



Is a Dollar a Dollar? The Relationship Between College Financing Strategies and Academic Progress

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OFFICE OF STUDENT LIFE

Big Picture



How does enrollment, persistence
and degree completion vary with
funding source?



College Completion

- Positive outcomes
- Results from two important decisions:
 - Enrollment
 - Persistence





Funding Sources

- Support from family's current income and saving
- Own income
- Loans, including student loans and parent loans
- Scholarships and grants



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Theories of Student Departure

- Psychological
- Environmental
- Economic



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OHIO STUDENT FINANCIAL WELLNESS SURVEY

Fall 2010 internet survey

5,729 students responded from 19 colleges and universities across Ohio

- Five two-year public schools – 24.3% of respondents
- Eight four-year private schools – 40.1% of respondents
- Six four-year public schools – 35.6% of respondents

Student self-reported information

RESEARCH COLLABORATION

Office of the Attorney General of the State of Ohio

Office of Student Life, Student Wellness Center

Office of Student Life, Center for the Study of Student Life

19 colleges and universities across Ohio

- Ashland University
- Belmont University
- Bowling Green State University
- Bluffton University
- Capital University
- Clark State University
- Eastern Gateway Community College
- Heidelberg University
- Kent State University
- Lake Erie College
- Miami University
- Ohio Dominican University
- The Ohio State University
- Ohio University
- Owens Community College
- Rio Grande Community College
- Sinclair Community College
- University of Cincinnati
- Ursuline College



Empirical Analysis

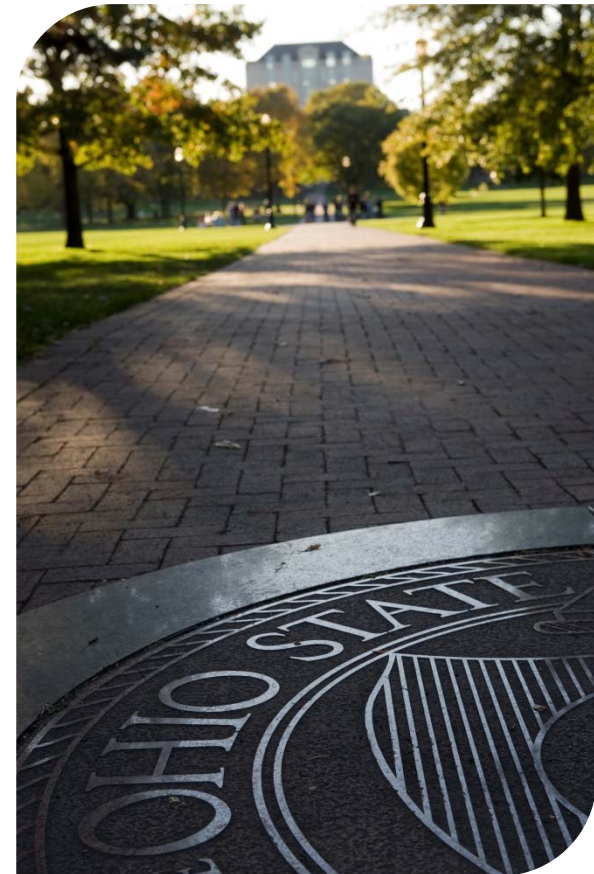
- **Multivariate analysis**
 - Logistic Regression
- **Step-wise Regression**
 - Demographic and control variables
 - Institutional variables
 - Economic variables
 - Attitudinal, behavioral, personality variables
- **Separate Models by Institution Type**



