

HISPANIC COLLEGE ENROLLMENT: LESS INTENSIVE AND LESS HEAVILY SUBSIDIZED

Nearly 1.7 million Hispanic students were enrolled in our nation's 4,100 degree-granting colleges and universities in fall 2002. A big share of these students, 87 percent, are undergraduates (rather than graduate or first-professional students). In comparison, undergraduates make up 81 percent of all white college students. Among youth finishing high school and entering college, there is a modest difference in the number of Hispanics and other youth. Among those receiving a regular high school diploma on time, 71 percent of whites and 66 percent of Hispanics immediately go on to college. By age 26, 82 percent of Hispanic high school completers have enrolled in college, the same percentage as white high school completers. However, there are large differences in the completion of bachelor's degrees. By age 26, 38 percent of white high school completers have attained a bachelor's degree, in comparison to 18 percent of Hispanic high school completers.

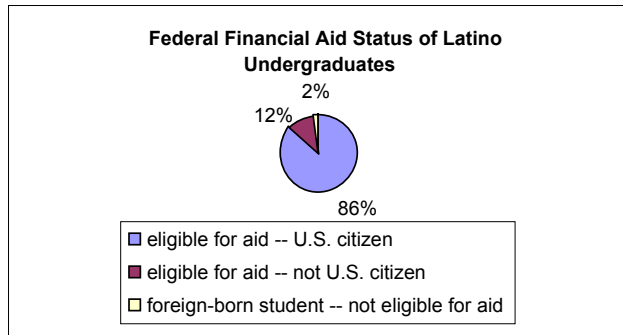
Latino Undergraduates Attend Less Intensely and at Lower Levels Latinos often pursue undergraduate studies in ways that make it more difficult for them to complete formal degrees and awards. Among Hispanic four-year college students under the age of 25, 86 percent enroll full-time. Among similar whites, 92 percent attend full-time. Among young undergraduates at two-year colleges, 61 percent of Hispanic and 74 percent of white students go full-time. Moreover, Hispanic undergraduates are much more likely to be enrolled in community colleges. Among young full-time undergraduates, for example, one third of Hispanics and one fifth of whites attend two-year colleges. A further mitigating factor is age. Among full-time undergraduates, Hispanics are more likely to be older students.

Undergraduates, October 2002 (in thousands)				
	Two-year College		Four-year College	
	Full-time	Part-time	Full-time	Part-time
Hispanic				
15 to 24 years	244	156	469	79
25 years and above	90	195	104	110
White non-Hispanic				
15 to 24 years	1,185	421	4,628	421
25 years and above	315	733	616	764

Source: October 2002 CPS School Enrollment Survey

The U.S. Department of Education identifies seven undergraduate attributes negatively associated with postsecondary degree attainment. The risk characteristics are delayed college entry, part-time attendance, financially independent status, single parent status, having dependents, not having a regular high school diploma, and working full-time. The average number of risk attributes for Hispanic undergraduates is 2.4, in comparison to 2.0 for white undergraduates and 2.7 for African American undergraduates.

Latino Undergraduates Differ from the Adult Population The legal status of Hispanic college students diverges significantly from the wider Hispanic adult population. Among Hispanic undergraduates, 86 percent are U.S. citizens and another 12 percent are legal permanent residents—all eligible for government-sponsored financial aid. Only two percent are foreign-born students not eligible for such aid. In comparison, at most 70 percent of Hispanic adults are U.S. citizens. Also, Latino college students are significantly more likely to be native-born than other Latino adults.



Latinos Attend Colleges with Lower Tuition Costs

Because large numbers of Latino undergraduates attend community colleges and many are part-time students, the net tuition paid by Latinos tends to be less than that paid by whites and African Americans. In 1999-2000, the average tuition, less all grants, was \$2,388 for white, \$1,540 for African American and \$1,443 for Latino

undergraduates. Given their lower family incomes, Hispanic undergraduates are more likely to receive federal grants than whites. In 1999-2000, 19 percent of white undergraduates received a federal grant, in comparison to 35 percent of Hispanic and 40 percent of African American undergraduates. Despite attendance at lower-cost institutions and a greater likelihood of receiving financial aid, Latinos face a greater burden in meeting college expenses. In 1999-2000, 41 percent of white undergraduates had remaining financial need, whereas 57 percent of Hispanic and 56 percent of African American undergraduates had unmet need after receiving financial aid (if any).

Latino College Students Receive Lower Higher-Education Subsidies

Nearly all college students are heavily subsidized. Even students who pay the full tuition are subsidized because the full sticker price is less than the instructional costs per student. The amount of the subsidy that students receive depends primarily on the selectivity of the college attended (not on the financial aid received by the student). Students at colleges and universities with more selective admission policies receive a much greater subsidy than students at the less selective institutions. The schools with the largest subsidies (subsidies per student in excess of \$20,000) have average SAT scores near 1100, and 38 percent of entering freshmen in these institutions are in the top 10 percent of their high school graduating class. The institutions with the least heavily subsidized students (subsidies of \$2,000 or less per student) have average SAT scores of 920, and 12 percent of freshmen there rank in the top 10 percent of their high school class. On average, Hispanic students attend less selective colleges and universities than their white peers, implying that, on average, they are less heavily subsidized and attend colleges with lower instructional expenditures per student.

Resources U.S. Department of Education, National Center for Education Statistics. *Profile of Undergraduates in U.S. Postsecondary Institutions: 1999-2000*, NCES 2002-168, Washington, D.C., July 2002.
 U.S. Department of Education, National Center for Education Statistics. *Student Financing of Undergraduate Education: 1999-2000*, NCES 2002-167, Washington, D.C., July 2002.
 Winston, Gordon C. "Subsidies, Hierarchy and Peers: The Awkward Economics of Higher Education," *Journal of Economic Perspectives*, winter 1999.

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