Perceiving Prosperity: How does the prospect of attaining funding for a college education affect one's future?

Jasmine Payne

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Perceiving Prosperity
How does the prospect of attaining funding for a college education affect one’s future?

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1. Abstract

This thesis focuses on the effect of college funding in the decision to attend college. Using primary data collected from high school seniors and GED students, this paper finds that one’s intention to attend college and access to funding options are major predictors of one’s future education level. Policy implications are discussed.
2. Introduction

“Education is a right”

- United States Student Association (USSA)

Those who are college educated make exponentially more than those who do not. For example, Hoxby and Turner (2014) report that college attendance leads to a lifetime earning differential between $365,028 and $567,821 (37). Hoxby and Turner’s findings are further substantiated through a survey conducted by the Federal Reserve Economic Data (FRED). According to the FRED, in 2013 individuals holding only a high school diploma had an unemployment rate of 7.5% compared to the 4% unemployment rate of college graduates. Unemployment signifies many economic issues such as earnings as seen in their relative median incomes; people with a Bachelor’s degree on average earned almost twice ($1,108 per week) as much as those with a high school diploma ($651 per week). These income gaps become even more expansive when comparing other levels of education. Those with a doctoral degree had a 2.2% unemployment rate and earned $1,623 per week on average compared to those with less than a high school diploma who have an 11% unemployment rate and $472 per week median income. Those with less education have an unemployment rate five times that of their more educated counterparts, and earn only about a third of the salaries of those holding a doctoral degrees. Thus, attending college contributes significantly to future financial success.

This research seeks to understand how high-school students’ expectations about funding for college education impact expectations about their future success (for example, their likely occupation twelve years into the future). In doing so, the research explores two tangential questions (1) how people make decisions to attend college and (2) how impactful the related costs are.
Even though college attendance has become a mandate for financial prosperity (as defined above), paying for college has become increasingly expensive, as there is fluctuating government support. Moreover, the existing support only covers minimal percentage of the college costs depending on the institution. According to the Studentaid.ed.gov, an office of the United States Department of Education, the maximum amount of a yearly Pell grant funding one can receive is $5,775. This amount is reserved for those demonstrating the most need. Though this $5,775 is the maximum amount available for the 2015-2016 school year, the National Center for Education Statistics has measured the average four year university to cost $23,066 a year in the 2011-2012 school year which has since escalated to be even more expensive. These tuition costs do not account for the added costs of housing, food, student fees, and other miscellaneous expense such as transportation. Thus, the maximum Pell grant award pays for less than 25% of the costs of attending the average four-year university.

An alternative to these high prices may be attending a school with lower costs. According to Collegeboard.com, a website used for college resources that houses information for the SAT, the average cost of tuition for private universities is $31,231. To lower these costs, students may choose to attend a public school. The tuition for an out of state public school is $22,958 which is still a grandiose expense compared to the Pell grant. To choose a college with greater frugalness, one may choose to attend an instate public school with a tuition of $9,139 which with a $5,775 grant, this student only has 63% of their college costs. Even the individuals demonstrating the most need and who choose to be the most frugal struggle to identify 37% of the tuition costs. Though students may choose this option, they still have the opportunity cost of selecting a school that is cheaper, but allots them fewer opportunities such as the reputation of a prestigious institution and the resources that more expensive institutions generally offer.
Though it is a crucial part of financing an education, federal funding is not the only way to finance an education. Scholarships are another common way of attaining funding. However, the scholarship process is tedious and can result in dutiful labor to apply for scholarship which is unreciprocated by funding received. The chart below from FinAid.org demonstrates this inefficiency.

### Table 1: Scholarship Database Quality

<table>
<thead>
<tr>
<th>Scholarship Database Quality</th>
<th>Recall</th>
<th>Precision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastweb</td>
<td>16%</td>
<td>100%</td>
</tr>
<tr>
<td>Scholarships.com</td>
<td>93%</td>
<td>75%</td>
</tr>
<tr>
<td>Peterson's</td>
<td>87%</td>
<td>26%</td>
</tr>
<tr>
<td>College Board</td>
<td>78%</td>
<td>40%</td>
</tr>
<tr>
<td>Scholarship Experts</td>
<td>77%</td>
<td>73%</td>
</tr>
<tr>
<td>Find Tuition.com</td>
<td>75%</td>
<td>15%</td>
</tr>
<tr>
<td>NextStudent</td>
<td>43%</td>
<td>38%</td>
</tr>
<tr>
<td>SRN Express</td>
<td>33%</td>
<td>31%</td>
</tr>
<tr>
<td>Broke Scholar</td>
<td>18%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Source: Finaid.org/scholarships

In reference to the chart above, Recall is “The percentage of relevant awards that appear in the search results. It is a measure of the coverage of the database, indicating whether the results include all awards for which the student is qualified, or whether some awards are missing from the database.” Precision is “The percentage of initial matches that turn out to be valid matches. It is a measure of whether the match results will actually be relevant to the student.” Given these definitions, many of the websites above have very low recall and precision rates leading students trying to find funding on futile missions. The most alarming of these is the recall and precision rate for College Board.com. CollegeBoard.com is a website that most students employ as it houses the SAT registration, relevant college locator, as well as other important college information. Still, with the number of students of students that are mandated to visit the website
for college, College Board.com has the abysmal precision rate of 40%. Still, it is possible that the statistic for Fastweb may be biased as the creator of Finaid.org is also the publisher for Fastweb.com. However, I found no evidence that the statistics for the remaining websites are biased as my research indicates no connection between this publisher and the other scholarship generating sources such as Collegeboard.com. The publisher, Mark Kantrowitz, is a notable financial aid expert who has testified before Congress, has written several books regarding financial aid, and has either interviewed or written various news sources such as The New York Times, The Huffington Post, and US News and World Report. The above credentials lead me to believe that chart above is still credible.

In addition to the time, the scholarship search can lead to cyber dangers. Many scholarship websites ask for personal information for eligibility. While some scholarships legitimately use this information to inform their selection, other “scholarship” cites turn out to be scams that disperse the confidential information to third parties. Distinguishing between these scams and credible scholarships can difficult leading those who are uninformed to be victims of identity theft and harassment of these third parties unwarrantedly advertising merchandise. Scholarships do not come without a steep price of time and looming dangers.

Though scholarships may be able to fund the remainder of the costs that Federal funding fails to cover, scholarships can be time consuming and may put students at risk for identity theft. Considering these limitations, the last options for financial resources are paying out of pocket or paying through loans that will eventually lead to high interest debt that one has to repay. According to the American Student Loan Center, the statistics on student debt leaves many college graduates in grandiose amounts of debt. Some statistics are: (1) There is approximately 902 billion- 1 trillion dollar’s worth of outstanding debt today, (2) Of the $870B-$1T in
outstanding student loan debt, approximately $85 billion is past due, (3) Only about 37 percent of federal student loan borrowers between 2004 and 2009 managed to make timely payments without postponing payments or becoming delinquent. Given the above information, loans do not appear to be the most economically affordable way to financing one’s education due to immense amount of debt that many fail to repay. With the limited help of government funds, the scarce scholarships, and the bleak outlook of loans, there seem to be scarce solutions for those who cannot afford college.

Given the complexities in resolving the abovementioned constraints, this thesis seeks to understand how expectations for funding college impact expectations of future success. Using primary survey data collected among high school students and Graduate Equivalent Diploma (GED) candidates, the thesis explores the above question and in the process, makes some policy recommendations. To this end, the thesis contributes to an existing literature (see for example Holzer 2010) that studies how child poverty can have long-lasting effects on the overall economy.