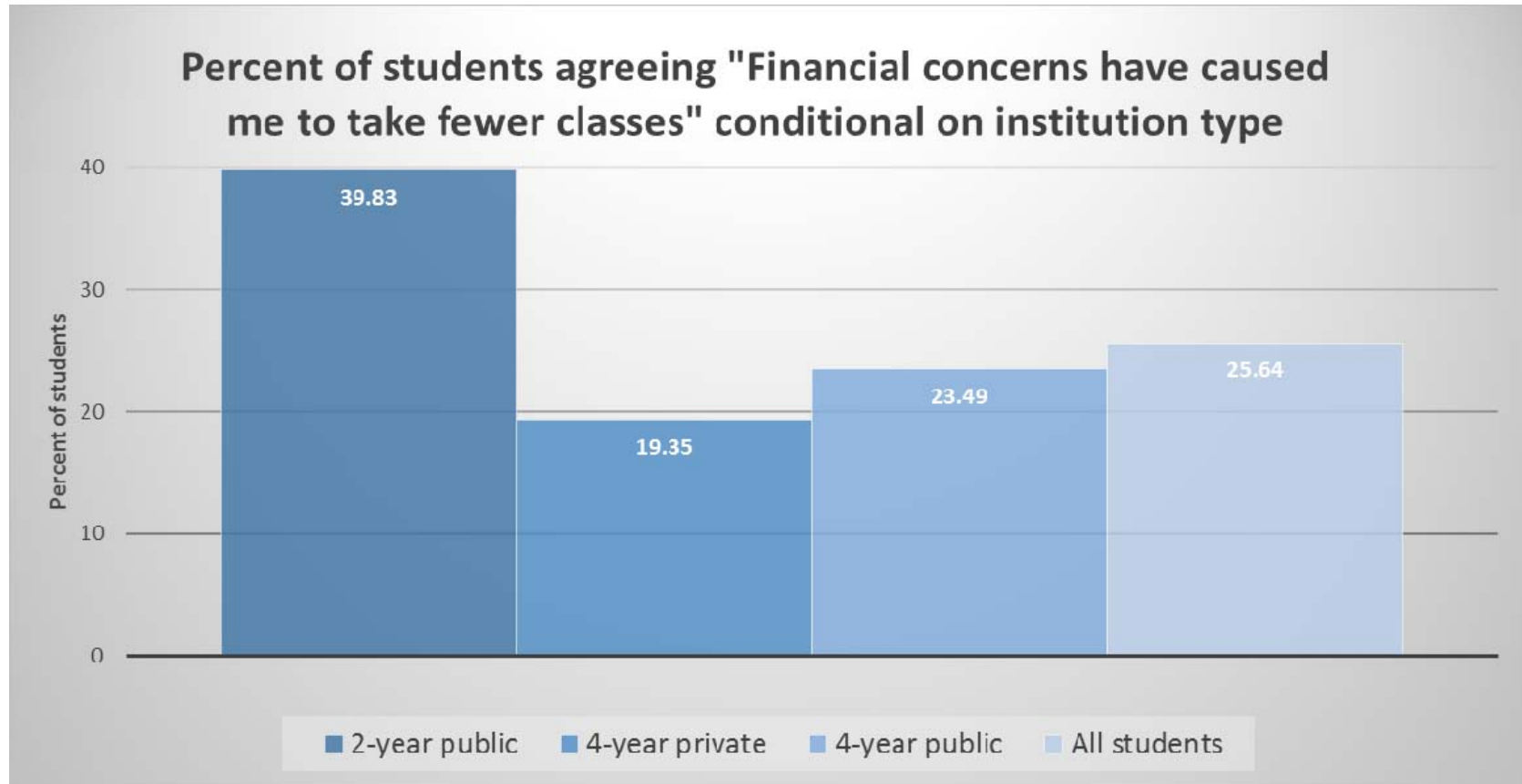
Measure of academic disruption

Financial concerns have caused me to take fewer classes some terms so I can work more

