enacting these two initiatives would be a significant step in advancing, together with the Mayor and the entire university community, to make CUNY the centerpiece of the City's attack on economic inequality.

The real solution to the financial aid problem at CUNY is to restore free tuition. From 1847 to 1975, CUNY was free, and for many years students even received an additional stipend to cover the costs of books and transport. This city maintained a commitment to free tuition during the Civil war, two World Wars and the Great Depression. The commitment faltered only when the introduction of Open Admissions was followed by the city's 1975 fiscal crisis, and CUNY took a hit far out of proportion to its share of the City budget.

Now CUNY community colleges cost close to \$4,500 a year, yet 65% of community college students have annual household incomes of less than \$30,000. The best way to maintain the historic, defining commitment to providing access to college for "the children of the whole people"—as CUNY's founding statement announces—would be to restore CUNY to free tuition. In fact, only yesterday *The Chronicle of Higher Education* featured an article on the surge of interest in national proposals to make college free—and it illustrated the article with a photograph of students protesting budget cuts to CUNY that would lead to the end of free tuition.

Ultimately, we would like to work with the Council on that idea; it is less out-of-reach than it may appear. But today we want to concentrate on the financial needs of our students and the critical importance of a need-based scholarship.

Academic Achievement Award (AAA) While Supporting Need-Based Aid

We support the Council's interest in re-establishing a merit-based scholarship, the Academic Achievement Award (AAA), if it is created together with a need-based financial aid initiative. The PSC, as the union representing the faculty, has a bedrock interest in supporting student

achievement. We applaud students who are able to maintain high academic standards and who strive to excel academically. There is nothing like seeing a student take off intellectually when exposed to quantum physics or medieval philosophy or feminist theory. As teachers, we love to see students thrill to learning and we are committed to seeing them do well.

The AAA scholarship would reward full-time CUNY students who maintain a B average with \$400 in scholarship aid per semester or \$800 per year. This is a modest, but much-appreciated amount of aid for the 13,500 students expected to qualify for the scholarship. Many of the qualifying students will come from low- and moderate income families; \$400 a semester will make a real difference for them. Some will be low-income undocumented students; they won't be barred from receiving the AAA scholarship. There will also be students without financial need who receive the award, students who worked hard to achieve their good grades.

Need-Based Aid Should Be a Priority for the City

But there are serious limitations to a merit-based scholarship, and the City Council has a history of recognizing the importance of supporting students according to their need. Until recently, when funds were cut by the Bloomberg administration, the Council was able to develop and fund a strictly need-based scholarship for undergraduates, without restriction on its use in any part of the University. Now is the political moment to revive that important program. The eyes of the city are focused on the upcoming budget, and Mayor de Blasio has prompted us to see CUNY as a linchpin of his program to reduce economic inequality. Without a need-based scholarship, some of that momentum may be lost. .

The proposed AAA scholarship will not help part-time CUNY students, nor will it provide enough aid to undocumented students or working poor independent students so that they can study full-time and progress to graduation. And the large number of students who enter CUNY with remedial needs won't have B grade point averages, even though they would benefit from aid which would help them to work less and study more.

The PSC believes strongly that the Council should set aside \$5 million for need-based financial aid to be distributed by CUNY to those for whom it will make a real difference in their ability to go to school. Financial aid offices at CUNY could target this aid directly to where the most need exists, as they did under the now defunded "Safety Net" financial aid program, initiated by the Council a decade ago.

CUNY Students

Most CUNY students come from poor, low- and moderate-income households. Sixty-five percent of CUNY community college students are from households with an annual income less than \$30,000; 83% are people of color; 40% are immigrants; 15% are parents; and 45% are first generation students.

More than half (54.3%) of all CUNY students receive federal Pell grants and nearly 60% of CUNY students have such low incomes that their tuition is fully covered by Pell and the State's Tuition Assistance Program.

Rising College Costs

Next fall, tuition at CUNY will rise another \$300 per year to \$6,030 for full-time attendance at the CUNY senior colleges and \$4,500 at the community colleges.

CUNY estimates that fees, books, transportation and lunch add \$5,270 bringing the total to \$11,300 for senior college students and to \$9,700 for community college students at CUNY who live at home with their families. This estimate does not cover the cost of housing and other food, which are big expenses for financially independent students who don't live with their parents and students living in residence halls.

Balancing Work and Studies

CUNY students work significant hours while going to school; 20% work more than 20 hours per week while attending full-time. The financial aid rules for TAP and Pell provide little or no support for students carrying fewer than 12 credit hours per semester. This means that many students' work for pay competes with their time for study. There were 105,000 part-time students at CUNY for the Fall 2013 semester. Part-time and full-time students who work have less time for internships, independent research, service-learning projects, clubs and other extra-classroom learning opportunities, which enhance their education and improve their chances of success and completion.

Reducing students' need to work while they're enrolled in classes is one of the ways CUNY's Accelerated Study in Associate Programs (ASAP) initiative helps to increase retention and graduation rates. Students in ASAP have their tuition covered (after financial aid is applied) and they receive Metrocards and books free of charge, so they are less likely to have to work (or can work less) while they are in school.

Failures of the State and Federal Financial Aid System

Most CUNY students receive financial aid, but financial aid doesn't guarantee college access for every poor student. And it's a myth that poor students aren't harmed by tuition hikes because of financial aid. Thousands of CUNY students and New Yorkers who aspire to attend CUNY are categorically prevented from receiving TAP and Pell. Others receive inadequate financial awards.

Part-time students who cannot attend college full-time because of family obligations or other responsibilities are seldom eligible for aid.

Undocumented immigrant students who grow up here and graduate from NYC high schools cannot receive State and federal aid. The NY DREAM Act, which would give access to TAP and other forms of State financial aid, is being held up by the State Senate. So about 4,500 low-income undocumented CUNY students are left struggling to afford tuition and thousands more can't attend CUNY.

Working poor adults, who are not dependent on parents or relatives, and have no dependents of their own are very poorly served by our State financial aid system. They have a hard time qualifying for TAP, because the income limit that applies to them is absurdly low: If their Net Taxable Income is above \$10,000 they don't qualify for any aid and they can only receive the maximum TAP award if they earn less than \$3,000 in Net Taxable Income. And even if they are poor enough to qualify for the maximum award, these students receive TAP awards that fall far short of CUNY's tuition. Their maximum possible TAP award is \$3,025; again, tuition next year will be \$4,500 at the community colleges and \$6,030 at the senior colleges.

Conclusion

Low-income CUNY students need this help from the City Council, at least until free tuition at CUNY is restored or the gaps in TAP are repaired by the Legislature. Your support for this initiative has been critical, Council Member Barron. We're grateful for it and for the support of the 24 Council members who cosigned your letter. We urge every member of the Council to join us in the call for a Council-supported need-based financial aid fund and a full-time faculty initiative at CUNY.