Through the collection of primary data and the analysis of secondary data, I find that funding significantly affects college choice. A large percentage of participants responded that financial aid was a major factor in their decision to attend college and an overall agreement that students attended school to help them with their future careers; this informs the perspective prosperity portion of the study.

The remainder of this thesis is organized as follows. Section 3 reviews previous literature on this topic. Section 4 describes the economic model employed in this study. Section 5 provides the methodology used to approach the data. Section 6 provides results followed by Section 7
with conclusions and opportunities for expansion. Section 8 provides policy recommendations based upon examples of funding. Last are the references and the appendices.
3. Literature Review

The decision to attend college is highly impacted by the ability to pay for college. When students are of a low socioeconomic status, they perceive the large costs as discouraging and a wall separating them from this goal. The costs frequently cause them to believe that college is an intangible goal. The factors that contribute to this idea are environment, merit, and the overall economics of attending a college or a certain college. The following analysis consists of education economics and sociological sources that assess these factors from varying vantage points.

Analyzing prospective college participation from an economic perspective, the various economic articles overlap greatly. They all represent the decision to attend college as a weighing of various factors in order to discern the outcome with the greatest utility. The economic articles use graphs and diagrams to formulate how students rationalize their college decision. Among the factors in the formula are college tuition, college fees, food consumption, housing consumption, other consumptions, applicable loans, applicable grants, loan repayment strategies and scholarships. As students progress and matriculate through college, they will be perceived as capital as they have much to contribute to society. “What are the Alternatives to Student Loans in Higher education” by Anthony Stokes and Sarah Wright further qualify this wagering by explaining the scarcity of resources for funding. They list the limited options of scholarships allotted to certain students, grants, also allotted to certain students, and then loans that only certain students qualify for.

Melissa Roderick and Vanessa Coca and Jenny Nagaoka use a sociological lens to assess college decisions. In their article, the “Potholes on the Road to College: High School Effects in Shaping Urban Students’ participation in College Application, Four-Year College Enrollment,
and College Match,” they offer a different perspective of the topic. The sociological article considered how the high school contributed to the way in which the road to college was actualized. This somewhat overlaps and strays from the other articles with the concept of environment. Here the environment that is being viewed has a greater emphasis on the singular high school environment. Other articles speak to the environment as the physical city or region from which the scholar spends their childhood and adolescence leading into adulthood. This environment informs socioeconomic status, resources provided for the scholar(s), as well as the climate of academic achievement which they may be straying from. This is further qualified with consideration of an international sphere as the article “What Are the Alternatives to College Funding?” explore how funding in OECD\(^1\) countries occurs. Australia looks at the United States expecting it to be a leader in the field, yet the only part of the system that they can look to for substantial coverage of college costs is the loan repayment system with repayment beginning six months after the college graduation. Besides this repayment system, The United States’ scholarship and grants system were not effective enough to want to replicate.

Merit is a concept that is intertwined in each of the articles. Merit can lead one to have a plethora of scholarships as colleges are attracted to students that will maintain and enhance their prestige. As noted in the article entitled “Do and Should Financial Aid Packages Affect Students’ College Choices” by Christopher Avery and Caroline Hoxby, students with high merit are often greeted with a plethora of scholarships negating the idea that concept that college is intangible. Still, as noted in “Expanding College Opportunities for High-Achieving, Low Income Students” by Caroline Hoxby and Sarah Turner, this observation is only true for students who are of a low socioeconomic status and that perform exceptionally well. This minority population elects to

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\(^1\) The OECD stands for The Organization for Economic Co-operation and Development and is purposed to compare economic progress of countries with market economies.
accept the opportunity to attend school while other students either still feel it is intangible or elect not to go. Expanding College expectations explains some possible reasons for this as being a lack of understanding of the process to apply. The article, “Potholes on the Road to College: High School Effects in Shaping Urban Students’ participation in College Application, Four-Year College Enrollment, and College Match” offers the bias as being rooted in the idea that though it is not intuitive, the meritorious students should know how to apply and access resources as a qualification for deserving to be at a certain institution.

The articles all allude to the concept of minority status in their research. They discuss how the population most affected by having high academic standing, but low economic status are minorities. They are the people without substantial help in identifying resources because they are the biggest group of first-generation scholars. As noted, their parents did not attend school and so, they too do not know how to navigate a scholarship system. Donald Heller’s “Student Price Response in Higher Education an Update to Leslie and Brinkman” takes particular interest in the racial differences. The study serves as an update from previous research in assessing why students make collegiate decisions and explicitly analyzes race in their decision.

As an opposing argument to each of the essays above, Christopher Avery and Thomas Kane argue that the cost of college is not the disqualifying factor for students in the article “Student Perception of College Opportunities.” “After assessing the data from the Boston public school system, Avery and Kane reported that students looked favorably upon college. Instead their issue was not contributing the effort to make it possible such as the failure to take the SAT and the failure to actually apply to college.
In respect to the SAT and other barriers to be expressed, much research has argued that education should not be a business. It should be an unalienable right that is attainable for all who choose to pursue it. Instead it has become a privatized asset reserved for the privileged. The education one receives is directly related to the socioeconomic status one later achieves. As noted by Christopher Avery and Caroline Hoxby, high-achieving low-income students in particular should be invested in as:

They are capable of the largest human capital investments in the nation; by the time these students complete their education, some of them will be ‘walking capital stocks’ of considerable income-generating power. In this era in which the human capital stock of developed economies like America’s is thought to be crucial to growth, it is important to know whether the biggest investors in human capital make their investments efficiently (3).

Through these words, these Harvard and Stanford professors impress the importance of making the investment in the education, which in turn makes an investment in the future. These investments provide positive externalities for society and for individuals who receive the direct benefit of funding for their education will allow their dreams to be undeferred.

Despite the belief that education generally and college education in particular should not be a privilege reserved only for the wealthy, there are several constraints to prevent poorer populations from accessing a college education. First, scholars report scholastic barriers such as standardized tests. Standardized test are mandates for college acceptance and further serve as college-related expenses that incur even before college acceptance. Because a bachelor’s degree has become tantamount to a high school diploma in the sense that in order to get any decent
paying job it is essential to at least have this degree, colleges have replaced businesses in their appeal to consumers. The tests that people have to take are the new monopolies. The SAT and ACT are the only tests accepted by colleges and can be very taxing for a struggling family at $40 per attempt. Subsidies for these tests do exist for low-income students. Students who receive free or reduced lunch are eligible for fee waivers for the SAT. Unfortunately, despite the availability of these resources, low-income students often only take the test once while they are encouraged to take it multiple times. In a paper discussing college access, Joshua Goodman, Michael Hurwitz, and Jonathon Smith state, “In Georgia, for example, retaking the SAT might, for some marginal students, raise their scores sufficiently to grant them access to the four-year public sector” (4-5). Still many students fail to do so, some by choice, others by ignorance to the availability of resources to finance these retakes.