- Strong agree
- Agree
- Disagree
- Strongly disagree



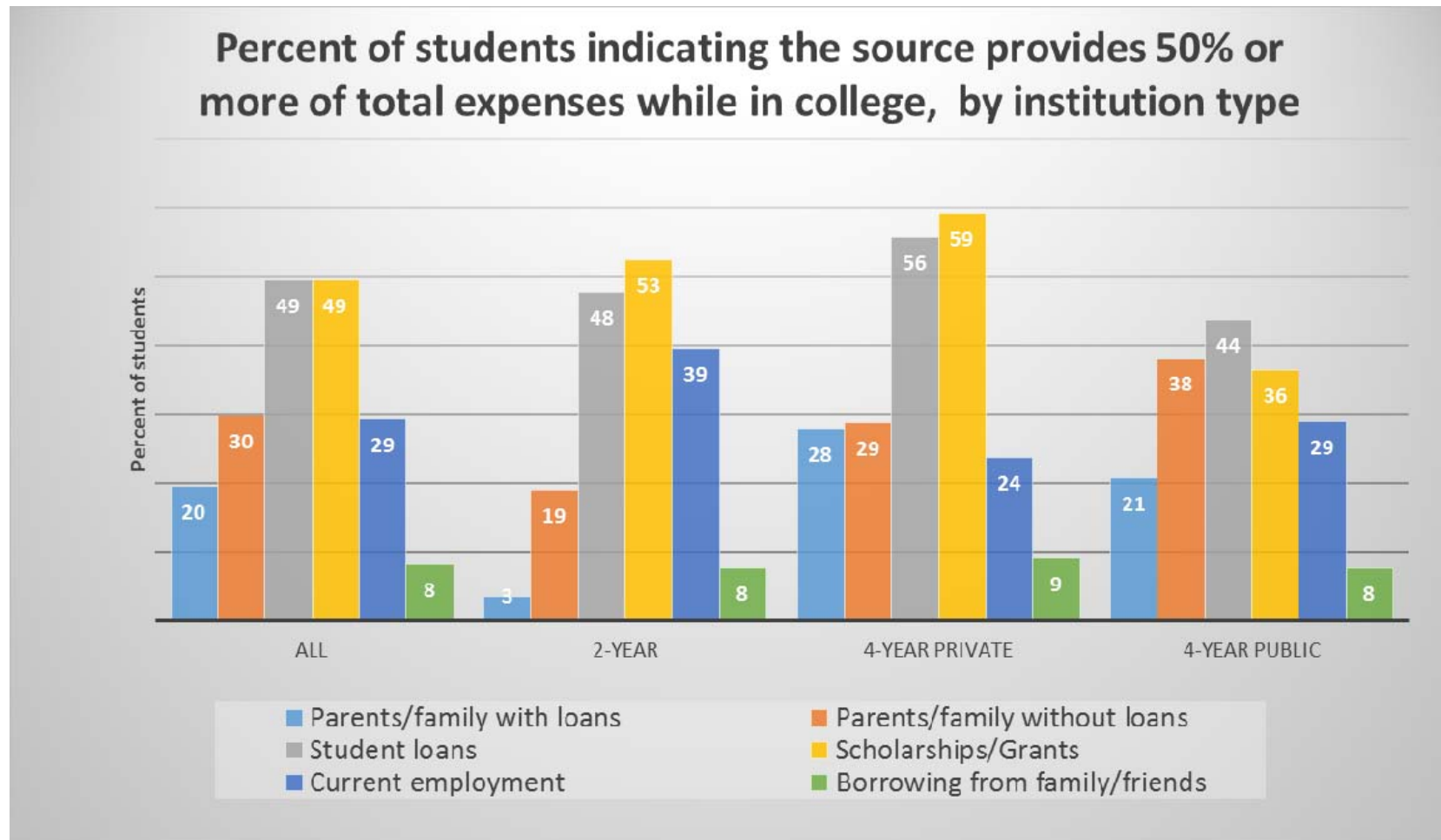
Financial concern by institution type



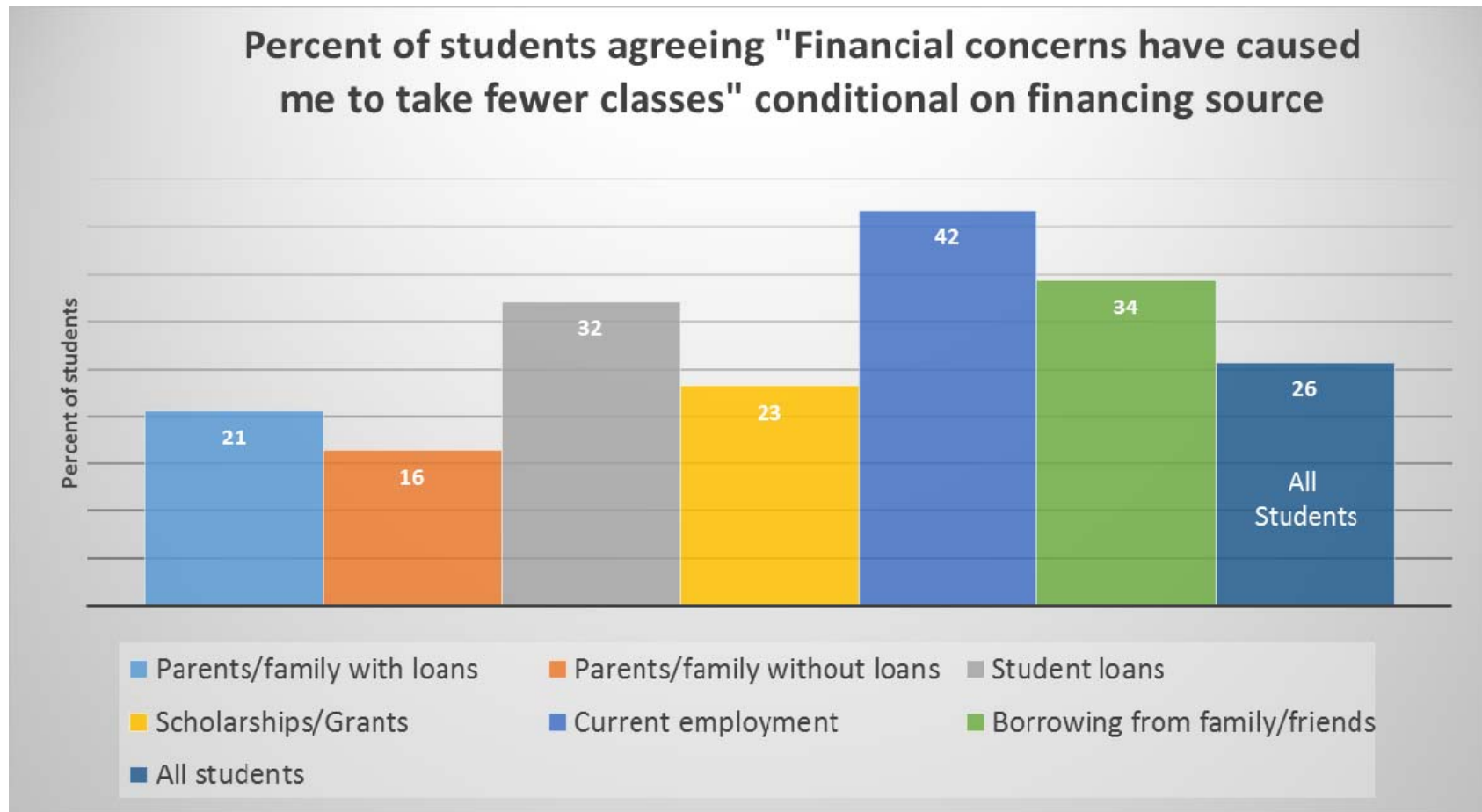
Explanatory Variables

Gender			Current status	
Male	31.1		First year	25.7
Female	68.9		Second year	24.1
Race/ethnicity			Third year	20.1
White	83.7		Fourth year	25.0
Black	6.9		Fifth year or more	5.1
Asian	2.5		GPA \geq 3.0	76.8
Hispanic	2.2		Live in residence halls	34.3
Other	4.7			

