I can't get enough money through student loans to pay for my classes.

I have no money for living expenses and am forced to find food where I can.

To truly succeed at PSU I need stability throughout all aspects of my life.

1. Enough money for class
2. Shelter
3. Food.
Freshman Retention: Impact of Financial Concerns

Sukhwant Jhaj, Rowanna Carpenter
University Studies
Portland State University
December, 2011
Student Success Framework

Academic Preparedness and Planning

Connectedness

Well Being: financial, physical

Student Success
Student Success: From Data to Action

• Early identification of students at risk
• On going communication
• Quick intervention
Assessment Structure: Data Sources

**Prior Learning Survey**

- New financial questions in 2010.
- Input from: Dee Wendler, Eric Blumenthal, Jackie Balzer, Philip Rogers, James Ofsink, Becki Ingersoll.

**End of Year Survey**

**E-Portfolio Assessment**

**University Student Data Warehouse**

- **Student Retention** (Validated using OIRP 4th week data)
- **Academic Performance, Fin. Aid**
Assessment Data: First-Time Freshmen in FRINQ, Fall 2010

1152 Freshmen
  – Enrolled in a FRINQ course Fall term
  – Includes both full-time and part-time students
  – NOT included: Honors, Liberal Studies, Pre-nursing.

1003 completed the Prior Learning Survey
  – 87.2% response rate

902 completed the End-of-year Survey
  – 82.1% response rate
FRINQ Student Profile - Fall 2010

- High School GPA:
  - below 3.0: 27.3%
  - 3.0-3.5: 42.2%
  - 3.5+: 30.5%
- No BA: 40.4%
- BA or higher: 45.0%
- Finances:
  - None: 37.9%
  - Some: 47.8%
- Academics:
  - Major: 23.2%
- First-year Experience:
  - Below 3.0: 38.5%
  - 3.0-3.5: 38.0%
- Parents or relatives: 18.8%
- Apartment, etc: 18.8%
- Other University Housing: 3.8%

Concern Levels:
- Education: Top Concern
- Level of Fin: Some
- Housing: None

- Top Concerns:
Methodological Approach

Data Analysis

- This year: Fall 2010 analyzed including new financial questions. Focus on Freshmen.
- Comments in end-of-year survey.

Statistical Tests

- Logistic Regression
  - Model includes academic, financial, housing and demographic factors
- Chi-square
  - Level of Financial Concern
    - Retention
    - Academic Standing
    - Demographic Profile
Logistic Regression Predicting Fall-to-Fall Retention

Model $\chi^2(23) = 184.04, \ p < .00$

$R^2 = .26$ (Nagelkerke)
### Predictors of FA 2010 Fall-to-Fall Freshman Retention

<table>
<thead>
<tr>
<th>Predictor</th>
<th>B</th>
<th>S.E.</th>
<th>Sig.</th>
<th>Exp(B)</th>
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<tbody>
<tr>
<td>Age, gender, ethnicity, first gen</td>
<td>Not Significant</td>
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<tr>
<td>Language other than English in home (English in home)</td>
<td>.86</td>
<td>.235</td>
<td>.000</td>
<td>2.363</td>
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<td>Oregon resident (non-resident)</td>
<td>.422</td>
<td>.205</td>
<td>.040</td>
<td>1.525</td>
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<tr>
<td>High School GPA*, FT/PT enrl.</td>
<td>Not significant</td>
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<td>* HS GPA’s effect on retention is fully mediated by fall term GPA. HS GPA is a primary influence on fall term GPA, which influences retention.</td>
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<tr>
<td>Fall term GPA</td>
<td>.626</td>
<td>.127</td>
<td>.000</td>
<td>1.87</td>
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<td>Fall term credits earned</td>
<td>.106</td>
<td>.036</td>
<td>.003</td>
<td>1.112</td>
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<td>Intent Deg PSU (other intent)</td>
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<td>.194</td>
<td>.001</td>
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<td>Reason PSU – Live at Home</td>
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<td>.072</td>
<td>.019</td>
<td>1.185</td>
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<tr>
<td>Reason PSU – Financial Aid</td>
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<td>.079</td>
<td>.017</td>
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<td>Financial Confidence</td>
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<td>Financial Concern</td>
<td>-.527</td>
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<td>.000</td>
<td>.590</td>
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<td>Work – 20 + hrs/week (not working)</td>
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<td>Work – 1-19 hrs/week (not working)</td>
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<tr>
<td>Constant</td>
<td>-4.660</td>
<td>.910</td>
<td>.000</td>
<td>.009</td>
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</table>
Predictors of FA 2010 Fall-to-Fall Freshman Retention: Student Characteristics, Preparedness

When all other factors are equal:

- There are no differences in retention among students based on age, gender, ethnicity, first-generation status, HS GPA, enrollment status (part-time v. full-time), or financial confidence. HS GPA’s effect on retention is fully mediated by fall term GPA. HS GPA is a strong predictor of fall term GPA, which influences retention.

- Students who speak a language other than English in their homes are 2.36 times more likely to be retained than students who speak English at home.

- Oregon residents are 1.52 times, or 52% more likely to be retained than non-residents.

- A student with a 3.0 fall term GPA is 1.87 times, or 87% more likely to be retained as a student with a 2.0 GPA. A student with a 4.0 GPA is 3.5 times as likely to be retained as a student with a 2.0 GPA.