In addition to the large time and monetary costs of these tests, scholars also comment on how these tests represent inequality as studies show huge disparities between low-income and high-income students. One study by Ohio State University’s Claudia Buchmann, Dennis J. Condron and Vincent J. Roscigno suggests this inequality is due to ‘shadow education.’ The authors use David Stevenson and David Baker’s definition of shadow education as “a theoretical construct most often used in comparative education research [and] refers to educational activities, such as tutoring and extra classes, occurring outside of the formal channels of an education system that are designed to improve a student’s chance of successfully moving through the allocation process” (438). The resources the students receive are what is being allocated. While some students are well prepared for the test due to this ‘shadow education,’ other students suffer long term financial burdens because these resources are unavailable to

2 In this sense, allocation is used as an “investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon” (Investopedia).
them. Due to factors such as these, Buchmann, Condron, and Roscigno cite Abagail Thernstrom, Nathan Glazer, and Nicholas Lemann on the nascent “vociferous debate” about the fairness of the SAT (435). Regardless of the fairness or the students’ situation, these three letters are one’s ticket to furthering one’s education and for some an opportunity for financial mobility is not available as they are not accepted to certain institutions or restricted access to certain scholarships.

As briefly mentioned above related to the notion of scholastic inequity, scholars research the impact of location upon the exclusivity of college access. Location can dictate a host of things. Where a scholar resides can indicate their socioeconomic status. Due to the price of housing, people with similar socioeconomic statuses also share common area codes. This means that people with high socioeconomic statuses are often grouped together and people of low socioeconomic status can be found concentrated in certain neighborhoods. In areas in which there is a concentration of people with high socioeconomic statuses, there is a wealth of resources. Many times the people who populate these areas have college degrees allowing them to attain financially lucrative jobs and to maintain their economic standing. Following the trend of the adults in the area, the children often continue the pattern of getting their education. With this expectation, the school systems are equipped to prepare the student for college. They have the resources to direct students towards vouchers for standardized exams (if needed), colleges recognize certain targeted districts as destinations in which a high percentage of students will attend college and it then becomes an attractive location to recruit, and they have ample information for scholarships (if needed). They are incubators for success in terms of college. On the other side of town are the neighborhoods with high concentrations of low socioeconomic statuses. In contrast, the population is not as heavily concentrated with people with college
degrees. Roderick, Coca, and Nagaoka observe that students living in low-income backgrounds usually do not have a thorough understanding of the college funding process. They may apply, but then decide not to go based on the net cost of tuition and have few resources to help them understand how to defer the costs. When they do not know about the resources, they never apply for them. Indeed, they resolve that certain colleges or even college anywhere is not an option. In impoverished neighborhoods, low college attendance is perpetuated as children also follow in the adults’ patterns. They do not always pursue college. Those that do have college aspirations are in school systems in which college is not the norm and as the outliers they must pave new routes identifying vouchers and scholarships many times for themselves as they are not a familiar practice of the school. Colleges forsake them on the radar as few college students come from these schools. While one location slates the students for success, the other is plateaued as they have little educational mobility.

Scholastic achievement and social networks, interact to strengthen the barrier against accessing a college education. Roderick, Coca, and Nagaoka state, “too often urban low-income students rely on their own familial and friendship networks that often only have limited college information.” For example, while it can be argued that these tests are not exclusive to certain groups because of vouchers, the usage of vouchers depends upon an individual applying for the voucher, being eligible and then finally, submitting the application. In order for this process to occur, one has to know that it is available. Knowledge of these vouchers and other scholarship information is not intuitive. Hoxby and Turner discuss this conundrum as they examine how to bridge the gap for high achieving low-income students. The authors assert that “Although a great deal of information is apparently available on the internet, it is not easy for a neophyte to distinguish reliable sources of information on colleges’ curricula, peers, and net costs from the
numerous unreliable (sometimes egregiously misleading) sources that are available.” It takes research as well as guidance from informed individuals to secure the resources. This guidance remains exclusive as certain areas have low expectations of their students and the guidance counselors are not prepared to aid individuals who are on the college track. Students hoping to attend college again sucked into the vortex of their socioeconomic status and through the educational climate of their neighborhood, they fall victim as ‘products of their environment.’

Attaining a college education becomes increasingly complicated as one considers the costs, benefits of attainment, and the overall utility of college at all or a specific institution. Scholars of low-socioeconomic backgrounds often do not apply for schools that would be academically and socially the best match for them as this choice is offset by cost, the high school and class environment of the student. Perceptions of the tangibility of college range with consideration of merit, race and access to resources coaxing the individual to attend school or to attend a certain school.
4. Economic Model

The findings in this study can be interpreted using the Discounted Utility (DU) model, originally developed by Samuelson (1937) and reconsidered by Frederick, Loewenstein, and O’Donoghue (2002). For tractability, I simplify the $N$-period DU model to just two periods. In this model, the decisionmaker makes two choices, $c_1$ in period 1 (college choice) and $c_2$ in period 2 (remaining consumption in period 2). Time and time preferences are important in this model, since $c_2$ is discounted based on the fact that it is experienced one period from the present. Mathematically, the two-period DU model can be expressed as follows:

$$U^1(c_1, c_2) = u(c_1) + Du(c_2),$$

where $D = 1/(1 + \rho)$ and proxies for the decisionmaker’s discount rate, which depends on her or his level of patience $\rho$.

According to this model, a decisionmaker – in this case, a student – who chooses to go to college (say $c_1 = 1$) will experience a different level of utility in the future $u(c_2)$, and thus overall lifetime utility $U^1$, than one who does not (say $c_1 = 0$). The logic is as follows. A student who goes to college is more likely to obtain a higher wage/income in the future. As such, she or he experiences a higher level of consumption $c_2$ in the future. Thus, this model predicts that the following factors are likely to impact a student’s future outcome, in this case $c_2$, as related to lifetime utility $U^1$: (1) the choice $c_1$ to attend college today, which is related to the expectation of being able to fund this choice; (2) the decisionmaker’s level of $D$, which can be proxied by her or his patience level; and (3) other factors that impact the decisionmaker’s opportunity costs such as her or his current state of income/poverty today. The empirical strategy and variables included in the statistical analysis in Sections 5 and 6 respectively are consistent with the above discussion.
5. Methodology

The results in this thesis were reached through a two-stage process. The first stage involved a macro study of college expenses and the different ways to pay for college. In this process I researched scholarships, loans, and grants that helped students pay for college and the effectiveness of these methods to finance college. Using various online sources I assessed how beneficial these methods were as well as the number of students who could afford to pay for college through their household incomes.

Following stage 1, I collected primary data. I developed a survey that would speak to high school and GED students’ economic status and how finances contributed to their decision to attend college. To develop this survey, I researched various studies to see what had already been researched and how long ago the data were collected. From this information I concluded that there had not been a survey that gathered the information I sought to attain and the only survey similar to the information was over twenty years old and therefore needed to be updated. I used this survey and a survey from the National Longitudinal Study of Youth to phrase my questions. Using these samples for information as well as direct questions, I completed the survey with key questions inquiring the time preferences of the students to further their prospective career outcomes with education, how they intended to finance this education if they wanted to go, and the effect of their ability to pay for school on their decision to attend. In addition to the overall research-informing questions, I also asked questions regarding their demographic backgrounds to see if socioeconomic status, race, and gender were trends within the data.

After completing the survey I identified a high school in Massachusetts, and a local nongovernmental organization in the Fulton Atlanta area that was willing to allow me to administer my survey. I contacted many high schools, but the participants were selected based
upon availability and willingness as many high schools were unwilling to participate due to the IRB process for minors. Due to this issue, I eventually excluded minors from this sample. Once the organizations were confirmed, I asked the students within the organizations from which I received consent if they would like to participate with the incentive of helping me as well as an opportunity to win a fifty dollar gift card.