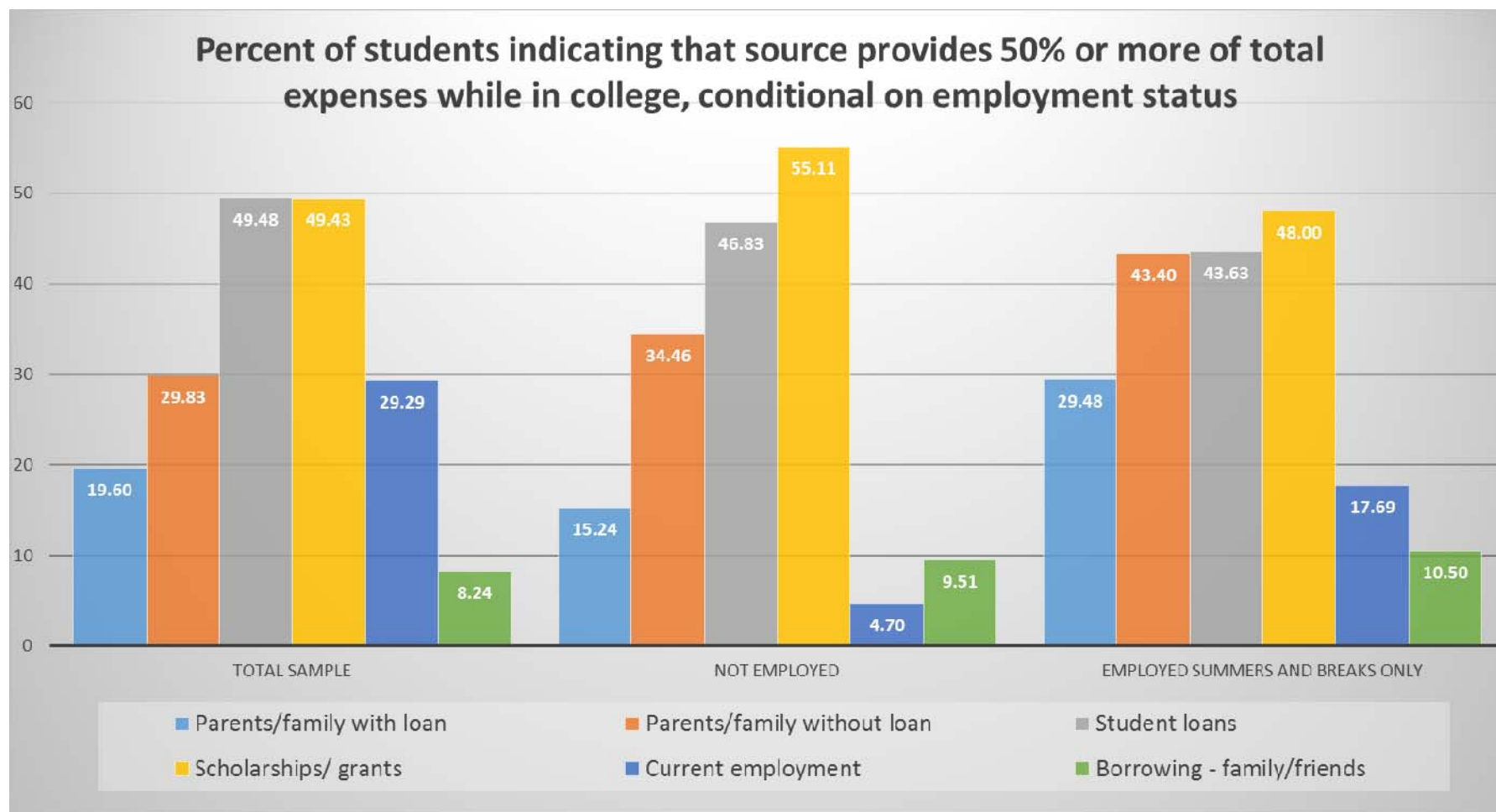
Primary funding sources for college expenses



