



# Family Office Association Newsletter

## **U.S. Colleges and the Economy**

by Shannon Duff, Founder of Collegiate Compass LLC

# U.S. Colleges and the Eco

Amidst the global economic crisis, preparing today's students for the future--and the new realities of business and life--is more important than ever. The hallmarks of the U.S. system of higher education, innovation and creative problem solving, are critical to students' futures. Colleges and universities, despite budget strains resulting from declining endowments and increased demand for financial aid, must persevere, further develop, and adapt programs to educate students in the innovative ways that our complex world demands. It is crucial for today's students to gain global and cultural perspective both in the classrooms of their college and by studying abroad. Additionally, trends and statements by various universities suggest that interdisciplinary programs as well as science and engineering programs will be areas of focus in the years to come for both administrations and students alike.

The troubled global economy is having numerous effects on universities. First, changes in the number of applicants to various colleges and universities are likely to represent the beginning of several trends. At private colleges which do not pledge to meet 100% of families' demonstrated financial need, where admissions departments may consider candidates' ability to pay tuition in decision-making, applicant pools are in many cases, leveling off or declining; these declines come after a period of significant growth in applicant pools at

at both private and public colleges, stemming from demographic and educational trends over the past decade. For instance, at Bucknell and Middlebury, applications for the Class of 2013 (08-09 admissions cycle) were down approximately 5% and 12%, respectively. On the other hand, the number of applicants at many of the most competitive colleges, including Stanford, Yale, Duke, and Brown, continues to rise; these schools all posted record-high applicant pools and substantial year over year applicant pool growth in the 08-09 admissions cycle. While the magnitude of some of these increases is noteworthy (the number of applications at Stanford was up 20% this year), it is not surprising that today's students want to compete for spots at schools that offer not only the best academics, but also the largest endowments, and the benefits that come from these resources. Clearly, though, the competition is not lessening--and continues to become more global--for the most coveted undergraduate spots.

Additionally, admissions officers at many colleges are acknowledging that their yields (percentage of admitted students who enroll) for the class entering Fall 2009--and likely for several years to come--will be uncertain, as there will be increased scrutiny and comparison of financial packages. This means that waitlists will become more important for the colleges; there is expected to be substantial waitlist activity this year, and in years to



come as families continue to re-assess their financial situations. Finally, the top state schools are likely to be hot spots in the years to come, as even out-of-state tuition at a public college averages around \$15,000 per year cheaper than tuition at a private college. Expect UVA, the University of Michigan, UNC, Penn State, William and Mary, the University of Texas, the University of Wisconsin and the ever-popular University of California system to attract increasing numbers of applicants and to produce high admissions yields this year and for years to come.

In recent years, many colleges and universities have been investing significant resources into creating and strengthening interdisciplinary majors, science departments, and engineering programs. These priorities will be increasingly significant in the years to come as they help students to develop the skills that they need to succeed as global citizens. Our country and world depend on these academic communities and programs to promote the innovative thinking necessary to solve current problems and to advance mankind. Interdisciplinary programs are very helpful in encouraging students to apply learning in one subject area to another subject area; the act of applying what one has learned reinforces and furthers that learning. A frequent criticism of today's generation of high school and college students is that they can memorize and learn information for tests, but that they aren't fully

assimilating that learning so that they can apply it in creative ways to other areas of study, and later on in their lives. Interdisciplinary learning encourages students to draw parallels, as well as to see the different ways in which topics are interconnected. A common interdisciplinary program at many schools combines politics and economics; Yale has a major titled "Ethics, Politics, and Economics," while Williams College offers a "Political Economy" major. The major is popular at each school, combining subjects that truly are hard to separate, and is just one example of the many cross-disciplinary programs that inspire truly innovative thinking.

Next, science and engineering programs have been highlighted throughout the current economic crisis as an area on which U.S. universities must focus in order to continue the rapid rate of innovation and technological development that has helped increase the prosperity of our society for the past two decades. In turn, this technology helps to create jobs, which are desperately needed today. Many colleges planned various development projects related to science and engineering as their endowments were growing rapidly several years ago. Hopefully, these institutions will meet the challenge of continuing to support these programs in spite of declining endowments and new budgetary constraints by making them the priority that they should be.

These changing dynamics of the higher



education landscape will impact students, families, and our society as a whole. U.S. colleges have long been the model for higher education around the world, attracting the best and the brightest to America; these institutions' choices amidst a time of uncertainty—hopefully, continued commitment to educating and inspiring innovative thought—will play an important role in shaping America's and the world's future.

## College Planning Corner with COLLEGIATE COMPASS LLC

### APRIL TIPS FOR COLLEGE PLANNING:

Here are some timely tips for your student!

#### **Freshmen:**

*Your summer plan:* It's a great summer to try something new that you're interested in...if you just started playing squash this year, maybe checking out a great squash camp at a college is something you'd like?

*Planning next year's course schedule:* Perhaps you took two honors classes last year that went well – consider adding a third to your schedule for next year.

*Testing:* Talk with your teacher(s) and advisor about whether you should take an SAT Subject Test in June (Biology is the test that many freshmen take in June if they've taken the course throughout the year).

#### **Sophomores:**

*Your summer plan:* It's a good idea to dig into one of your academic or extracurricular interests this summer through some type of a summer program. Also, either this summer or next (or both) you should get a job, whether you need the money or not. Colleges value the skills learned through work experience.

*Planning next year's course schedule:* If you haven't already taken an AP course, junior year is a good time to think about trying one if you and your teacher feel you are prepared; you want to be challenging yourself increasingly throughout high school.

*Testing:* Talk with your teacher(s) and advisor about whether you should take an SAT Subject Test in June (Chemistry is the test that many sophomores take in June if they've taken the course throughout the year).

#### **Juniors:**

*Your summer plan:* If you haven't spent much time on a college campus yet, think about finding a summer program at a college in a subject or activity in which you are interested. Also, if you haven't had a job yet, this is the summer to do it. Colleges value the skills learned through work experience.

*Planning next year's course schedule:* No senior slacking! Colleges will look carefully at your senior year schedule; keep up your momentum of honors and AP classes.



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*Testing:* It is very important to develop a plan for standardized testing for the spring of your junior year; including the SAT, ACT (it can be a good idea to try the ACT as well), and Subject Tests (if required by the colleges where you're planning to apply).

*Seniors:* The work is behind you now, and decision letters will soon arrive! Now is a good time to gather your notes from different college visits and organize them so you have them handy as you're thinking through your options. You should also clear your schedule for April weekends as you'll likely want to go back to visit several colleges where you've been accepted. Make a chart of the different pros and cons of the colleges among which you're choosing to help you weigh your options.

--Shannon Duff  
Founder

**As we work with students at Collegiate Compass, we strive to bring out the best in them, helping them to identify and to make the most of their talents. We encourage students to consider activities that foster creativity and innovation as we help them to plan. The changing dynamics of the higher education and admissions landscape have meaning for every student; our strength is in combining this knowledge and parents' perspective with our years of experience in advising and inspiring students. **Above all, we strive to bring self-discovery, planning, and strategy to students amidst the college planning, search, and admissions processes, making them exciting and affirming experiences.****

## **FOA Newsletter Guest Columnist**



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