

Students get a crash course in economics

By Jessica Durando, USA TODAY

Struggling college students are having an even more difficult time because of the financial downturn.

Some opt to wait in food-pantry lines. Others have stopped drinking soda, using their cars or eating out.

"I have noticed all around that prices have gone up. Rent, food and basic utilities ... it is a lot harder to survive," says Natalie Romero, 24, a student at Metropolitan State College in Denver, which opened a food bank on campus in September.

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"We have been seeing in the past year that many of our students are in need of the basic necessities," says Johanna Maes, assistant dean of student life.

The Community College of Denver has offered a food bank to students for more than 10 years, but in the past year there been a significant increase in its use, says Jerry Mason, director of student life: "We are actually having trouble keeping up." The student government has doubled its annual funding from \$3,000 to \$6,000 to help with the increased demand, he says.

Federal financial aid applications filed nationwide for this fiscal year increased by 9% compared with last year, a projected 1.2 million more applicants, according to Department of Education data.

"Any time there is a recession, financial need increases," says Mark Kantrowitz of [FinAid.org](#), an online resource for students. And schools that rely on state support are likely to see costs rise even more. "I'm already hearing from colleges that are discussing 10%, 13% increases" in tuition, he says.

Financial strategist Paul Rivers says parents losing their jobs has played a key role in more students seeking aid; 30% of his clients were declared eligible for more aid from their college because of an "unusual circumstance" last year.

"In the middle of the year, a parent may lose a job and fall down to a lower income bracket," says Rivers, head of [Sourcesforstudents.com](#), a New York-based financial aid consulting company

He says the number of students who qualify for "unusual circumstances" has increased steadily for five years. "The cost of education continues to increase despite what is going on with the economy."

For Matt Long, 28, of Berkeley City College in Oakland, cutting back on expenses last semester meant walking 45 minutes to campus because he couldn't afford the \$3 bus fare. He also cut back on meals. "I usually drank coffee, and that got me through the first half of the day," Long says. "My friends kept saying, 'You look skinny.' I have gotten sick as a result of my diet." He says his finances have stabilized since he received his financial-aid check.

Zack Hall, 21, a senior at the University of Texas, says that with \$30,000 in debt, he must be frugal. "I don't use the dishwasher. We don't use paper towels because it is a waste of money. We grab stacks of napkins from restaurants or Starbucks to use at home. ... We eat so much tuna, it's not even funny."

His Facebook group, "I'm Broke & Sick of Ramen," has nearly 1,000 members. "I lead a comfortable life, but economic turmoil changes the way you live."

Schools such as Merrimack College in North Andover, Mass., and Benedictine University in Lisle, Ill., have announced tuition freezes; others are responding with programs designed to keep students from dropping out.

The University of Arizona will implement a policy this month that allows students to remain enrolled even if they have unpaid tuition at the beginning of the semester by enrolling them in a deferred payment plan, which costs \$75. Before, students who had not paid were given 24 hours to pay or their classes were dropped, says Beth Acree, interim registrar. "It could positively impact students who are caught up in financial struggles and are caught off-guard. Maybe students will have a change in circumstances."

The University of South Florida created the "Don't Stop, Don't Drop" program. "We had one young lady living in a car. She needed some more financial aid and a place to stay," says student ombudsman Les Miller. "I referred her to financial aid and housing. She was able to get some additional loan money. She qualified also to get money for the cost of living."

The office has provided services for 129 students since September. "We tried to come up with any means necessary to make sure they would not drop out," Miller says.

When USF senior Stephanie Pafahl, 38, was between jobs and was denied a student loan, she went to the office in desperation, seeking assistance.

After being directed to the right resources, she eventually was approved for the student loan she needed to stay in school.

"If it wasn't for this, I would have had to quit right now and work full time," Pafahl says.

READERS: If you're in college, have you had to cut back? How? If your kid's in college, have you asked them to forgo any particular expenses?

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