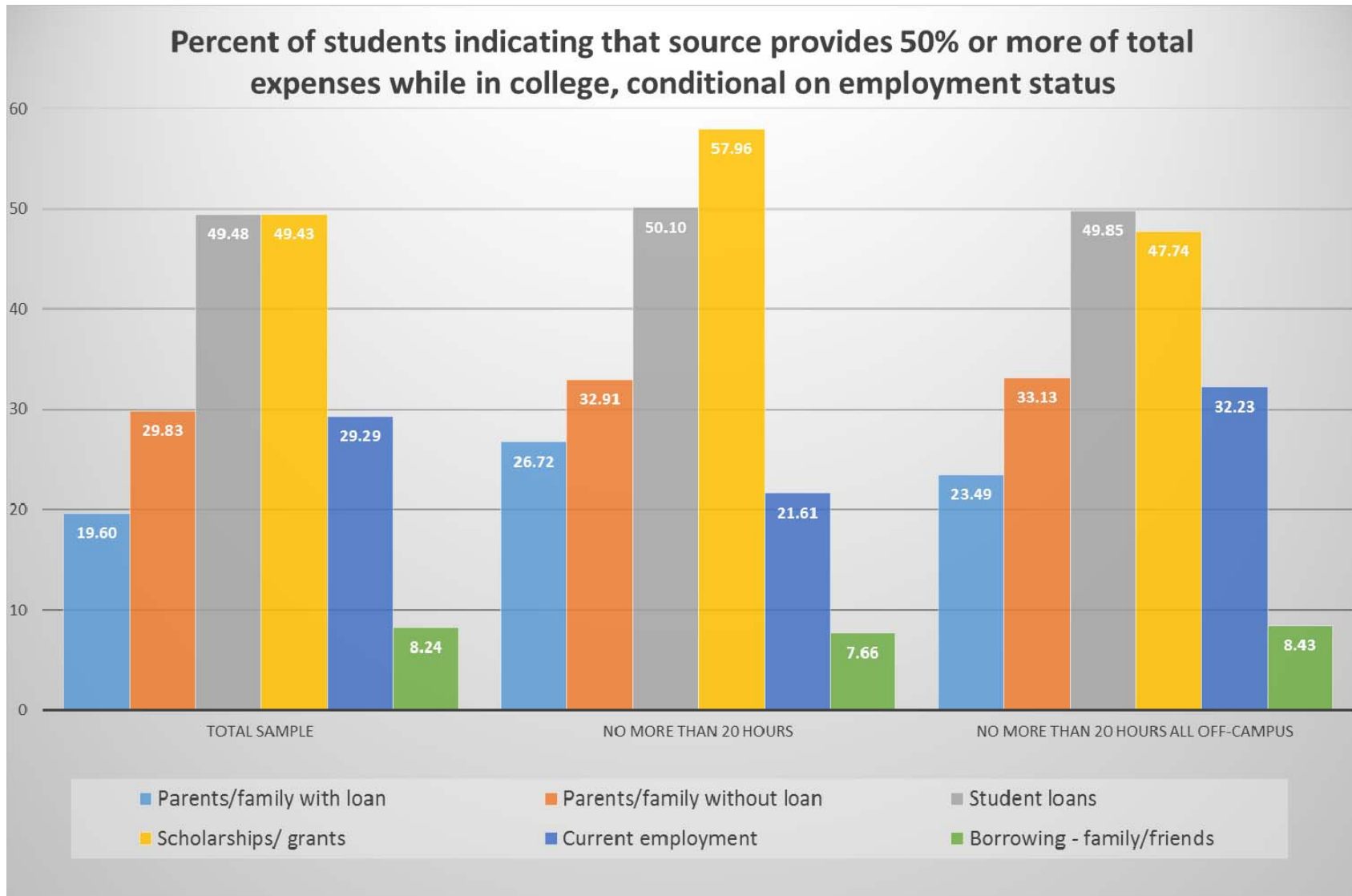
Financial concern by funding source



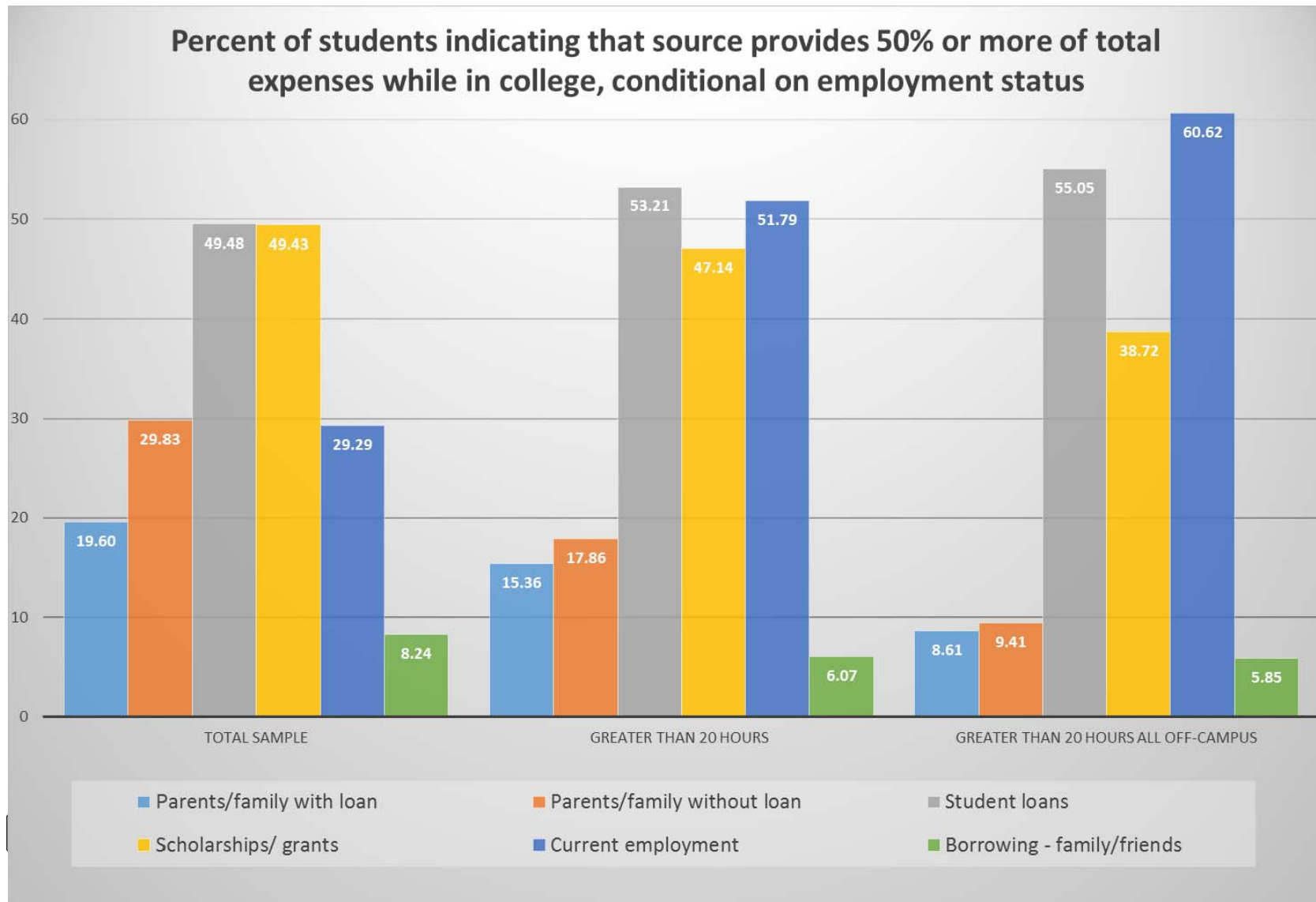
Primary funding source by employment



Primary funding source by employment



Primary funding source by employment



Explanatory Variables

Percent that agree or strongly agree

I feel stressed about my personal finances in general	72.0
I think that the cost of tuition is a good investment for my financial future	78.5
When I think about my financial situation, I am optimistic about the future	64.4
After graduation, I will be able to pay off any det acquired while I was a student	75.8
I have enough money to participate in most of the same activities as my peers	60.9
Concerning my finances, I have met with a financial professional	45.5
I manage my money well	79.6
In the past 3 months, I purchased something expensive that I wanted, but did not need	34.1
I regularly spend more money than I have by using credit or borrowing	15.2

Results: Step-wise Regression

	Percent concordance	Likelihood ratio test
Demographic and control variables	56.4%	$p < .001$
Institutional variables	68.1%	$p < .001$
Economic variables	76.5%	$p < .001$
Attitudinal, behavioral and personality	80.1%	$p < .001$

Results: Logistic Regression

	Odds Ratio
Demographic characteristics and control variables	
Male	1.334
GPA \geq 3.0	0.732
Institutional variables	
Live in residence hall	0.463
Economic variables	
Current employment is a primary funding source	1.848
Other borrowing is a primary funding source	1.662
Works oncampus > 20 hours per week	2.228
Works offcampus > 20 hours per week	2.430
Attitude, behavior, personality	
I feel stressed about my personal finances in general	2.160
I have enough money to participate in most of the same activities as my peers	0.510
Concerning my finances, I have met with a financial professional	1.403