- A student who earns 13 credits is 1.11 times as likely to be retained as a student who earned 12 credits. A students who earned 16 credits is 1.51 times as likely to be retained as the student who earned 12.
Predictors of FA 2010 Fall-to-Fall Freshman Retention: Academic Planning, Connectedness

When all other factors are equal:

– Students who reported that they planned to earn a degree from PSU were 1.95 times more likely to be retained as students with other plans.

– Students who strongly agreed that they chose PSU because they would be able to live at home are 1.66 times as likely to be retained as students who disagreed with that statement.
Predictors of FA 2010 Fall-to-Fall Freshman Retention: Financial situation, Concern

When all other factors are equal:

- Students who strongly agreed that they attended PSU because of their financial aid package were 1.76 times as likely to be retained as students who disagreed with that statement.

- Students with no financial concerns are 1.69 as likely (69% more likely) to be retained than students who expressed finances as a top concern or reported their level of concern as major. They are 2.87 times more likely to be retained than students who report finances as a top concern AND express a major concern with their financial situation.

- Students who do not work are 1.56 times as likely to be retained as students who work 20 or more hours per week and are 1.45 times as likely to be retained as students who work between 1 and 19 hours per week.
Level of Financial Concern

No Concern = 18.65% (n=186)
No Concern, I am confident that I will have sufficient funds.

Some Concern = 57.97% (n=578)
Some Concern, I will probably have sufficient funds.

Major Concern = 23.37% (n=233)
Major Concern, I am not sure I will have sufficient funds to complete the degree.
Profile: Students With Major Financial Concern

- Only 20% are not working, 25% are working 20 or more hours/week
- 64% are women, compared to 40% for those with no concern.
- Hispanic/Latino students are overrepresented.
- 63% are first generation college students.
- 34% speak a language other than English at home.
- 76.8% are Oregon residents, compared with 68.3% for those with no concern.
Retirement by Level of Financial Concern

Persistence / Retention

- None (I am confident that I will have sufficient funds) n=186
- Some (but I will probably have enough funds) n=578
- Major (I am not sure I will have enough funds to complete my degree) n=233

Academic Quarter:
- FA 10
- WI 11
- SP 11
- Fall 11
Financial Stress by Level of Concern

- None (I am confident that I will have sufficient funds)
- Some (but I will probably have enough funds)
- Major (I am not sure I will have enough funds to complete my degree)

Bars represent percentages:

- I feel prepared financially to meet an emergency (car repairs, medical bills, etc.)
- My personal financial situation makes me feel stressed
What is the Level of Student confidence (Very or Completely Confident) in Paying For Expenses, by Level of Financial Concern?

- **Room**: None (92.2%)  Some (22.0%)  Major (2.0%)
- **Tuition**: None (96.8%)  Some (25.0%)  Major (2.0%)
- **Books**: None (96.8%)  Some (26.0%)  Major (2.0%)
- **Medical**: None (88.4%)  Some (29.7%)  Major (3.0%)
- **Food**: None (96.4%)  Some (36.1%)  Major (40.0%)
- **Transportation**: None (94.6%)  Some (42.7%)  Major (25.0%)
Price Increase and Student Participation

*Student Price Response in Higher Education: An Update to Leslie and Brinkman,*
Author(s): Donald E. Heller

- Tuition Sensitivity: Increase in Tuition results in decline in enrollment. Every $100 increase in tuition results in a drop in enrollment of .5 to 1 percentage point.
- Aid Sensitivity: Decrease in financial aid also results in a decline in enrollment.
- Difference among income groups: Lower income students are more sensitive.
- Differences among races: Black students are more sensitive. For Hispanic students, the evidence is more mixed.
- Difference among sectors: Students in community colleges are more sensitive to tuition and aid changes.


- Public 4-Year - Enrollment fell 10% for every $1,000 annual increase in price
Financial Aid

“The earlier findings that student retention is enhanced by scholarships and work study programs and negatively enhanced by student loans (Astin 1975) are no longer supported by current data. State assistance and practically every form of federal student aid have no discernible effect on student development.”

“About the only form of financial aid that seems to have a measurable direct impact on student development is a grant from the college.”

Categories of Student Input: “Is there something PSU can do to help you continue your studies?”

- Financial (56%)
- Advising & Academic Support (15%)
- Academic (17%)
- Community (12%)

Improving Retention: Student Input
Student Responses: Is there something PSU or University Studies can do to help you continue your studies?

- **Scholarship/Aid/Grants (56.2%)**
  - Need more University sponsored grants
  - Grant support for students not meeting criteria for need based aid
  - “Help” planning for the how to pay tuition

- **Cost of Attendance (35%)**
  - Too High
  - Do not increase tuition
  - In-State tuition for students from adjacent communities

- **Other (8.8%)**
  - Financial Aid processing
  - Housing Cost
  - Food Plan
  - Academic Financial planning

**Financial 56% of responses**
Actions

• Monthly bill pay options.
  – 51% of students with major concern would find this useful
• Question and answer session about financial aid options and resources.
  – 62% of students with major concern would find this useful
• Opportunity and Competitiveness: Portland State University's Strategic Plan, 2011-2014: Enrollment Management, tuition policy, scholarship, access, data availability, financial Literacy, interventions
Thank You

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