I continued the process by submitting the study for Institutional Review Board (IRB) approval including the information that some institutions had agreed to participate. The IRB process proved to be the most tumultuous as I originally designed the survey to include high school juniors and seniors. After my third submission from IRB was returned, I had a discussion with the head of the IRB who advised me to exclude minors from the study. Given the opportunity cost of time, I opted to distribute the survey only to individuals 18 years or older.

Because the original intention was to distribute the survey in efforts to attain data before the senior year as well as to encourage juniors to think about college funding before scholarship deadlines have passed. The exclusion of minors altered the original goals of the survey in the sense that only those 18 or older could participate consequently meaning that I did not capture any information from juniors or students who had not made their decision to already attend college. Still, I believe the data collected is a good representation of student opinions at a stage in which the student has already solidified their opinions about college as well as information from GED students who may consider college as an option in the future.

To ensure accuracy and effectiveness of data collection I adjusted the survey to be online and then distributed it through a representative from the various institutions and received my
data. This method of distribution made it easier to distribute out of state as well as made gathering data more efficient. A link to the online survey is included in Appendix C.

This information pushed me to the final stage, which was data analysis. I assessed the data and drew the conclusions using the following empirical strategies:

1) \[ \text{howfared} = \beta_0 + \beta_1 \text{collplans} + \beta_2 \text{funds} + \beta_3 \text{collprob} + \beta_4 \text{age} + \beta_5 \text{black} + \beta_6 \text{gender} + \beta_7 \text{city} + \beta_8 \text{poverty} + \text{error} \]

2) \[ \text{howfared} = \beta_0 + \beta_1 \text{collplans} + \beta_2 \text{funds} + \beta_3 \text{collprob} + \beta_4 \text{patience} + \beta_5 \text{age} + \beta_6 \text{black} + \beta_7 \text{gender} + \beta_8 \text{city} + \beta_9 \text{poverty} + \text{error} \]

3) \[ \text{howfared} = \beta_0 + \beta_1 \text{collplans} + \beta_2 \text{funds} + \beta_3 \text{collprob} + \beta_4 \text{patience} + \beta_5 \text{opinion} + \beta_6 \text{age} + \beta_7 \text{black} + \beta_8 \text{gender} + \beta_9 \text{city} + \beta_{10} \text{poverty} + \text{error} \]

These values are presented in the snapshot of a command list below with “howfared” is the dependent variable representing how far the participant felt they would get in their education. The lower coefficients represent a lower expectancy of education with the lowest being less than a high school graduation. Inversely, the higher the coefficient, the farther the student expected to get in their education. Additional choices are seen below. The second variable, “collplans” represents the decision to attend college. For this variable, I made the choices binary with zero representing the decision to attend school and one representing the decision not to attend school. “Collprob” represents the likelihood that the student would be able to pay for college on a scale of one to ten. One represents a response that the participant is unlikely to fund their education while ten offers the participant’s testimony of full confidence to fund their education. The variable “funds” represents the students’ plans to fund their education. I aggregated these responses so that the higher the number, the more funding selections the
student chose. The “poverty” variable stands for the participants’ socioeconomic status. The variable “poverty” was generated by combining different poverty measures so that the more criteria selected by the participant, the greater the participants’ poverty level. The additional measures found in 2) and 3) are patience and opinion. Patience was self-reported by the participants in which they were asked to rate how patient they were with 1 being the least patient and ten being the most patient. Lastly, the opinion variable represents the reported opinion on education. I recoded the strongly agree and agree section to be 0 and the strongly disagree and disagree section to be 1 so that the lower the number the more favorably they looked at education.
6. Results

After soliciting participation in the survey from both high school and GED students, I received 72 responses. Because I was not able to use surveys that were incomplete as well as responses of “I do not want to answer,” the final number of participants with full completion was 65 in the first regression and 62 in the others because some students did not answer the patience question. This omission could result from the location of these questions at the end of the survey.
Through the empirical strategies in Section 5 (also see Appendix D for the related statistical analysis commands), I generated the following results:

Table 2: Regression Results (dependent variable is howfared)

<table>
<thead>
<tr>
<th></th>
<th>Empirical Strat. 1</th>
<th>Empirical Strat. 2</th>
<th>Empirical Strat. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collplans</td>
<td>-1.15*** (0.38)</td>
<td>-1.17*** (0.37)</td>
<td>-1.03*** (0.37)</td>
</tr>
<tr>
<td>Funds</td>
<td>0.40** (0.19)</td>
<td>0.19 (0.19)</td>
<td>0.13 (0.20)</td>
</tr>
<tr>
<td>Collprob_1</td>
<td>.11 (0.09)</td>
<td>.09 (0.08)</td>
<td>0.08 (0.08)</td>
</tr>
<tr>
<td>Patience_1</td>
<td>--</td>
<td>.22*** (0.08)</td>
<td>0.19** (0.08)</td>
</tr>
<tr>
<td>Opinion</td>
<td>--</td>
<td>--</td>
<td>-0.00 (0.00)</td>
</tr>
<tr>
<td>Age</td>
<td>-.03*** (0.01)</td>
<td>-.01 (0.01)</td>
<td>-0.02 (0.01)</td>
</tr>
<tr>
<td>Black</td>
<td>.00 (0.66)</td>
<td>-0.07 (0.58)</td>
<td>-0.22 (-0.22)</td>
</tr>
<tr>
<td>Gender</td>
<td>-.01* (0.00)</td>
<td>-0.00 (0.00)</td>
<td>-0.00 (0.33)</td>
</tr>
<tr>
<td>City</td>
<td>.01 (.01)</td>
<td>0.01** (0.01)</td>
<td>0.01 (.01)</td>
</tr>
<tr>
<td>Poverty</td>
<td>-.04 (.09)</td>
<td>-0.05 (0.08)</td>
<td>-0.03 (0.08)</td>
</tr>
<tr>
<td>_cons</td>
<td>7.66*** (1.53)</td>
<td>6.65*** (1.32)</td>
<td>6.95*** (1.27)</td>
</tr>
<tr>
<td># of observations</td>
<td>65</td>
<td>62</td>
<td>62</td>
</tr>
<tr>
<td>R-squared</td>
<td>0.50</td>
<td>0.57</td>
<td>0.59</td>
</tr>
</tbody>
</table>

Through assessing the results of this regression I calculated significance based upon the absolute values of the coefficients. The farther the coefficient’s absolute value from zero, the greater the statistical significance. Through these calculations, I found that race and gender had little impact on the attitudes of the individuals regarding college funding as their “t” values ranged from absolute values of .27-1.26; however, I concluded that funding was definitely an important factor to individuals wanting to go to school. My “t” statistic was an absolute value of
2.89 showing great significance for the “collplans” variable as well as the “funds” variable, which had a “t” score of 2.12.

In addition to the factor of collplans city also seems to be a factor in the second regression as participants in some cities are more patient than others. Given that the survey was conducted in different regions, this may impact their time preference. The t score for city rises to an absolute value of 2.18 in the second regression.

The demographic of age was a significant factor in regression one. When considering funding, younger students tend to be dissuaded from college more than older potential undergraduates. This significance disappears with the insertion of patience as a factor. The significance of this impact may be that the older one is, the more aware one may be of resources to fund education or the less financially risk averse one may be.