I regularly spend more money than I have by using credit or borrowing	1.682
All coefficients statistically significant, $p < .001$	

Results: Logistic Regression Separately by Institution Type

	Odds Ratio		
	2-Year Public	4-Year Private	4-Year Public
Demographic characteristics and control variables			
GPA \geq 3.0		0.556	
Institutional variables			
Live in residence hall		0.521	0.396
Economic variables			
Current employment is a primary funding source	1.949		2.175
Work on campus > 20 hours per week			2.625
Work off campus > 20 hours per week		2.608	3.397
Attitude, behavior, personality			
I feel stressed about my personal finances in general	2.731	1.926	2.007
I have enough money to participate in most of the same activities as my peers	0.497	0.557	0.475
I regularly spend more money than I have by using credit or borrowing	2.000		
All coefficients statistically significant, $p < .001$			

Discussion



**How can we better understand financing strategies used by our students?
How can this information inform our interventions to promote academic success and degree completion?**

Moving Forward

2016-2017

~~2014~~ National Student Financial Wellness Study



ARE YOU INTERESTED IN YOUR STUDENTS'

- financial behaviors and knowledge?
- finance-related stress?
- experiences with credit cards, student loans and debt?
- and how these affect their academic success and expectations?

These are just a few topics that the **National Student Financial Wellness Study (NSFWS)** will cover through an online survey of undergraduates from up to **100 colleges and universities**.

HOW AND WHEN?

The NSFWS launches **Fall 2014**. The deadline to register to participate is **September 1, 2014**.



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Thank you!

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