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Medical School Loans Testimonials

John C., East Lansing, MI

After talking with a Medical School Loans advocate, my consolidated loan payments were almost cut in half and I have 30 years to pay them off! Thanks Medical School Loans!

STUDY FINDS MORE PREPARATION NEEDED FOR TRANSITION FROM HIGH SCHOOL TO COLLEGE

- SURAJIT SEN SHARMA

A recent study conducted by Policy Analysis for California Education (PACE) found that the first semester of college is a pivotal period in students' academic careers. The study, titled "Beyond Access: How the First Semester Matters for Community College Students' Aspirations and Persistence," followed first-time students enrolled in California community colleges aged 17 to 20 in the fall of 1998. The study, based on system data gathered over a six-year period, tracked graduation and retention rates of first-year students to arrive at its findings. The findings of the study suggest that it is most important to focus on preparing high school students for college and that simply increasing college access doesn't solve the problems faced in building a more educated population and workforce.

The study pointed out that although California has more community college students than any state, it ranks below the national average in its proportion of full-time postsecondary students who graduate with bachelor's degrees. The research data showed that 25% of first-time students entering California community colleges with high school diplomas and the desire to transfer to four-year colleges did not return for the spring 1999 semester. Two-thirds of first-time

students did not return to college the following year. Out of those who did return, only four in 10 still aspired to transfer to a four-year college.

The reason for this, according to Dr. David Neumark, economics professor at the University of California-Irvine, is that "[m]any high schools, not just in California but everywhere, are failing to deliver students to college ready to learn, and that is certainly bad for those individuals and taxpayers who might not be satisfied with what they're getting. Whether it's more efficient to intervene at the community college level with remediation or more efficient to try to fix high schools, it's not entirely clear...It would be great if we could encourage people to stay in school longer." However, Neumark admitted that students' lack of preparation is a tough problem that needs to be seriously addressed.

Dr. David N. Plank, executive director of PACE, said, "If we can find ways to support successful transitions for entering students by providing more guidance and academic support, we can increase the odds that they will stay in school and complete degrees." PACE's report can be found at pace.berkeley.edu/reports/PB.07-2.pdf.

PHEAA CRITICIZED FOR EXCESSIVE SPENDING ON EXECUTIVE BONUSES

- AMIT AGARWAL

Dick Willey, president and CEO of the Pennsylvania Higher Education Assistance Agency (PHEAA), has received a \$180,857 bonus on top of his salary of \$289,118 per year. Three of Willey's vice presidents have been given bonuses worth \$113,515, while a fourth received \$52,436. Added together, the bonuses totaled more than \$500,000.

Pennsylvania Governor Ed Rendell stated, "Those bonuses, given the salaries those executives receive, are outrageous." A few lawmakers have also criticized the hefty bonuses paid to the agency leaders. The state's student financial aid agency had already been under pressure for months because of its prolific spending on board retreats and travel. Rendell, along with several lawmakers, thinks PHEAA should be privatized.

Defending the bonuses, PHEAA executives said they did not get raises this year, unlike other employees of the agency.

However, in light of the generous salaries received by the executives, the extravagant bonuses seem unfair-especially when one considers that the executives are public servants and have recently been criticized for their spending habits.

A spokesman for Gov. Rendell said, "This is another example of the agency's failure to understand that its mission is to help students pay for college and not to provide further compensation for well-paid executives."

A nonprofit organization, PHEAA was created by the Pennsylvania Legislature and self-finances its operating expenses. The agency awards almost \$500 million per year in the form of student grants and subsidies financed by state taxpayers' money.

NEWS IN BRIEF

FEDERAL STUDENT LOAN ORGANIZATIONS CALL FOR REVISION OF STUDENT LOAN RECONCILIATION BILLS

Four federal student loan organizations wrote a letter to Education Committee chairmen and ranking Republican members in both houses urging them to reconsider subsidy cuts proposed in upcoming student loan reconciliation bills and to abandon their plans for a pilot student loan auction. The Consumer Bankers Association, Education Finance Council, National Council of Higher Education Loan Programs, and Student Loan Servicing Alliance signed the letter, which states that if the current bills are signed into law, "[b]orrowers will likely lose many, and in some cases all, of the borrower benefits currently offered by lenders." The bills, which have passed through the U.S. House and Senate, propose cutting more than \$17 billion in subsidies to lenders and guarantors participating in the FFEL Program.

MONTANA SENATOR PROPOSES FREE COLLEGE TUITION

Senator Max Baucus (D-MT) has proposed legislation that would offer full scholarships to all high school graduates planning to major in math, engineering, science, or technology

in college. As part of a new \$25 billion education incentives package, the legislation, according to Baucus, will make the United States more globally competitive, especially with China and India. The bill also includes assistance for rural teachers, scholarships for future math and science teachers, and additional funding for pre-kindergarten programs. Baucus's program would apply to all universities, but in order to be eligible, students would have to work or teach in a related field for at least four years after graduation.

UNIVERSITY OF OREGON'S ATHLETICS PROGRAM GETS \$100 MILLION DONATION

Phil Knight, co-founder and chairperson of Nike, and his wife, Penny, have announced their plan to donate \$100 million to the University of Oregon's athletics program. The money, which will be utilized to build a new basketball arena, is the largest donation ever received by the university. Knight earlier gave more than \$50 million to the University of Oregon School of Law and its libraries and created a number of endowed faculty positions. However, donations to athletics departments on the scale of Phil and Penny Knight's are uncommon. Critics have questioned the university's priorities.