I also included the opinions variable to identify the effect the student’s opinions on education had on their responses. I coded responses with affirmative responses to college with 0 and negative responses with 1’s meaning that the higher the coefficient the more negative responses that were received. The regression showed no statistical impact besides slightly lowering the patience significance to being extremely significant with three stars, to being very significant with two stars. A reason for this variable not showing statistical significance could be the way in which the questions were asked. Students may have reported more positive responses if the questions were phrased less aggressively and if they chose multiple positive responses. An example of a question that may have deterred the students from selection was “I go to school because I want to learn.” Though this may represent a part of a truth, it still does not conclusively respond to the motivation for school attendance.
To control for time preferences, I also ran a linear regression including patience. The results of this regression were quite interesting as patience was reported to be incredibly significant as it has a t score of 2.81 and with this regression, the t score of collplans rises to an absolute value of 3.14. The P>t score for patience is also in the 1 percentile showing little expectation of error. Also, when patience is included in the regression, funds is not significant though it was seen as significant in the previous regression without patience. Even in the regression with opinion included patience and collplans remain significant. This consistency shows that students who are more patient have a greater likelihood of attending college regardless of the funding availability. Though funding is still a consideration, patient students are more likely to attend college. This makes sense because students who are patient would be more likely to choose delayed gratification and choose a four year institution in which they could generate a higher income than a student who prefers instant gratification by working right out of high school and consequently, as mentioned above, statistically earn less. Also, students who are more patient may be derive more utility from the delayed gratification of better grades and college preparatory activities making them more marketable for scholarships, while their counterparts may consider the opportunity cost for such activities to be too hefty and be averse.

Other key findings include:

- **44% of students were less than 50% confident in their ability to fund college.** Less than half of student’s being confident in their ability can lead to lower college enrollment.

- **73% said they planned to attend college compared to 8% who said the highest level of education that they thought they would achieve was high school degree.** There is a far greater percent of students who want to go to college who have no plans to attend. This statistic means that more financial resources are needed to account for this college-ready population.
72% said they go to school because they want to go to college after. Because students want to go to college after, they stay in school improving education rankings for America.

54% said they think that life would be better with more education. Though this study does not specifically ask how they think that education would make their lives better,

94% of participants said they went to school because it would help them with their future career

57% of students openly responded (in the free response) that a money related issue was an obstacle for college. Even without prompting the students reported their concern of finances being a barrier to college.

67% reported that that they would have to pay for college through loans. As discussed above, loans lead to grandiose loads of debt that many struggle to, or do not repay leading them to greater financial distress.
7. Conclusions and Opportunities for Expansion

The conclusion is in the introduction; “Education is a right.” Like the natural right of the pursuit of happiness, education should be a right restricted to no one. If college leads to jobs that provide financial comfort, and therefore the pursuit of a factor that informs happiness, then there should be funding for everyone who desires to attend. The high percentage of reports stating that students who attended high school because they wanted to go to college and the students that reported that they went to school so that they could go to college attests to the long-term impact a college degree could have on students. This study shows that a high school student’s confidence in a financed college education would improve high school retention which will eventually lead to improving their likelihood of attaining a living wage.

The high school that volunteered to participate in this study had 46% of their 2014 seniors attend college directly after graduating high school. According to the National Center for education Statistics (NECS), a statistical data part of the United States Department of Education’s, the percent of high school students who attended college following high school was 68%. The percentage of this particular school aligns with this average factoring in that the 44% of the students participated in free or reduced lunch indicating their families’ income. Because this high percent of reduced and free lunch indicates a high percent of students with low income, it can be expected that fewer students attend college right away. Because this is correlated with financial issues, the findings of this survey are further exemplified through their participation.

There are several opportunities to further this research given more time and resources. First, expanding the thesis beyond the senior class into the junior class would strengthen this survey. This way, it would provide a comparison between the projected trajectories of students in
their senior year verses students in the junior year. Also, with greater resources I could follow the track of the students from their high school experience until they reached their intended careers and further study how their funding, or lack thereof affected their future outcomes.

Another opportunity for further expansion is to include different high schools. Because I was unable to include information from different high schools, my information only includes data from the northeast region and the south. Though this still represents the diversity of multiple regions, including high schools from all regions (Northeast, South, Midwest, and West) would provide greater strength as it would show that this issue extends beyond a particular region and truly warrants national policy development.
8. Policy Recommendations

As mentioned above, the demographic of the high school that participated in this survey followed trends of college expectancy. Due to this consistency I am confident that this study can be used to inform policies at other schools. Also, the addition of students in Atlanta make the survey participants diverse showing that these findings are an accurate representative sample that aligns with what findings would be of the nation. It is with this justification that I am able to make the following national recommendations.

Though requesting more funding for a college education may seem like a hefty task, it is already being done on small scales. Kalamazoo, a city in Michigan, is getting wide recognition for its work in sending students to college. In 2005, there were 72,700 people living in Kalamazoo and 240,536 in Kalamazoo County. The median income of a family was $44,166 and the per capita income was just $20,088 meaning that the city had a high concentration of poverty (kalamazoo.org). In fact 30% of citizens in the city were in poverty compared to the official poverty rate of 12.6% in the nation. To mitigate the issue of poverty, the Kalamazoo Promise was created. Announced in November 2005, the Kalamazoo promise is a privately funded project that grants up to 100% tuition to student who graduated from Kalamazoo public schools to go to a Michigan community college or public university. According to Timothy J. Bartik, Randall W.Eberts, and Wei-Jang Huang, even in the program’s short lifespan, the city has seen improvements in the school system as recognized by a decrease in exit rates and improved test scores (2010). Still, they are not the only seeking changes, but finding results. Because of the hope that this system offers, expanding this plan nationally would greatly increase college attendance and from what this study finds, increase high school retention.
Another recommendation would be to follow Starbuck’s example. In a partnership with Arizona State University, Starbucks has agreed to reimburse students for their full tuition. Without government aid again, Starbucks helps ‘partners’ admitted as juniors or seniors to work for Starbucks and earn their tuition. The students also receive partial scholarships for their first and second years of college as well as need based financial aid. All of this is completed with the desire to help. A quote from their website states:

Starbucks believes in the promise and pursuit of the American Dream. We're making it possible for thousands of part- and full-time U.S. partners to complete a college degree. In a first of its kind collaboration with Arizona State University, we’re offering partners the opportunity to finish their bachelor’s degree with full tuition reimbursement (*Starbucks.com*).

Starbucks is committing to helping students find their way out of debt and into the notion of the American Dream by financing a college education to help with future success. Starbucks states that they are investing in their customer. This idea of investing in the consumer should not be lost on any company as the customer can be economically affected by other organizations in the same way that Starbucks is affected by the demand of consumers. It behooves producers to invest in the market by contributing financial aid and further, economic stimulation. I recommend that more companies follow in this example and finance the education of their consumers. If Starbucks can successfully finance the education of their employees and maintain their status as a Fortune 500 company, so can other companies. Producers must follow in this pattern to contribute to an economy in which consumers can afford their products due to the consumer’s financial success.
The findings of this study speak to the role college finances play in keeping high school students in school. The discouragement that one cannot attend college for financial reasons can deter the brightest scholar from finishing school as it may seem useless. The data from this survey shows that high school students may place more value on earning a diploma if they knew that college was financially tangible. This realization could improve education as a whole in America as one of the easiest ways to improve an education system is attendance and completion. Taking school more seriously improves this overall objective. According to the OECD, America ranked 17th in Reading and 27th in math out of OECD countries. 17th is average and 27th is far below average. In an abstract from the *Journal of Policy Modeling*, authors Costas Christou and Michael Haliassos state, “Europe and other OECD countries are following in the footsteps of the United States in terms of charging costs of higher education to end users, while worrying about adverse consequences on access to higher education.” America is leading in making college a difficult attainment, yet falling far behind in educational ranking. Still, there is room for growth in America’s educational system. America’s college system was ranked number one by a study funded by Universitas and written by Melbourne Institute of Applied Economic and Social Research authors Ross Williams, et al. Thus meaning that there is great education in America to prepare students for a successful career. The challenge is financing them through college so that they may achieve this financial success.

Currently the countries that have free college are the leaders in education and America must follow suit. In fact, Germany is number one in education and because of their free system, college enrollment has reached a record high (icef.com). President Obama tried to implement this same strategy for two year colleges, but push back from Congress prevented the establishment of this proposal. Though Congress may consider funding college a huge expense
for America’s budget, if America is to maintain its status as a leader among developed countries it must change the current narrative and find room in the budget for education. With the expectation of ‘The American Dream,’ it is not a question of if America can afford to finance college education, but how can America cannot afford not provide this financial support.
References

American Student Loan Center. ASLC.US. Web. 5 Apr. 2015.

http://aslc.us/student-loan-statistics/


“Collegeboard.”Collegeboard.com Web. 5 Apr. 2015


(picture) http://abramsinc.com/college-funding-with-life-insurance/


ICEF “Foreign enrolment in German universities reaches record high” *ICEF.com* Web. 24 Apr. 2015.


http://nces.ed.gov/fastfacts/display.asp?id=76


http://www.starbucks.com/careers/college-plan


Appendices

Appendix A: IRB Approval
IRB NOTIFICATION OF PROTOCOL APPROVAL

PI: Angelino Vicoisza
Co-INV: Jasmine Payne
TITLE: How Does the Prospect for Getting Funding for a College Education Affect One's Future?
DATE: March 30, 2015
Review Type: Expedited Review
IRB Protocol #: 839BE4
This approval is valid from 03/24/2015 until 03/23/2016

Your research proposal referenced above and the associated informed consent process was reviewed and APPROVED by the Institutional Review Board.

Your approval period is noted above. Thereafter, continued approval is contingent upon the submission of a renewal form that must be reviewed and approved by the Institutional Review Board prior to the anniversary or expiration date of this study. Any serious reactions resulting from this study should be reported immediately to the Committee, to the Departmental Chairperson, and to any sponsoring agency or company. Approval is granted based upon your agreement to abide by the policies and procedures of Spelman College with regard to use of human subjects in research and to keep appropriate records concerning your subjects.

Failure to receive a notification that it is time to renew does not relieve you of your responsibility to provide the IRB with a “Request for Renewal” in time for the request to be processed and approved before your expiration date.

Please note that this protocol has been assigned the above referenced IRB protocol number. All inquiries and correspondence concerning this protocol must include: 1) The IRB Protocol number, 2) Name of the Principal Investigator, and 3) Full Title of Study.

If you have any questions or concerns or do not agree to the terms of the approval letter, please contact Karen Brakke (mbrakke@spelman.edu) IRB co-chair, at 404-270-5633, or Mark Lee (mlee@spelman.edu) IRB co-chair, at 404-270-5718 or go to the Spelman College website to review IRB guidelines and procedures.

Sincerely,

Mark E. Lee, Ph.D., Co-Chair
Spelman College Institutional Review Board

Karen Brakke, Ph.D., Co-Chair
Spelman College Institutional Review Board
Appendix B: Consent to Participate in Research (18 and older)

Invitation to Participate

Jasmine Payne, a student at Spelman College, is conducting a study on the effects of having funding for a college education. You are being invited to participate in this study because you are a high school student or an individual pursuing your GED who has the potential of going to college.

Purpose

This study has one objective:

To better understand how the prospect for getting funding for a college education affects one’s expectations for the future.

Rationale

Paying for college has become increasingly expensive, as there is little government support. Even the support that exists only covers a small percentage of the college costs. As part of my senior thesis, this research tries to understand how people make decisions to attend college. The study will identify how important costs are when deciding whether to go to college. Understanding what motivates high school students to attend college helps society change the education system. These changes can increase college attendance and help people get out of poverty.

Description of Procedures

You will be asked to answer questions on an online survey. The survey will take about fifteen to twenty-five minutes. The surveys will be taken in your classroom or in your home.

Risks

There are minimal risks attached to this study. You will only be asked to answer questions. Your interview and survey responses will be kept confidential; available only to the research team for analysis purposes. You may stop the interview at any time or choose not to answer questions without any consequence to you.

Please note that this survey has been taken by current high school seniors to ensure that the wording is effective and non-offensive. Some questions were also taken from the previously administered national surveys.
Benefits

You will be entered into a drawing to win a $50 gift card. We also feel your participation will likely benefit Spelman’s community in the future. The findings of this research will also help society make future decisions regarding college attendance.

Confidentiality/Anonymity

Survey responses will not be linked to your name or address. You should know that the Spelman College Institutional Review Board (IRB) may inspect study records as part of its auditing program, but these reviews only focus on the researchers and the study, not on your responses or involvement. The IRB is a committee that reviews research studies to make sure that they are safe and that the rights of the participants are protected. At the conclusion of the survey you will be asked to provide contact information only if you wish to participate in the drawing for a prize. The contact information provided here will not be linked to the survey.

Voluntary Participation

Participation is voluntary. You do not have to participate in this study if you do not want to. If you agree to be in this study, but later changes your mind, you may withdraw at any time. There are no consequences of any kind if you decide you do not want to participate or refuse to answer some questions.

Questions

If you have any questions about this study I will be happy to answer them now. If you have any questions in the future, please contact our principal investigator, Jasmine Payne, 350 Spelman Lane S.W. Box #1050, Atlanta, GA 30314, 513-312-0957. If you have questions about your rights as a participant in this study, you may contact Dr. Carmen Sidbury, Associate Provost for Research, whose office oversees the protection of human research participants. She can be reached at 404-270-5706 or IRB@spelman.edu.

I agree to participate in this research study.

_________________________________________ ____________________
Participant’s Name       Date

________________________________________  ____________________
Researcher’s Signature
Appendix C: Survey

**Link to Electronic/Qualtrics survey:**

[https://spelmancollege.az1.qualtrics.com/SE/?SID=SV_9YVK02bvMpBjMqx](https://spelmancollege.az1.qualtrics.com/SE/?SID=SV_9YVK02bvMpBjMqx)

**DEM**

Please check one per column

<table>
<thead>
<tr>
<th>Age</th>
<th>Race</th>
<th>Gender</th>
<th>Grade</th>
<th># in Household</th>
<th>Employment</th>
<th>City where you live now</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤14/14</td>
<td>Black</td>
<td>Female</td>
<td>12</td>
<td>1</td>
<td>Both Parents employed</td>
<td>Atlanta</td>
</tr>
<tr>
<td>15</td>
<td>White</td>
<td>Male</td>
<td>GED</td>
<td>2</td>
<td>Both parents Unemployed</td>
<td>Omitted for confidentiality purposes</td>
</tr>
<tr>
<td>16</td>
<td>Latino</td>
<td></td>
<td></td>
<td>3</td>
<td>One parent employed</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Asian</td>
<td></td>
<td></td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Other</td>
<td></td>
<td></td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20/20+</td>
<td></td>
<td></td>
<td></td>
<td>7 or more</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Which of the categories below comes closest to describing the job or occupation that you expect or plan to have right after high school and when you are 30 years old? Even if you are not sure, make your best guess.

<table>
<thead>
<tr>
<th>Job after high school</th>
<th>Job at 30</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerical</td>
<td>(bank teller, bookkeeper, secretary, typist, mail carrier, ticket agent)</td>
</tr>
<tr>
<td>Craftsman/woman</td>
<td>(baker, automobile mechanic, machinist, painter, plumber, telephone installer, carpenter)</td>
</tr>
<tr>
<td>Farmer, Farm manager</td>
<td>(1)</td>
</tr>
<tr>
<td>Homemaker or housewife</td>
<td>(1)</td>
</tr>
<tr>
<td>Laborer</td>
<td>(construction worker, car washer, sanitary worker, farm laborer)</td>
</tr>
<tr>
<td>Manager, Administrator</td>
<td>(sales manager, office manager, school administrator, buyer, restaurant manager, government official)</td>
</tr>
<tr>
<td>Military</td>
<td>(career officer, enlisted man or woman in the armed forces)</td>
</tr>
<tr>
<td>Operative</td>
<td>(meat cutter, assembler, machine operator, welder, taxicab, bus, or truck driver)</td>
</tr>
<tr>
<td>Professional 1</td>
<td>(accountant, artist, registered nurse, engineer, librarian, writer, social worker, actor, actress, athlete, politician)</td>
</tr>
<tr>
<td>Professional 2</td>
<td>(clergyman, dentist, physician, lawyer, scientist, college teacher)</td>
</tr>
<tr>
<td>Proprietor or owner</td>
<td>(owner of a small business, contractor, restaurant owner)</td>
</tr>
<tr>
<td>Protective Service</td>
<td>(detective, police officer or guard, sheriff, fire fighter)</td>
</tr>
<tr>
<td>Sales</td>
<td>(salesperson, advertising, insurance agent, real estate broker)</td>
</tr>
<tr>
<td>School Teacher</td>
<td>(1)</td>
</tr>
<tr>
<td>Service</td>
<td>(barber, beautician, practical nurse, private household worker, janitor, waiter)</td>
</tr>
<tr>
<td>Technical</td>
<td>(draftsman, medical or dental technician, computer programmer)</td>
</tr>
<tr>
<td>Not Planning to work</td>
<td>(1)</td>
</tr>
<tr>
<td>Other</td>
<td>(1)</td>
</tr>
<tr>
<td>Don’t Know</td>
<td>(1)</td>
</tr>
</tbody>
</table>
SS

Please place a check beside the criteria that apply to you:

- I have free or reduced lunch at school
- I do not have cable
- I do not own 10+ books
- Neither of my parents attended college or if in a single parent home, My parent did not attend college
- I have not gone on vacations
- I have not gone to camp (any type of summer camp)
- It is not quiet enough for me to study at home
- I do not live in a house
- I live in an apartment

If so, how many bedrooms does it have: ----

- I live in a mobile home
- I live with my grandparent
- I live with my aunt or uncle
- I live with foster parent
- I do not own my own computer separate from my parent(s)
- I do not own my own car separate from my parent(s’)
- I have had a vital utility (gas, heat, electricity) turned off
- I work while in school
- I share a room with 2+ of my siblings
AE

As things stand now, how far in school do you think you will get? Please mark one.

Less than a high school graduation ................................................................. (1)

High school graduation only........................................................................... (2)

Vocational, trade, or business school after school:

-Less than two years....................................................................................... (3)

-Two years or more......................................................................................... (4)

College Program:

-Less than two years of college................................................................. (5)

-Two or more years of college (including two year degree)......................... (6)

-Finish College (four or five year degree)....................................................... (7)

-Master’s Degree or equivalent.................................................................... (8)

-Ph.D, M.D. or other advanced professional degree................................. (9)
VS

To what extent do you agree with the following statements: (Strongly agree, agree, neutral, disagree, and strongly disagree)

<table>
<thead>
<tr>
<th>I think college is for me</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would go to college if I could pay for it.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I want to attend a four year college</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I want to attend technical or vocational school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My life will be better by pursuing a higher degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not go to school just because my guardian tells me to</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I go to school because I want to learn</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not go to school because I am required to by law</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I go to school because I want to go to college after</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I go to school because it will help me with my future career</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I go to school because I like my extra-curriculars</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not go to school only because my friends are there</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I do not go to school just to get out of the house</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Which of the following best describes the most difficult classes that you take? (Please select one)

- Advanced Placement / Dual Credit
- Honors
- Career/Vocational
- College Prep I
- College Prep II
- Special Education

**FUND**

How do you plan to fund a college education? (Circle all that apply)

- Scholarships
- My parents
- Loans
- I don’t know
- Other. Please explain: ________________________________

On a scale of 0 to 10 with 0 being not at all likely and 10 being most definitely, what number represents the chance of you being able to fund your College education? __________

Please respond to the following with a YES or a NO

___ If you do not have a plan, do you know where you can find resources?
___ Would you try harder in school if you knew that you would be able to fund your education?
___ Has anyone ever told you that you should go to college?
___ Has anyone ever told you that you could not go to college because of financial reasons?

**PAT**

Please rate how patient you are on a scale of 1-10: __________
OP

Would you say your role model is more Michael Jordan, Barack Obama, or Jay Z?

______________________________________________________________________________

Do you plan to go to college? Why or why not?

______________________________________________________________________________

______________________________________________________________________________

What are some obstacles that may make the journey difficult if you plan to go? What are some obstacles preventing you, if you do not plan to go?

______________________________________________________________________________

______________________________________________________________________________

______________________________________________________________________________

Would you prefer to have a new pair of Air Jordan’s or a scholarship to a training program for your intended profession of the same price value?

______________________________________________________________________________
Appendix D: Statistical Analysis File (Stata .do file)

import delimited C:\Users\jpayne8\Desktop\prosperity.txt
set more off
replace age=18 if age==3
replace age=19 if age==4
replace age=20 if age==5
replace age=21 if age==6
replace age=99 if age==7
tab age
replace org=1 if org==1
replace org=1 if org==2
replace org=2 if org==3
replace org=99 if org==4
replace povmeas_1=0 if povmeas_1==1
replace povmeas_1=1 if povmeas_1==.
replace povmeas_2=0 if povmeas_2==1
replace povmeas_2=1 if povmeas_2==.
replace povmeas_3=0 if povmeas_3==1
replace povmeas_3=1 if povmeas_3==.
replace povmeas_4=0 if povmeas_4==1
replace povmeas_4=1 if povmeas_4==.
replace povmeas_5=0 if povmeas_5==1
replace povmeas_5=1 if povmeas_5==.
replace povmeas_6=0 if povmeas_6==1
replace povmeas_6=1 if povmeas_6==.
replace povmeas_7=0 if povmeas_7==1
replace povmeas_7=1 if povmeas_7==.
replace povmeas_8=0 if povmeas_8==1
replace povmeas_8=1 if povmeas_8==.
replace povmeas_9=0 if povmeas_9==1
replace povmeas_9=1 if povmeas_9==.
replace povmeas_10=0 if povmeas_10==1
replace povmeas_10=1 if povmeas_10==.
replace povmeas_11=0 if povmeas_11==1
replace povmeas_11=1 if povmeas_11==.
replace povmeas_12=0 if povmeas_12==1
replace povmeas_12=1 if povmeas_12==.
replace povmeas_13=0 if povmeas_13==1
replace povmeas_13=1 if povmeas_13==.
replace povmeas_14=0 if povmeas_14==1
replace povmeas_14=1 if povmeas_14==.
replace povmeas_15=0 if povmeas_15==1
replace povmeas_15=1 if povmeas_15==.
replace povmeas_16=0 if povmeas_16==1
replace povmeas_16=1 if povmeas_16==.
replace povmeas_17=0 if povmeas_17==1
replace povmeas_17=1 if povmeas_17==.
replace povmeas_18=0 if povmeas_18==1
replace povmeas_18=1 if povmeas_18==.
replace opinions_1=0 if opinions_1==1
replace opinions_1=0 if opinions_1==2
replace opinions_1=1 if opinions_1==4
replace opinions_1=1 if opinions_1==5
replace opinions_1=99 if opinions_1==3
replace opinions_2=0 if opinions_2==1 & 2
replace opinions_2=0 if opinions_2==2
replace opinions_2=1 if opinions_2==4
replace opinions_2=1 if opinions_2==5
replace opinions_2=99 if opinions_2==3
replace opinions_3=0 if opinions_3==1
replace opinions_3=0 if opinions_3==2
replace opinions_3=1 if opinions_3==4
replace opinions_3=1 if opinions_3==5
replace opinions_3=99 if opinions_3==3
replace opinions_4=0 if opinions_4==1
replace opinions_4=0 if opinions_4==2
replace opinions_4=1 if opinions_4==4
replace opinions_4=1 if opinions_4==5
replace opinions_4=99 if opinions_4==3
replace opinions_5=0 if opinions_5==1
replace opinions_5=0 if opinions_5==2
replace opinions_5=1 if opinions_5==4
replace opinions_5=1 if opinions_5==5
replace opinions_5=99 if opinions_5==3
replace opinions_6=0 if opinions_6==1
replace opinions_6=0 if opinions_6==2
replace opinions_6=1 if opinions_6==4
replace opinions_6=1 if opinions_6==5
replace opinions_6=99 if opinions_6==3
replace opinions_7=0 if opinions_7==1
replace opinions_7=0 if opinions_7==2
replace opinions_7=1 if opinions_7==4
replace opinions_7=1 if opinions_7==5
replace opinions_7=99 if opinions_7==3
replace opinions_8=0 if opinions_8==1
replace opinions_8=0 if opinions_8==2
replace opinions_8=1 if opinions_8==4
replace opinions_8=1 if opinions_8==5
replace opinions_8=99 if opinions_8==3
replace opinions_9=0 if opinions_9==1
replace opinions_9=0 if opinions_9==2
replace opinions_9=1 if opinions_9==4
replace opinions_9=1 if opinions_9==5
replace opinions_9=99 if opinions_9==3
replace opinions_10=0 if opinions_10==1
replace opinions_10=0 if opinions_10==2
replace opinions_10=1 if opinions_10==4
replace opinions_10=1 if opinions_10==5
replace opinions_10=99 if opinions_10==3
replace opinions_11=0 if opinions_11==1
replace opinions_11=0 if opinions_11==2
replace opinions_11=1 if opinions_11==4
replace opinions_11=1 if opinions_11==5
replace opinions_11=99 if opinions_11==3
replace opinions_12=0 if opinions_12==1
replace opinions_12=0 if opinions_12==2
replace opinions_12=1 if opinions_12==4
replace opinions_12=1 if opinions_12==5
replace opinions_12=99 if opinions_12==3
replace opinions_13=0 if opinions_13==1
replace opinions_13=0 if opinions_13==2
replace opinions_13=1 if opinions_13==4
replace opinions_13=1 if opinions_13==5
replace opinions_13=99 if opinions_13==3
generate
opinion=opinions_1+opinions_2+opinions_3+opinions_4+opinions_5+opinions_6+opinions_7+opinions_8+opinions_9+opinions_10+opinions_11+opinions_12+opinions_13
rename q1 consent
rename v5 finished_survey
summarize if finished_survey==1
replace race=99 if race==7
label define Race 1 "Black" 2 "White" 3 "Latino" 4 "Asian" 5 "Mixed Race/Multiracial" 6 "Other" 99 "Do Not Want to Answer"
label values race Race
tab race
replace gender=99 if gender==3
label define Gender 1 "Female" 2 "Male" 99 "Do Not Want to Answer"
label values gender Gender	tab gender
replace org=99 if org==4
label define Org 1 "N/A" 2 "FACAA" 3 "THS" 99 "Do Not Want to Answer"
label values org Org	tab org
replace inhous=99 if inhous==8
label define Parentemp 4 "99"
label values parentemp Parentemp	tab parentemp
replace city=99 if city==4
label define City 1 "Atlanta" 2 "Taunton" 3 "Other" 99 "Do Not Want to Answer"
label values city City	replace city=99 if city==4
label define Status 1 "Ged student" 3 "High school senior" 99 "Do Not Want to Answer"
label values status Status	tab status
replace profnow_1=99 if profnow_1==1
replace proflater_1=99 if proflater_1==1	tab profnow_1
tab proflater_1
label define Proflater_1 1 "Clerical" 2 "Craftsman/woman" 3 "Farmer" 4 "Homemaker" 5 "Laborer" 6 "Manager" 7 "Military" 8 "Operative" 9 "Professional1" 10 "Professional2" 11 "Proprietor or owner" 12 "Protective service" 13 "Sales" 14 "School teacher" 15 "Service" 16 "Technical" 17 "Not Planning to work" 18 "99" 19 "99" 20 "99"
label values proflater_1 Proflater_1
tab proflater_1
label define Profnow_1 1 "Clerical" 2 "Craftsman/woman" 3 "Farmer" 4 "Homemaker" 5 "Laborer" 6 "Manager" 7 "Military" 8 "Operative" 9 "Professional1" 10 "Professional2" 11 "Proprietor or owner" 12 "Protective service" 13 "Sales" 14 "School teacher" 15 "Service" 16 "Technical" 17 "Not Planning to work" 18 "99" 19 "99" 20 "99"
label values profnow_1 Profnow_1
tab profnow_1
replace funding_1=0 if funding_1==.
replace funding_2=0 if funding_2==.
replace funding_3=0 if funding_3==.
generate
poverty=povmeas_1+povmeas_2+povmeas_3+povmeas_4+povmeas_5+povmeas_6+povmeas_7+povmeas_8+povmeas_9+povmeas_10+povmeas_11+povmeas_12+povmeas_13+povmeas_14+povmeas_15+povmeas_16+povmeas_17+povmeas_18
generate funds=funding_1+funding_2+funding_3
gen black=0 if race!=99
replace black=1 if race==99
regress howfared collplans funds collprob age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust
regress howfared collplans funds collprob age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust
regress howfared collplans funds collprob age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99 | collplans !=99, robust
regress howfared collplans age black gender city poverty if finished_survey==1 | age!=99 | gender!=99 | city!=99 | collplans!=99, robust
regress howfared collplans age black gender city poverty if finished_survey==1 | age!=99 | gender!=99 | city!=99 | collplans!=99, robust
regress howfared collplans funds collprob age black gender city poverty if finished_survey==1 | age!=99 | gender!=99 | city!=99 | collplans!=99, robust
regress howfared collplans age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust
regress howfared collplans age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust
regress howfared collplans funds collprob patience age black gender city poverty if finished_survey==1 | age!=99 | gender!=99 | city!=99 | collplans!=99, robust
regress howfared collplans funds collprob patience age black gender city poverty if finished_survey==1 | age!=99 | gender!=99 | city!=99 | collplans!=99, robust
regress howfared collplans funds collprob patience age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust
regress howfared collplans funds collprob patience age black gender city poverty if finished_survey==1 | age!=99 & gender!=99 | city!=99 | collplans !=99, robust